



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Eric J. Holcomb
Governor

December 2, 2019

VIA ELECTRONIC MAIL ONLY

Email: kasperm@energyandpolicy.org

Matt Kasper
Energy and Policy Institute
PO BOX 577764
Chicago, IL 60657

Re: Public Records Request 19-19

Dear Mr. Kasper:

The Office of Governor Eric J. Holcomb (Governor's Office) received your request for the following:

- 1. All communication of Governor Eric Holcomb, Chief of Staff Earl Goode, Deputy Chief of Staff Cris Johnston, Deputy Chief of Staff Allison Karns, Debbie Hohlt, specifically pertaining to the Northern Indiana Public Service Company rate case and integrated resource plan, and Senate Bill 472. Search terms that can be used in this request are limited to "Vectren", "CenterPoint", "NiSource", "NIPSCO", "Wheatfield", "Michigan City", "Schahfer", "Chancellor", "Hallaway", "White Stallion", "hhqventures", "IURC", "Utility Regulatory Commission", "coal", "eop.gov", "Soliday".*
- 2. Phone logs of Governor Eric Holcomb between March 25, 2019 and April 15, 2019.*
- 3. Calendars of Governor Eric Holcomb, Chief of Staff Earl Goode, Deputy Chief of Staff Cris Johnston, Deputy Chief of Staff Allison Karns, Debbie Hohlt for March 2019 and April 2019.*

Three days later, you revised your request by providing the following:

I'd also like to narrow Part 1 of my request. The timeframe can be limited to March 1, 2019, through the processing date of the request. Thanks.

Please find responsive records for parts 1 and 2 of your request. Please note that the search for records related to part 1, per your clarification, included a search for records through November, the final date of processing of your request.

Regarding item 3, we are withholding production of these record pursuant to Indiana law. Specifically, IC 5-14-3-4(b)(7) permits an agency to withhold diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal. The calendars of Governor Holcomb, Chief of Staff Earl Goode, and Deputy Chief of Staff Cris Johnston fall under this exception. *See Op. of the Public Access Counselor 05-FC-152* (upholding denial of Purdue University President's calendar in its entirety). In addition, Allison Karns was not an employee of the Governor's Office during the requested time frame and Debbie Hohlt is a contractor and this office therefore does not have access to her calendar.

Further, some records have been redacted and/or withheld from disclosure and are not being produced in this response, in accordance with, and as permitted by, the laws of the State of Indiana, as follows: Indiana Code section 5-14-3-4(b)(6), *records that are advisory or deliberative material*.

The person responsible for the denial and/or withholding of records is Mr. Joseph R. Heerens, General Counsel.

In light of the above, we have completed our response to your public records requests and are closing our file as to those requests at this time.

Sincerely,

/s/ Cynthia Carrasco

Cynthia Carrasco
Deputy General Counsel
Office of Governor Eric J. Holcomb

Start date	Duration	Extension Used	Inventory ID	Dialed/CLI number	Call destination	Call direction	Call type	Special Code	Voice mail	Hunt group/DNIS	Disconnected by
3/25/2019 09:25:58 AM	00:05:07	1317232[REDACTED]	1317232[REDACTED]	+1-317-666-0152	FAIRLAND, IN	INCOMING	Incoming		No	+17002004269	Originating
3/27/2019 05:22:20 PM	00:00:13	1317232[REDACTED]	1317232[REDACTED]	+1-402-954-3251	DAVID CITY, NE	INCOMING	Incoming		No		Destination
4/1/2019 04:34:55 PM	00:02:00	13179919341	1317232[REDACTED]	+1-317-727-5587	INDIANAPLS, IN	INCOMING	Incoming	ANI:+1317727 5587	Yes		Originating
4/1/2019 04:42:09 PM	00:01:32	13179919341	1317232[REDACTED]	+1-317-255-0515	INDIANAPLS, IN	INCOMING	Incoming	ANI:+1317255 0515	Yes		Originating
4/2/2019 03:33:28 PM	00:03:47	1317232[REDACTED]	1317232[REDACTED]	+1-765-662-1364	MARION, IN	INCOMING	Incoming		No		Originating
4/2/2019 03:37:13 PM	00:00:02	1317232[REDACTED]	1317232[REDACTED]	+1-317-232-7469	INDIANAPLS, IN	OUTGOING	National		No		Originating
4/2/2019 03:37:15 PM	00:01:48		1317232[REDACTED]	+1-317-232-7469	INDIANAPLS, IN	TANDEM	National	ANI: +1765662136	No		Originating
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4/3/2019 10:26:54 AM	00:00:08	1317232[REDACTED]	1317232[REDACTED]	+1-765-819-1697	BOSWELL, IN	INCOMING	Incoming		No		Originating
4/9/2019 09:08:41 AM	00:00:13	1317232[REDACTED]	1317232[REDACTED]	+1-707-209-2271	CA	INCOMING	Incoming		No		Destination
4/10/2019 10:15:57 AM	00:00:15	1317232[REDACTED]	1317232[REDACTED]	+1-317-974-0683	INDIANAPLS, IN	INCOMING	Incoming		No		Destination
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4/11/2019 04:39:59 PM	00:00:46	13179919341	1317232[REDACTED]	+1-317-650-9873	INDIANAPLS, IN	INCOMING	Incoming	ANI:+1317650 9873	Yes		Originating
4/12/2019 10:33:23 AM	00:00:46	1317232[REDACTED]	1317232[REDACTED]	+1-317-888-3399	GREENWOOD, IN	INCOMING	Incoming		No		Originating
4/12/2019 01:14:16 PM	00:00:10	13179919341	1317232[REDACTED]	+1-219-308-3967	CROWNPOINT, IN	INCOMING	Incoming	ANI:+1219308 3967	Yes		Originating

Transfer ID	Destination ID
6^1068847	SEP0059DC5A80B
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	SEP0059DC5A80B
	A(2)
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	A(2)
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	SEP0059DC5A80B
	A(2)
	SIP_soicxn(5)
	SEP0059DC5A80B
	A(2)
	SIP_soicxn(5)

From: [Hammond, John](#)
To: [Goode, Earl](#)
Subject: article re: Schahfer station
Date: Thursday, April 11, 2019 4:26:43 PM

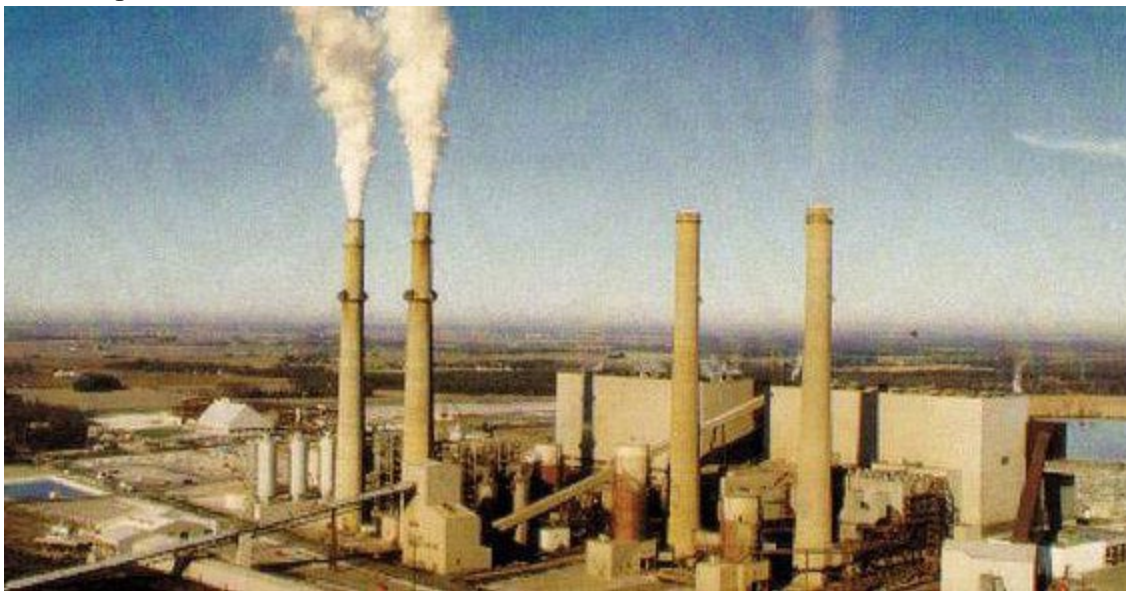
Earl:

You have probably read this before but here is a good September 2018 article from the Rensselaer newspaper that discusses NIPSCO closure of Schahfer stations.

John

Breaking: NIPSCO may close all four Schahfer stations

- By Nick Fiala reporter@rensselaerrepublican.com
[Nick Fiala](#)
- Sep 19, 2018



File photo

NIPSCO's Schahfer Generating Station in Wheatfield as it appeared in 2011.

The Northern Indiana Publicity Service Company (NIPSCO) issued a press release on Wednesday, Sept. 19, disclosing tentative plans to close all four of its generating stations at the Schahfer Plant in Wheatfield by 2023, and not just the two originally planned.

Jasper County Assessor Dawn Hoffman notably approached the County Commissioners several weeks ago with an important warning about the NIPSCO plant, when just two stations were scheduled to be shut down. Those two alone were set to cause a potential, massive tax increase after 2023, exceeding the state's tax cap limit.

The county was originally forecast to receive a tax increase of as much as nine percent if only two of the generating stations closed. The potential closure of the other two now doubles this concern.

NIPSCO's Plans

Representatives from NIPSCO recently held a meeting on Wednesday to discuss its potential

plans with other groups. Described as a "20-year planning meeting," it took place in the vicinity of Fair Oaks Farms.

"While not yet final, NIPSCO outlined the option for its electric generation strategy at a public meeting with customers, consumers, representatives, environmental organizations and other stakeholders taking part in the company's Integrated Resource Planning process," the company stated on Wednesday.

NIPSCO also stated that "the company has been — and will continue — working with stakeholders and regulators to solicit further input to aid in formulating its final plan, which the company plans to submit to the Indiana Regulatory Commission by [Monday] Nov. 1, 2018."

NIPSCO President Violet Sistovaris stated that the planning process will create "a vision for the future that is better for our customers and it's consistent with our goal to transition to the best cost, cleanest electric supply mix available while maintaining reliability, diversity and flexibility for technology and market changes."

The company's timeline currently shows "the expected retirement of its R.M. Schahfer Generating Station (Units 14, 15, 17 and 18) located in Wheatfield, Ind. no later than 2023."

The company further stated that its Michigan City Generating Station is also expected to close by 2028.

NIPSCO stated the closure means that approximately 1,800 megawatts of coal-fired generation will be retired, which the company said is meant to "significantly accelerate carbon reduction across the NIPSCO footprint and will result in further reductions, both in timing and magnitude, beyond previously announced targets."

Nick Meyer, NIPSCO's Director of External Communications, stated that the company will be relying on other sources, such as solar power and/or wind power to help make up for the tentative retirement of the stations, along with reserve battery power.

NIPSCO stated that more information about its electric supply strategies and the IRP process can be found at NIPSCO.com/IRP.

Environmental concerns

The company's decisions to retire the generating stations are apparently tied to pressure from environmental protection groups.

The Sierra Club, which has described itself as "America's largest and most influential grassroots environmental organization, with more than 3 million members and supporters," was in contact with those present during Wednesday's meeting. The club recently stated that NIPSCO's presentations during the meeting constituted "a plan to retire its last remaining coal-burning power plants within 10 years and replace them with renewable energy in Northwest Indiana."

The club further stated that community members shared a video montage that depicted "NIPSCO customer concerns which still must be addressed in the company's transition plan." "NIPSCO revealed that, based on their modeling, the most-viable option for serving electric customers would be to retire the Schahfer Super Polluter coal-burning power plant by 2023 and the Michigan City coal plant in 2028, noting that it is less expensive than keeping those plants running -- saving customers \$4.3 billion over running those plants through 2035," the club stated.

Steve Francis, Chairperson of the Energy Committee for the Sierra Club's Hoosier Chapter, called the move "an unprecedented commitment in Indiana to a forward-looking plan that benefits ratepayers, reduces carbon emissions, and improves the long term health of the region."

"In recognizing the need to address pollution concerns in the next decade, we will continue to engage thoroughly in this process," he said.

According to the club, NIPSCO's modeling also showed that "renewable energy and energy

efficiency are the best option to replace fossil fuels in all their retirement scenarios ... NIPSCO officials indicated they also plan to keep their existing gas power plant in West Terre Haute for at least 20 years."

"NIPSCO's announcement to retire coal is an important first step towards environmental justice; however, we must ensure NIPSCO meets all the demands of the communities they serve, and are not making profit a priority over the people," said La'Tonya Troutman, local volunteer for the Sierra Club's Northwest Indiana Beyond Coal Campaign.

The Beyond Coal Campaign has notably been holding community conversations on the topic as recently as last weekend, north of Jasper County.

Troutman added that, "while the modeling presentation shows us NIPSCO's viable plan, they must also work on steps needed to aid communities impacted by years of degradation."

The campaign's full demands for NIPSCO include the following:

1. Create a process that is participatory, inclusive and justice-driven while implementing their plan.
2. Prepare a cleanup and recovery plan for communities that establishes a course for the safe, steadfast and equitable decommissioning of NIPSCO's coal ash ponds as well as reclamation of coal plant and lakefront property for other uses as determined by the community.
3. Prepare a just transition for the impacted workers that includes comprehensive job training opportunities in renewable energy and energy efficiency technologies.

Troutman concluded by stating, "We will continue to advocate for communities all around the region who have expressed serious concerns with NIPSCO's two coal-burning power plants.

We will work to ensure that NIPSCO will do the hard work of planning these retirements in a way that listens to public concerns, helps transition workers, and cleans up and restores communities negatively impacted by their historic pollution."

The county's response

After Wednesday's meeting, Stephen Eastridge, Executive Director of the Jasper County Economic Development Organization, stated that the organization had spoken with NIPSCO about the decision.

"This decision was a part of [NIPSCO's] regular electric supply planning process - referred to as the Integrated Resource Plan (IRP)- which, has determined that the most cost-effective and feasible option for NIPSCO customers is to accelerate the retirement of coal-fired generation in the next five years," the JCEDO stated. "... This unfortunate development in the future of the R.M Schahfer Generating Station in Jasper County is a blow to our communities and tax payers; however, NIPSCO has determined that the most viable option moving forward is renewable energy systems."

The organization said it is now attempting to determine what the best path forward is for county investment, noting that "we are fortunate to have renewables in the pipeline - both prospective solar and wind developments."

"We have had the pleasure of working with NIPSCO and their team over the lifetime of the Schahfer Generating Station and are grateful for their many contributions to our community" Eastridge said. "We are disappointed in this news, but understand that the power generating industry is moving towards renewable energy alternatives."

Anyone seeking more information from the JCEDO is encouraged to call (219) 866-3080, or send a fax to (219) 866-3010.

The Rensselaer Republican will have more information as this story develops.

From: [Gilson, Katie](#)
To: [Goode, Earl](#)
Subject: FW: INDIEC meeting re: SB 472
Date: Tuesday, April 9, 2019 9:52:39 AM

Earl,

I have this meeting scheduled for 1:15 this afternoon.

Thanks,
Katie

From: Miriam Dant [mailto:miriam.dant@dantadvocacy.com]
Sent: Tuesday, April 9, 2019 9:42 AM
To: Gilson, Katie <KGilson@gov.IN.gov>
Subject: Re: INDIEC meeting re: SB 472

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Katie, how about 1:15? It will be me, Joe Rompala and I think also Jason Wetzel from GM. If that changes, I'll let you know. Thanks,
Miriam

On Apr 9, 2019, at 8:42 AM, Gilson, Katie <KGilson@gov.in.gov> wrote:

Good morning,

Earl would be happy to meet sometime after 1:00 p.m. Please let me know what time would work well for you.

Thank you,

Katie

Katie Gilson

Executive Assistant to Chief of Staff
Office of Governor Eric Holcomb | State of Indiana
State House, Room 206
200 W. Washington St.
Indianapolis, Indiana 46204
Office: (317) 232-2923 | Cell: (317) 954-8755 | Fax: (317) 233-3378
kgilson@gov.in.gov

From: Miriam Dant [<mailto:miriam.dant@dantadvocacy.com>]
Sent: Tuesday, April 9, 2019 7:42 AM
To: Goode, Earl <EGoode@gov.IN.gov>

Subject: INDIEC meeting re: SB 472

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Good morning Earl,

My client, INDIEC (Indiana Industrial Energy Consumers) has asked me to see if we could meet with you to share our concerns about the IURC moratorium in SB 472. Along with the IEA, CAC, and others, INDIEC has concerns about the moratorium's impact on pending and future IURC matters, and we would appreciate getting on your schedule to discuss INDIEC's concerns in more detail.

Thanks very much,
Miriam

Miriam Smulevitz Dant
Dant Advocacy
54 Monument Circle, Suite 300
Indianapolis, IN 46204
Office: (317) 450-6182
Cell: (317) 697-6307
miriam.dant@dantadvocacy.com
<http://www.dantadvocacy.com>

From: [Eric Holcomb](#)
To: [Goode, Earl](#); [Hammond, John](#)
Subject: Fwd: Indiana - Moratorium
Date: Monday, April 8, 2019 5:54:34 PM
Attachments: [Jordan Creek Fact Sheet Feb2019.pdf](#)
[SB 472 - amendment 4-8-19.docx](#)

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Begin forwarded message:

From: Phil Musser <[phil.musser@\[REDACTED\]](mailto:phil.musser@[REDACTED])>
Date: April 8, 2019 at 4:14:12 PM EDT
To: Eric Holcomb <[eric.j.holcomb@\[REDACTED\]](mailto:eric.j.holcomb@[REDACTED])>
Subject: Fwd: FW: Indiana - Moratorium

Gov Eric - good to chat yest. Outlined below is the economic impact and footprint of the three projects. We are a pretty new company to the state and you can see the size we are playing at. Our team is talking to John Hammond in your office and also meeting with Rep. Solidly tomorrow as well.

I attached some info and also the proposed legislative fix that would solve the Unintended (I think) consequences.

I'll touch base on weds as discussed.

Many thanks for guidance and consideration.

Phil

Here is our investment pipeline in Indiana:

Bluff Point wind \$200 MM (already in service)

Jordan Creek wind: \$530 MM in 2020

Jasper County wind: \$530 MM planned for 2021

I have attached a fact sheet for the Jordan Creek project that we have a contract with NIPSCO that is pending before the Indiana Utility Regulatory Commission (IURC) for approval.

Attached is language that would work for us to amend the bill. This is an update from what I sent to Phil yesterday based on some additional input from our outside legal team today.

The wind industry is meeting with Rep. Soliday tomorrow morning.

Jordan Creek Wind Energy Center



Overview

- » Located in Benton and Warren counties in Indiana
- » Developed, permitted and constructed by a subsidiary of NextEra Energy Resources, LLC
- » Expected maximum capacity of 400 megawatts produced by approximately 160 GE turbines
- » Each turbine will be 89 meters tall from the ground to the hub in the center of the blades
- » Commercial operation is currently targeted for November 2020

Benefits

- » Provides employment opportunities
- » Adds tax base to the counties
- » Delivers landowner payments
- » Creates no air or water pollution
- » Uses no water in power generation
- » Allows land to remain in agricultural use
- » Supports economy through purchases of regional goods and services

Projected Local Economic Impact

Construction Jobs:	Approx. 300
Full-Time Operations Jobs:	8 - 10
Capital Cost:	Approx. \$530 Million*
Property Taxes:	Approx. \$122 Million*
Landowner Payments:	More than \$90 Million*

*Estimated over first 35 years of the project. All figures are estimated and subject to change.

About NextEra Energy Resources, LLC

- » We are a subsidiary of NextEra Energy, Inc., a leading renewable energy developer in North America.
- » We are the world's largest generator of renewable energy from the wind and the sun.
- » We operate more than 120 wind projects in 21 states and Canada with more than 14,000 megawatts of generation from more than 9,500 wind turbines.
- » Approximately 99 percent of our electricity comes from clean or renewable sources.

CR047202

Adopted	Rejected
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COMMITTEE REPORT

YES:	8
NO:	4

MR. SPEAKER:

Your Committee on **Utilities, Energy and Telecommunications** *, to which was referred*
Senate Bill 472, has had the same under consideration and begs leave to report the same
back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 2-5-45 IS ADDED TO THE INDIANA CODE AS
- 4 A **NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON**
- 5 **PASSAGE]:**
- 6 **Chapter 45. 21st Century Energy Policy Development Task**
- 7 **Force**
- 8 **Sec. 1. As used in this chapter, "task force" refers to the 21st**
- 9 **century energy policy development task force established by**
- 10 **section 2 of this chapter.**
- 11 **Sec. 2. The 21st century energy policy development task force is**
- 12 **established.**
- 13 **Sec. 3. The task force consists of the following fifteen (15)**
- 14 **members:**
- 15 **(1) Four (4) members of the senate, appointed as follows:**

1 (A) Two (2) members appointed by the president pro
 2 tempore, one (1) of whom shall serve as co-chair of the task
 3 force.

4 (B) Two (2) members appointed by the minority leader.
 5 (2) Four (4) members of the house of representatives,
 6 appointed as follows:

7 (A) Two (2) members appointed by the speaker, one (1) of
 8 whom shall serve as co-chair of the task force.

9 (B) Two (2) members appointed by the minority leader.
 10 (3) One (1) member who has broad experience in electric
 11 utility policy and who is appointed by the legislative council
 12 to represent residential ratepayers.

13 (4) One (1) member who has broad experience in electric
 14 utility policy and who is appointed by the legislative council
 15 to represent commercial ratepayers.

16 (5) One (1) member who has broad experience in electric
 17 utility policy and who is appointed by the legislative council
 18 to represent industrial ratepayers.

19 (6) One (1) member who has expertise with respect to the
 20 generation, transmission, and distribution of electricity and
 21 who is appointed by the legislative council.

22 (7) One (1) member who has expertise in advanced energy
 23 research and development and who is appointed by the
 24 governor.

25 (8) One (1) member who has expertise in renewable energy
 26 technology and deployment and who is appointed by the
 27 governor.

28 (9) One (1) member who has broad experience in both
 29 economic development and energy policy and who is
 30 appointed by the governor.

31 Sec. 4. (a) Eight (8) members of the task force constitute a
 32 quorum.

33 (b) The affirmative vote of at least a majority of the members at
 34 a meeting at which a quorum is present is necessary for the task
 35 force to take official action other than to meet and take testimony.

36 (c) The task force shall meet at the call of the co-chairs.

37 Sec. 5. All meetings of the task force shall be open to the public
 38 in accordance with and subject to IC 5-14-1.5. All records of the

task force shall be subject to the requirements of IC 5-14-3.

Sec. 6. The task force shall do the following:

- (1) Examine the state's existing policies regulating electric generation portfolios.
- (2) Examine how possible shifts in electric generation portfolios may impact the reliability, system resilience, and affordability of electric utility service.
- (3) Evaluate whether state regulators have the appropriate authority and statutory flexibility to consider the statewide impact of the changes described in subdivision (2), while still protecting ratepayer interests.

Sec. 7. The task force shall develop recommendations for the general assembly and the governor concerning the following:

- (1) Outcomes that must be achieved in order to overcome any identified challenges concerning Indiana's electric generation portfolios, along with a timeline for achieving those outcomes.
- (2) Whether existing state policy and statutes enable state regulators to properly consider the statewide impact of changing electric generation portfolios and, if not, the best approaches to enable state regulators to consider those impacts.
- (3) How to maintain reliable, resilient, and affordable electric service for all electric utility consumers, while encouraging the adoption and deployment of advanced energy technologies.

Sec. 8. The task force shall:

- (1) issue a report setting forth the recommendations required by section 7 of this chapter; and
- (2) not later than December 1, 2020, submit the report to the following:
 - (A) The executive director of the legislative services agency for distribution to the members of the general assembly. The report submitted to the executive director of the legislative services agency under this clause must be in an electronic format under IC 5-14-6.
 - (B) The governor.
 - (C) The chair of the Indiana utility regulatory commission.
 - (D) The utility consumer counselor.

1 **Sec. 9. The legislative services agency shall provide staff support**
 2 **to the task force.**

3 **Sec. 10. This chapter expires December 2, 2020."**

4 Page 3, between lines 3 and 4, begin a new paragraph and insert:

5 "SECTION 3. IC 8-1-8.5-3.1 IS ADDED TO THE INDIANA CODE
 6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: **Sec. 3.1. (a) As used in this section, "electric**
 8 **utility" means a:**

9 **(1) public, municipally owned, or cooperatively owned utility;**

10 **or**

11 **(2) joint agency created under IC 8-1-2.2;**

12 **that owns, operates, or manages any electric generation facility in**
 13 **Indiana for the provision of electric utility service to Indiana**
 14 **customers.**

15 **(b) Before July 1, 2020, the commission shall conduct a**
 16 **comprehensive study of the statewide impacts, both in the near**
 17 **term and on a long term basis, of:**

18 **(1) transitions in the fuel sources and other resources used to**
 19 **generate electricity by electric utilities; and**

20 **(2) new and emerging technologies for the generation of**
 21 **electricity, including the potential impact of such technologies**
 22 **on local grids or distribution infrastructure;**

23 **on electric generation capacity, system reliability, system**
 24 **resilience, and the cost of electric utility service for consumers. In**
 25 **conducting the study required by this subsection, the commission**
 26 **shall consider the likely timelines for the transitions in fuel sources**
 27 **and other resources described in subdivision (1) and for the**
 28 **implementation of new and emerging technologies described in**
 29 **subdivision (2).**

30 **(c) During the 2019 legislative interim, the commission shall**
 31 **provide a progress report on the commission's work in conducting**
 32 **the study required by subsection (b) to the interim study committee**
 33 **on energy, utilities, and telecommunications established by**
 34 **IC 2-5-1.3-4(8).**

35 **(d) Not later than July 1, 2020, the commission shall issue to:**

36 **(1) the governor;**

37 **(2) the legislative council; and**

38 **(3) the 21st century energy policy development task force**

1 established by IC 2-5-45-2;
 2 a final report containing the commission's findings and
 3 recommendations on the topics outlined in subsection (b). The
 4 report to the legislative council under this subsection must be in an
 5 electronic format under IC 5-14-6.

6 (e) Subject to subsections (f) through (i), after April 30, 2019,
 7 and before January 1, 2021, the commission may not issue a final
 8 order in any matter or proceeding that:

9 (1) requests approval of:

10 (A) a certificate of public convenience and necessity; or

11 (B) a purchased power agreement;

12 (2) the commission determines would have a ~~an~~ negative impact on the
 13 generation capacity, system reliability, or system resilience of
 14 electric utility service on a statewide basis, whether in the
 15 near term or on a long term basis; and

16 (3) is:

17 (A) pending as of; or

18 (B) filed on or after;

19 May 1, 2019.

20 This subsection does not apply to a general rate case or to an
 21 electric utility's request for the approval of a retail rate adjustment
 22 mechanism.

23 (f) Except as provided in subsection (g), subsection (e) does not
 24 apply in any individual matter or proceeding concerning a
 25 proposed:

26 (1) electric generation facility;

27 (2) change in fuel source or other resource used to generate
 28 electricity; or

29 (3) purchased power agreement;

30 involving less than five hundred (500) megawatts of
 31 generating capacity.

32 (4) electric generation facility that has received a declination of jurisdiction
 order from the commission pursuant to I.C. 8-1-2.5-5 prior to May 1, 2019.

33 (5) purchased power agreement that is: (i) consistent with an electric utility's
 Integrated Resource Plan submitted to the commission prior to May 1, 2019; and (ii)
 entered into pursuant to an RFP bidding process conducted prior to May 1, 2019.

34 (g) Subject to subsections (h) and (i), after April 30, 2019, and
 35 before January 1, 2021, the commission may not issue a final order
 36 in any individual matter or proceeding concerning a proposed:

37 (1) electric generation facility;

38 **(2) change in fuel source or other resource used to generate**
39 **electricity; or**
40 **(3) purchased power agreement;**

1 regardless of the number of megawatts of generating capacity
 2 involved in the individual matter or proceeding, once the total
 3 number of megawatts of generating capacity approved by the
 4 commission after April 30, 2019, and before January 1, 2021, in all
 5 matters or proceedings described in subdivisions (1) through (3)
 6 exceeds ten thousand (10,000) megawatts on a statewide basis.

7 (h) If the commission determines under subsection (e) or (g) that
 8 a final order may not be issued in a particular matter or
 9 proceeding, the commission may, in an expedited proceeding not
 10 to exceed ninety (90) days, grant relief from the commission's
 11 determination and issue a final emergency order in the particular
 12 matter if the following conditions are met:

13 (1) The electric utility involved in the matter or proceeding
 14 files with the commission a petition seeking emergency relief
 15 from the commission's determination.

16 (2) The commission determines after:

17 (A) conducting a public hearing on the necessity for the
 18 relief sought by the electric utility; and

19 (B) receiving public testimony from the appropriate
 20 regional transmission organizations;

21 that an emergency exists, or that delaying or denying the
 22 issuance of an order in the matter would **cause adverse impacts**
 23 **to ratepayers or** present significant adverse risks to the statewide or regional
 electric generation capacity, system reliability, or system resilience.

24 (i) Subsections (e) and (g) do not prohibit any of the following
 25 after April 30, 2019, and before January 1, 2021:

26 (1) An electric utility from filing a petition for approval of:

27 (A) a certificate of public convenience and necessity; or

28 (B) a purchased power agreement.

29 (2) The commission, electric utilities, parties, or intervenors
 30 from conducting any procedural matters preceding a final
 31 order in a pending proceeding, including establishing
 32 procedural schedules, filing testimony and exhibits, holding
 33 hearings, conducting conferences, and taking such other
 34 actions necessary for the commission's final determination in
 35 the matter.

36 (3) The commission from issuing a final order denying all or
 37 part of an electric utility's petition for approval of:

- 1 **(A) a certificate of public convenience and necessity; or**
 - 2 **(B) a purchased power agreement;**
 - 3 **if the denial of all or part of the petition would not have an**
 - 4 **impact on the generation capacity, system reliability, or**
 - 5 **system resilience of electric utility service on a statewide basis.**
 - 6 **(j) This section expires January 2, 2021."**
 - 7 Delete pages 13 through 14.
 - 8 Page 15, delete lines 1 through 41.
 - 9 Renumber all SECTIONS consecutively.
- (Reference is to SB 472 as printed February 15, 2019.)

and when so amended that said bill do pass.

Representative Soliday

CR047202/DI 101

2019

Ed Soliday



From: [Arango, Courtney](#)
To: [Jankowski, Jane](#); [Hoffmeyer, Rachel](#); [Johnston, Cristopher R](#); [Holwerda, Rebecca](#); [Hammond, John](#); [Creighton, Chris](#)
Subject: IBJ story referenced this morning
Date: Friday, April 5, 2019 9:56:10 AM

Indiana Republicans push for moratorium on new power plants | 2019-04-04 | Indianapolis Business Journal

John Russell
6-7 minutes

In a sudden legislative move that is raising alarms for utilities and environmentalists alike, Indiana Republicans want to put a moratorium on new, large power plants just as several large electrical providers are gearing up to retire aging coal-fired generating units and replace them with renewable energy and natural gas.

The House Utilities Committee passed an amendment along party lines Wednesday that would prohibit state regulators from approving any new power plants, new power contracts or changes in fuel sources until Jan. 1, 2021.

The moratorium would apply to generating capacity larger than 250 megawatts, meaning huge generating plants.

The measure also would require the Indiana Utility Regulatory Commission to conduct a comprehensive study of the transition away from coal to other fuel sources, including their impact on the electrical grid.

Rep. Ed Soliday, the committee's chairman, introduced the amendment, saying the state needs to take a close look at whether a big shift from coal to natural gas and renewables would throw the grid out of balance, make it less reliable or less resilient. He said the moratorium has the support of Gov. Eric Holcomb.

The amendment was attached to an unrelated Senate bill on sewer and water connections. The committee passed the amendment without taking any testimony. It must still go before the full House and the Senate for a vote.

The move comes just a few months after two major utilities announced plans to retire much of their coal-fired generating capacity and shift to cheaper fuel sources, and other utilities are still drawing up plans for how they will generate power. Utilities can sometimes qualify for millions of dollars in tax credits if they switch to cleaner energy.

"We're very concerned about this," said Mark Maassel, president of the Indiana Energy Association, which represents large, investor-owned utilities. "The interruption of the normal flow of things at the utility regulatory commission is problematic for us." He added that his association has expressed its concerns to Soliday.

Northern Indiana Public Service Co., based in Merrillville, wants to retire four of its five remaining coal-fired electricity-burning units within five years and the other within a decade.

The company has said the move will save it \$4 billion over the next 20 years.

NIPSCO said it is still reviewing the legislation, and declined to say whether it would jeopardize its upcoming projects.

"It is too early in the process to comment on the potential impacts of this legislation,"

NIPSCO spokesman Thomas Stevens said in an email on Thursday. "As we have done in the past, we will continue to work with all stakeholders to find electric generation options which

provide the most reliable and affordable electricity for our customers in northern Indiana.” Vectren Corp., based in Evansville, plans to retire three of its four coal-burning generating units by 2024, increase the use of natural gas as a fuel source and build a 50-megawatt solar farm. The company did not return a phone call seeking comment.

Whether the moratorium would affect any current plans by Indiana utilities is unclear. Maassel at the IEA said the measure could “potentially” stall plans that are now before state regulators. The bill contains an exception for emergencies, but does not define what would constitute an emergency.

“All utilities, frankly, are evaluating this amendment to see how it impacts them,” he said. The Office of Utility Consumer Counselor, which represents the interests of Indiana’s electrical customers, declined to comment. “We’re still reviewing the amendment and are not ready to weigh in,” spokesman Anthony Swinger said.

Several environmental and consumer groups blasted the moratorium, saying it could slow down investment in cleaner fuel sources, including wind, solar and natural gas. They also say it would prop up Indiana’s struggling coal industry, just as utilities are on the verge of retiring coal-fired generating units and switching over to other fuels.

“This could dampen utility-scale sustainable energy interest and investment in Indiana,” the Hoosier Environmental Council said in a statement. It also said the amendment was “rammed through with no public testimony.”

Citizens Action Coalition of Indiana, a grassroots consumer group, said the moratorium makes no sense because it flies in the face of a widespread national move toward cheaper, cleaner electricity.

“The only winner here is coal,” said Kerwin Olson, the group’s executive director. “This is absolutely a decision to slow down, if not stop, the planned retirement of multiple coal-fired power plants in Indiana and directly interferes in decisions Indiana utilities have already made to transition away from coal.”

The Indiana Coal Council, an advocacy group for the mining industry, did not have an immediate statement on the moratorium.

The coal industry in Indiana, like much of the nation, has been struggling as electric utilities have been retiring aging coal-burning units and moving to cheaper fuels. In recent months, two major utilities have announced plans to shift hard away from coal.

Indiana has been moving away from coal for years, but the shift has accelerated recently. In 2016, Indianapolis Power & Light Co. converted its Harding Street Station power plant—which used to burn 2 million tons of coal a year—to natural gas. It has also converted its Eagle Valley power plant in Martinsville to natural gas.

In 2010, Indiana had 26 active coal-burning power generating units. By 2016, that number had fallen to 13.

From: [Mantravadi, Adarsh V](#)
To: [Goode, Earl](#)
Subject: IURC Study Requirements
Date: Wednesday, May 1, 2019 12:16:07 PM

IURC's Study:

- Look at the Statewide impacts of:
 - Transitions in fuel sources and resources to generate electricity
 - New and emerging technologies for electricity generation, capacity, system reliability and resiliency, and cost
 - Evaluate the likely timelines for implementing these new and emerging technologies
- Interim progress report must be submitted to the interim study committee on energy, utilities, and telecommunications
- Completed study is due no later than July 1, 2020

Note: The IURC study is due in July 2020, whereas the Taskforce will be issue a report with recommendations in Dec 2020.

Note: The IURC study is focused on evaluating the impacts of the changing energy landscape, but it does not require study to evaluate the regulatory landscape and whether the has the necessary tools to manage impacts from the changing energy environment.

From: [EJH51](#)
To: [Brown, Laura J](#)
Subject: Last one....print this too
Date: Monday, April 8, 2019 1:01:04 PM
Attachments: [Howey 4-7-19.pdf](#)
[ATT00001.txt](#)

April 7, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Sunday, April 7, 2019 11:28 AM

BUTTIGIEG TALKS CAPITALISM, FAITH ON MEET THE PRESS: South Bend Mayor Pete Buttigieg began the week he is expected to formally announce for the Democratic presidential nomination by talking about capitalism and faith on NBC's Meet The Press this morning (*Howey Politics Indiana*). Buttigieg will announce his candidacy in South Bend next Sunday. Host Chuck Todd asked the mayor, "Are you a capitalist?" Buttigieg responded, "Sure. America is a capitalist society, but it's got to be democratic capitalism and that part is really important. It's slipping away from us. When capitalism comes into tension with democracy, which is more important? I believe democracy is more important. When you have capitalism capturing democracy, when you have a regulatory capture where powerful corporations are able to arrange the rules to their benefit, that's not real capitalism. If you want to see what happens with capitalism without democracy, you can see it very clearly in Russia. It turns into crony capitalism and that turns into oligarchy. I know the temptation especially from the committariat is to align everybody as dots on a spectrum. That's not how most voters think. Think of the number of voters mathematically in St. Joseph County, Indiana who must have voted for Obama and Trump and Mike Pence and me. There's a lot more to this than an ideological analysis, especially with the ideology in our country so scrambled, having a president who doesn't even have an ideology, just a style, undertaking a hostile takeover of the Republican Party."

MAYOR PETE ON TRUMP AND GOD: Mayor Buttigieg was asked about President Trump and God, with Vice President Mike Pence and Secretary of State Mike Pompeo saying that "God" wanted him to become president (*Howey Politics Indiana*). Buttigieg responded, "It's something that really frustrates me because the hypocrisy is so unbelievable. Here you have somebody who not only acts in a way not consistent with anything I hear in Scripture and church, where it is about lifting up the least among us and taking care of strangers, which is another word for immigrants, and making sure you're focusing your effort on the poor. But also personally how you're supposed to conduct yourself, not chest-thumping and 'look at me,' but humbling yourself before others. Foot washing is one of the central images in the New Testament and we see the diametric opposite of that in this presidency. There was a process where he began to pretend to be pro life and govern accordingly, which is good enough to bring a number of evangelicals to his side. I can't believe someone who is writing hush money checks to adult film actresses is somebody they should be lifting up."

NISOURCE TO CUT GREENHOUSE EMISSIONS BY 90%: NiSource plans to slash greenhouse gas emissions from electricity generation by 90 percent by 2030, as compared to 2005, as it takes coal-fired plants offline in favor of greener energy sources (Pete, [NWI Times](#)). The Merrillville-based parent company of NIPSCO unveiled new emission reduction targets in its 2018 Integrated Annual Report that it says builds upon "the aggressive environmental targets the company announced in 2016." "NiSource has long been committed to improving the environmental performance of our energy systems and making it more affordable for our customers," NiSource President and CEO Joe Hamrock said. "The updated targets we're highlighting in our 2018 Integrated Annual Report demonstrate our continued progress doing just that. We'll continue to make our business more sustainable for our customers, the communities we serve, our employees and our investors." By 2030, NiSource aims to reduce nitrogen oxide, sulfur dioxide and mercury emissions by 99% as compared to 2005 levels. The utility hopes to reduce water withdrawal by 99%, wastewater discharge by 99% and coal ash generation by 100%. After being pressured by environmental groups like the Sierra Club to reduce its carbon footprint, the company now aims to retire all its coal-fired power plants by 2028. Instead, NIPSCO will generate power with wind, solar and battery storage technology.

SOLIDAY DENIES AMENDMENT AIMED AT 'SAVING COAL': At a time when two of the state's biggest electric utilities are planning to retire a majority of their coal power, a House committee has voted to put a moratorium on such decisions ([IndyStar](#)). The House Utilities committee voted 8-4 on an amendment that would temporarily prevent Indiana regulators from approving large projects that generate electricity for Hoosiers. The new amendment, which was added to Senate Bill 472 on Wednesday without testimony, would prohibit the Indiana Utility Regulatory Commission from approving plans written by electric utilities to change the way they generate electricity. The moratorium would be in effect from April 30 to January 1, 2021. Rep. Ed Soliday, R-Valparaiso, said the amendment was necessary to slow down the rapid changes happening in Indiana's energy markets. It would give a statewide energy task force, formed by another amendment to the same bill, the time to properly study and make recommendations about the state's energy future. "If we don't do something that slows things down we will have a policy dictated by decisions" made by utilities and the IURC, Soliday said at a House Utilities committee meeting this week. Opponents of the measure say it's just another way to keep coal alive in the state, an idea that Soliday vehemently denied in this week's committee meeting. "Neither amendment is a coal amendment," Soliday said on Wednesday. But Kerwin Olson, executive director of the Citizens Action Coalition, said that he finds that hard to believe, as the only parties benefiting from the amendment are coal companies. "This is sort of the Hail Mary, in our opinion, for coal, because the only way that we can keep burning coal is to effectively stop the commission from issuing orders for new generation, which sort of requires the coal plants to stay open," Olson said.

TIPPING POINT REACHED ON COAL: Is the Indiana coal industry heading for the scrap pile? Its biggest traditional customers, electrical utilities, are quickly moving to less-expensive fuel sources—including natural gas, solar and wind—to

power their generating plants. The shift, years in the making, is accelerating and shows no signs of letting up (Russell, [IBJ](#)). Three years ago, Indianapolis Power & Light sent a shudder through the coal industry when it converted its Harding Street Station power plant—which used to burn 2 million tons of coal a year—to natural gas, ending a coal tradition that began when the plant opened in 1931. A few months later, IPL converted the coal-fired units at its Eagle Valley power plant in Martinsville to natural gas. Vectren Corp., based in Evansville, plans to retire three of its four coal-burning generating units by 2024. In their place, Vectren will substantially increase the use of natural gas as a fuel source and build a 50-megawatt solar farm. “We have demonstrated a tipping point where coal is no longer the exclusive solution for southwest Indiana customers and continues to be highly risky due to plant age and environmental regulations,” Mike Roeder, Vectren’s vice president of government affairs, told the Indiana House Utilities Committee last month. And last fall, in the latest bombshell for the coal industry, Merrillville-based Northern Indiana Public Service Co. said it plans to retire four of its five remaining coal-fired electricity-generating units within five years and the other within a decade. The move will save NIPSCO \$4 billion over the next 20 years, the company said. It plans to generate 65 percent of its power from solar, wind and other renewables by 2028, and at least 25 percent from natural gas, as it shifts toward less-costly energy sources. “As utilities look further into the future, where they expect things to trend, that dynamic is not changing,” said Doug Gotham, director of the State Utility Forecasting Group at Purdue University. “On an economic basis, coal has trouble competing.”

HAMILTON ELECTION BOARD TO PROBE CARMEL ALLEGATION: The Hamilton County Election Board plans to look into allegations that Carmel Mayor Jim Brainard’s re-election campaign offered money to his challenger to drop out of the race. But the meeting will be after the May 7 primary election involving both candidates (Quinn, [IBJ](#)). The board has tentatively slated a meeting for May 14 to meet with both campaigns and the two major political parties to hear testimony and determine whether the people involved have evidence supporting the claim. Election board member Ray Alder, a Republican, likened the meeting to a probable cause hearing in a court case. Last week, the Hamilton County Democratic Party called for an investigation into the allegations made by Republican mayoral candidate Fred Glynn that Brainard’s campaign offered him \$140,000 to withdraw from the race. Joe Weingarten, chairman of the county Democratic Party, told [IBJ](#) he filed a request with the election board in order to get to the bottom of the claims, which were originally reported in a March 21 [Current](#) in Carmel article. Glynn told the [Current](#) that the alleged bribe took place during a Feb. 3 meeting involving Glynn’s former campaign manager Dan Hennessey, Brainard consultant Allan Sutherlin and Hamilton County GOP chair Laura Campbell, who is also a Carmel city councilor. Hennessey then reported the bribe to Glynn—who said he turned down the offer—before resigning from his campaign to work with Brainard, the [Current](#) reported. The Brainard campaign said it is not employing Hennessey or paying him directly. Stakeholder International, a consulting firm owned by Sutherlin, hired Hennessey. Sutherlin and Campbell told the [Current](#) there was a bribe offered during the meeting, but it didn’t come from Brainard’s team. Instead, Hennessey asked for the money on Glynn’s behalf, Sutherlin said.

FARMERS TELL PENCE TO PASS USMCA, END TARIFFS: It was anything but a typical day at Lamb Farms in Boone County when the Vice President and a gaggle of media showed up for a visit. “I told the President I was going home to Indiana to listen to farmers,” Vice President Mike Pence told the group of about 50 Hoosier farmers who gathered for the event. True to his word, Pence did more listening than talking during the 90 minute event (Truitt, [Hoosier Ag Today](#)). The message the former Indiana Governor heard was loud and clear: pass USMCA, remove the tariffs, strike a deal with China, and get the farm economy back on track. The listening sessions were emceed by Indiana Farm Bureau President Randy Kron who told HAT Pence got the message, “I think he heard the message that agriculture needs the USMCA. We have got to get this done.” In his closing remarks, the Vice President said the President is committed to getting the deal ratified by Congress this spring, “President Trump has done his job it is time for Congress to do theirs.” Kron said Farm Bureau has made adoption of USMCA by Congress its top legislative priority this spring. Jeff Demerly, from Wolcott, told Pence, “I know of some young farmers who will not be able to start their tractors this spring because they just don’t have the money to farm.” Mike Beard, a corn grower from Clinton County, told HAT that farmers are beginning to lose patience with the lack of progress on trade and continued low crop prices.

YOUNG SAYS USMCA PASSAGE UNCERTAIN : President Trump’s replacement for the North American Free Trade Agreement faces an uncertain path to approval by Congress ([WIBC](#)). Indiana Republican Todd Young says he supports the U.S.-Mexico-Canada Agreement. He says Indiana’s heavy concentration of manufacturing and agriculture makes a trade deal with America’s neighbors critical. And he says the deal improves on NAFTA by covering services as well as goods. But Young says it’s unclear whether Trump’s renegotiated NAFTA has the votes to pass the Democratic House. He says many members have policy disagreements with the deal, and charges some Democrats want to deny Trump a victory. Trump added a complication with a threat to impose tariffs on Mexican auto imports even if the trade deal is approved, unless Mexico makes progress in controlling illegal border crossings. Young says he doesn’t expect that threat to affect the debate -- he says lawmakers are focused on the deal itself. He’s steering clear of commenting on the tariff threat itself.

KNIGHT RETURNS TO IU CAMPUS: Former IU men’s basketball coach Bob Knight returned to IU’s campus Saturday afternoon to take in a baseball game at Bart Kaufman Field (Drummond, [Indiana Daily Student](#)). The 78-year-old Knight arrived prior to the start of IU’s afternoon doubleheader against Penn State, marking his first public and most visible appearance on campus since he was fired in September 2000 and spoke to a crowd in Dunn Meadow. He entered the

stadium on a golf cart driven by an IU official, and was followed in another golf cart by former Herald-Times sports editor Bob Hammel and IU Deputy Director of Athletics Scott Dolson. Knight watched the game from a suite inside the stadium press box. As he entered the suite, Knight said "it's nice being here." During his time at IU, Knight led the men's basketball program to three national championships over his 29-year career. The Hoosiers also reached five Final Fours under Knight and won 11 Big Ten Regular Season titles. IU Athletic Director Fred Glass told the Herald-Times in a text message he was happy to help Knight attend the baseball game, but hadn't talked to him yet and didn't expect to.

TRUMP TO SPEAK TO NRA CONVENTION IN INDY: President Donald Trump will be in Indianapolis on Friday, April 26 to speak at the NRA Annual Meeting, according to the NRA's Institute for Legislative Action ([WIBC](#)). For the third consecutive year, Trump will address NRA members at the NRA-ILA Leadership Forum, according to the group's website. It will be his fifth consecutive year appearing at the Annual Meeting. "Donald Trump is the most enthusiastic supporter of the Second Amendment to occupy the Oval Office in our lifetimes. It is truly an honor to have President Trump address NRA members for the fifth consecutive year," said Chris Cox, NRA-ILA Executive Director, on the NRA-ILA website. "Our members are excited to hear him speak and thank him for his support for our Right to Keep and Bear Arms." The NRA Convention will take place from Thursday, April 25 - Sunday, April 28 at Lucas Oil Stadium and the Indiana Convention Center.

WILL TRUMP'S ANSWERS TO MUELLER BE MADE PUBLIC? Investigators for the special counsel spent months trying to get answers from President Trump: what he knew about a meeting between senior campaign aides and Russians; about changes to the Republican Party platform making it more Russia-friendly; about his associates' outreach to WikiLeaks as it prepared to publish Democratic emails stolen by Russian hackers (Savage, [New York Times](#)). After months of resistance, his lawyers finally turned over written answers in November to those questions and others. But the public has not seen them. Now, the question of whether they become part of the available history of Russia's 2016 election interference and its aftermath — along with whatever else the special counsel, Robert S. Mueller III, may have gathered — turns on Attorney General William P. Barr. Since Mr. Mueller submitted a nearly 400-page report on his investigation two weeks ago, Mr. Barr, his aides and other law enforcement officials have been reviewing it to determine which portions to provide to lawmakers and the public — and what to black out. Mr. Barr has promised to give lawmakers — by mid-April, "if not sooner" — as much of the report as possible, subject to several categories of necessary deletions. But much will turn on how expansively or narrowly he interprets those categories.

HPI DAILY ANALYSIS: We are in for a compelling week, folks. Hopefully we'll see the unredacted portions of the Mueller report, as promised by Attorney General Barr. Next Sunday, Mayor Buttigieg kicks off his Democratic presidential campaign in South Bend. HPI and our commentators will be ready to report, analyze and weigh in. - *Brian A. Howey*

Campaigns

BIDEN STRUGGLES WITH ALLEGATIONS: If Joe Biden was hoping on Friday to move past the controversy over his unwelcome physical contact with women, he did not succeed ([Politico](#)). The former vice president, even as he inched closer to announcing a presidential bid, twice made light of his touchy, close-talking political style during a speech to a major labor union, the International Brotherhood of Electrical Workers — drawing further attention to a fraught issue that has generated damaging headlines for days. Biden opened his address to the IBEW conference at the Washington Hilton by joking about his embrace of the man who introduced him, union president Lonnie Stephenson. "I just want you to know, I had permission to hug Lonnie," Biden told the crowd, prompting laughter. Fifteen minutes later, Biden invited a group of children on stage with him, shaking each of their hands. He put his arm around one male child before telling the crowd: "He gave me permission to touch him," again prompting laughter from the crowd. "I'm sorry to take so long. Everybody knows that I like kids better than people."

PRIEBUS SAYS TRUMP MUST WIN PA, MI, WI: Former White House chief of staff Reince Priebus warned in an interview that aired Sunday that President Trump needs to repeat his success in Michigan, Pennsylvania and Wisconsin in 2020 to win re-election ([The Hill](#)). Priebus told AM 970's "The Answer" that the president's path to victory in 2020 lay in reigniting the support that he received in working-class communities across the Rust Belt. "[Trump] has to win Wisconsin and Michigan," Priebus told host John Catsimatidis. "We have to win Pennsylvania." "We're likely to have a battle in Arizona, which is new for the Republican Party. I think we have to be very careful in Georgia," he continued.

PRESIDENTIAL CANDIDATES DON'T HAVE TRACTION IN HOME STATES: Sen. Kamala Harris has been elected three times to statewide office, and she's one of the most popular politicians in California. Yet according to the latest Public Policy Institute of California poll, just 38 percent of likely state voters say she should be running for president ([Politico](#)). In New Jersey, only 37 percent of Sen. Cory Booker's constituents think he would make a good president. In Massachusetts, two-

thirds of likely voters told a Suffolk University Political Research Center/Boston Globe Poll last fall that Sen. Elizabeth Warren shouldn't run for the White House.

Sunday Talk

MULVANEY SAYS TAX RETURN ISSUE ALREADY RESOLVED: Acting White House chief of staff Mick Mulvaney said Sunday that congressional Democrats will "never" see President Donald Trump's tax returns, arguing that any controversy surrounding the elusive financial statements was "already litigated" during the 2016 campaign. "Oh no. Never. Nor should they," Mulvaney told host Bill Hemmer on "[Fox News Sunday](#)." "Keep in mind, that's an issue that was already litigated during the election," Mulvaney said. "Voters knew the president could have given his tax returns, they knew that he didn't, and they elected him anyway — which, of course, is what drives the Democrats crazy."

SEKULOW SAYS IRS 'WEAPONIZED': House Democrats' request for President Trump's tax returns amounts to "using the IRS as a political weapon," Trump's attorney Jay Sekulow said on Sunday morning. Sekulow told ABC's George Stephanopoulos on "[This Week](#)" that Congress may only request individual citizens' tax returns for a "legitimate legislative purpose," which he claimed House Ways & Means Committee Chair Rep. Richard Neal (D-Mass.) has not identified.

NADLER SEES 'COLLUSION IN PLAIN SIGHT': There was "open collusion" between President Trump's campaign and Russia regardless of whether special counsel Robert Mueller found evidence of criminal conspiracy, House Judiciary Committee chairman, Rep. Jerrold Nadler (D-N.Y.), said Sunday morning. Donald Trump Jr. and Jared Kushner's 2016 Trump Tower meeting with Russian associates allegedly indicates "there was in plain sight open collusion with the Russians," Nadler said on CBS' "[Face The Nation](#)." Mueller last month concluded his investigation into Russia interference in the 2016 election and possible collusion between Trump's campaign and Moscow. He did not find evidence of cooperation between Trump's campaign and Russia, according to a four-page summary of his findings provided to Congress by Attorney General William Barr.

GIULIANI SAYS NADLER WILL SEE FULL MUELLER REPORT: President Trump's attorney, Rudy Giuliani, said Sunday that House Judiciary Committee Chairman Jerrold Nadler (D-N.Y.) should "get all of the information" from special counsel Robert Mueller's investigation. Nadler should have access to "everything," including grand jury material, Giuliani said on CBS' "[Face the Nation](#)." "Except for little quibbles, I'm not worried about the report at all," Giuliani added. Giuliani also said that while Trump "can't waive all executive privilege," the president's team is eager to disclose as much information as legally possible. "The [attorney general] has said he's going to put up the maximum amount...possible," Giuliani said. "The only thing that will stop him will be legal barriers."

KUDLOW DEFENDS CAIN: Top White House economic adviser Larry Kudlow on Sunday weighed in on sexual harassment allegations against Herman Cain, whom President Trump plans to nominate to the Federal Reserve Board, saying accusations sometimes "don't necessarily pan out." "Look, we are going through a vetting process in the White House. I'm sure the Senate Banking Committee will do likewise," Kudlow, the director of the National Economic Council, said on CNN's "[State of the Union](#)" when asked if the allegations against Cain trouble him. "There's big disputes here. Mr. Cain disagrees with this point of view. I'm not going to litigate that here," he added, confronting past allegations by four women that ended Cain's 2012 presidential bid.

SCHIFF SAYS DEMS, JEWS WILL CEMENT: Rep. Adam Schiff (D-Calif.) on Sunday dismissed comments from President Trump, who the previous day said a "radical agenda" being pushed by Democrats could "very well could leave Israel out there all by yourselves." "I hate to even dignify those remarks, but look, it's not the Democratic Party that believes that there are good people on both sides of a Nazi rally. There's just one party and one party leader who believes that, and that's Donald Trump," Schiff, one of the highest-ranking Jewish members of Congress, said on CNN's "[State of the Union](#)." "If there's anything that is likely to cement the relationship between the Democratic Party and the Jewish community, it's the presidency of Donald Trump."

SCHIFF DEFENDS CALLING OUT TRUMP: House Intelligence Committee Chairman Adam Schiff defended his past comments about President Donald Trump on Sunday, disavowing calls from Republicans that he step down from leading the key committee. "I don't regret calling out this President for what I consider deeply unethical and improper conduct," Schiff said on CNN's "[State of the Union](#)" with Jake Tapper.

He continued, "Not a bit. And I think the moment that we start to think that we should back away from exposing this kind of malfeasance and corruption is a dangerous point."

ROMNEY BLASTS DEMS OVER TAX RETURNS: Sen. Mitt Romney (R-Utah) on Sunday called Democrats "moronic" for attempting to obtain President Trump's tax returns through legislative action. Romney added, however, that he wishes Trump would publicly release his tax returns. "[Trump] said he would be happy to release his returns. So I wish he'd do that. But I have to also tell you I think the Democrats are just playing along his handbook, which is, going after his tax returns

through legislative action is moronic," he said during an interview on [NBC's "Meet the Press."](#) "That's not going to happen," Romney continued. "The courts are not going to say that you can compel a person running for office to release their tax returns. He's going to win this victory."

KILDEE DEFENDS TAX RETURN QUEST: Rep. Dan Kildee (D Mich.) defended Ways & Means Committee Chair Richard Neal's (D Mass.) authority to request President Trump's tax returns Sunday, calling Trump the "least transparent president in half a century." Contrary to language used by Trump's attorneys in a letter to the Internal Revenue Service Friday, Neal's request is "not a Pandora's box" and derives from "legitimate authority," Kildee told ABC's George Stephanopoulos. "We are looking very carefully right now as to whether or not the IRS is properly auditing and enforcing tax law on the President of the United States, and we're considering legislative changes to that end," Kildee said on ABC's ["This Week."](#)

General Assembly

HATE CRIME SIGNING HEADLINES WEEK: Gov. Eric Holcomb signed hate crimes legislation into law. Two anti-abortion bills are headed to the governor's desk. And the Senate approved a measure allowing pregnant minors to make their own health care decisions ([Indiana Public Media](#)). Here's what you might have missed this week at the Statehouse.

Hate Crimes Bill Signed: Gov. Holcomb quietly signed into law a bill that aims to create hate crimes protections – one day after the Senate gave final approval to the language sharply criticized by many hate crimes measure advocates as inadequate. The new law allows judges to enact harsher penalties for crimes committed because of bias and references a list of victim characteristics. But that list falls short of what advocates had long pushed for – it leaves out sex, age and gender identity.

Anti-Abortion Legislation: The Senate gave final approval to two anti-abortion measures. One allows pharmacists, nurses, and physician assistants to refuse to provide abortion services. Doctors and hospital employees already have that ability. The other bill largely bans dilation and evacuation abortions, second trimester procedures known as D&Es. Anti-abortion activists call them "barbaric." Many doctors say they're the safest way to end a pregnancy at that stage.

Pregnancy Care For Minors: Senate lawmakers approved a bill Tuesday allowing 16- and 17-year-olds to make their own decisions about pregnancy care. Indiana law generally doesn't let minors make their own health care decisions without a parent's consent. That includes 16- and 17-year-olds who are pregnant. But the Senate voted down such a bill earlier this year in part because of concerns the girl's parents were entirely left out. The new version requires physicians to try to contact the pregnant teen's parents.

School Safety Referenda: A proposal moving forward at the statehouse would allow school districts to ask voters for a property tax increase specifically to pay for school safety projects. School corporations can ask voters to approve two types of referenda, to fund construction projects or, general operations. Many districts have included school safety improvements as part of the reason for their referendum proposals, along with other expenses like teacher pay, but the House Ways and Means Committee approved a bill this week to let schools ask for tax hikes for safety costs alone.

Volunteer Coach Discipline: Senate lawmakers approved legislation Thursday that ensures Indiana law deals with how volunteer coaches at high schools are disciplined. State law already governs how coaches who are employees of a high school are treated when fired for criminal acts or misconduct. But the law didn't contemplate volunteers. The bill applies to public, charter and private schools. The Senate approved the measure unanimously. The House could vote to send it to the governor as early as next week.

House Rejects Rental Fee Cap Increase: The Indiana House rejected an attempt Monday to raise the cap on rental fees cities can charge to landlords. Current law says municipalities can't charge landlords an inspection fee of more than \$5 per unit. Those charges are often passed on to renters. An amendment would have raised the cap for all cities to \$150 per unit. It failed, 21 to 73.

TOWNSHIP SURPLUS BILLS ADVANCE: Legislation that would require officials of Indiana's townships with high budget surpluses to explain their plans for capital projects passed this week through the state Senate Committee on Local Government (Miley, [CNHI](#)). The legislation, House Bill 1177 by Rep. Cindy Ziemke, R-Batesville, now heads to the Senate floor. The bill has already passed the House. Ziemke's bill attempts to address excessive budget surpluses in many of Indiana's 1,005 townships. Across the state, townships had budgets totaling \$389.3 million in 2017. But they had a total cash balance of \$453.6 million, more than 16 percent above their budgeted amounts. That's enough for 14 months of operating revenues, as much as seven times the generally accepted threshold for government units. The bill is geared to townships

that have capital improvement funds amounting to 150 percent of the total budget and exceeding \$200,000. They would be required to complete a three-year capital improvement plan by Sept. 30, 2020. Without such a plan, the township wouldn't be able to receive property taxes. "After they complete the capital improvement plans (the bill would) allow them to transfer surpluses into another fund they can actually use. That's been a big issue with a lot of these townships," Ziemke said.

Congress

BRAUN ENJOYING 'GUMMED UP' SENATE: U.S. Sen. Mike Braun said Wednesday he has enjoyed his first few months on Capitol Hill even if Congress is "a gummed-up process." "I think it's been going great," he said during a conference call with Indiana news reporters ([Fort Wayne Journal Gazette](#)). Braun, R-Ind., said he plans to concentrate on legislation affecting health care, infrastructure and the budget, "and if I can do well in those three arenas, I think it's going to be well worth the price of admission." He said that price was an "acrimonious" campaign in 2018 that was "a long, hard journey to get here." Braun is the wealthy owner of a Jasper-based auto parts distribution business who lent millions of dollars to his campaign. He defeated U.S. Reps. Todd Rokita and Luke Messer in the Republican primary election and Democratic Sen. Joe Donnelly in the general election to reach the Senate. "The problem is, it is such a gummed-up process," he said about Congress. "It becomes so polarized. ... It's very congenial, even reaching out across the other side of the aisle, when you're not talking about anything important on policy. Once it becomes a significant policy issue, pretty well everybody gets into their own camp, nothing gets done. "That's disappointing. You could never run a school board, a state government, any business in that fashion. And to be honest, I don't see that changing for a while. I think it's been so built into the dynamic here," Braun said.

BRAUN PRAISES DONNELLY: U.S. Sen. Mike Braun praised Donnelly's constituent work ([Fort Wayne Journal Gazette](#)). "Sen. Donnelly ran a very good operation back in Indiana. He interfaced with agriculture well, many of the other business interest groups. I built my business on customer service; that's how you distinguish yourself. ... I made it clear we want to emulate what Sen. Donnelly did and even make it better. I think we're off to a great start," Braun said. He said Donnelly's staff worked with his staff "to get our Senate office off to a good start, and I appreciate that."

State

EDUCATION: MORE STUDENTS PREPARED FOR COLLEGE - More Hoosier students than ever are prepared for college. That's according to the most recent College Readiness Report compiled by the Indiana Commission for Higher Education (Lanich, [NWI Times](#)). The 2019 report, released this week, shares data based on students who graduated high school in the previous academic year and enrolled in college within a year of their graduation. Major takeaways include data trends showing fewer college-age students are in need of remediation, and more high school students are receiving college credit early, as well as a decrease in Indiana high school graduates immediately enrolling in college. "While we understand that people are benefiting from a strong economy and job opportunities, we must continue to make a case for a quality degree or credential to ensure that Hoosiers are prepared for a dynamic economy," Indiana Commissioner for Higher Education Teresa Lubbers said in a news release.

HEALTH: MEASLES EXPOSURE IN ANGOLA - State health officials confirm a new case of measles in northern Indiana ([AP](#)). They're working with local health officials in LaGrange and Steuben counties to identify anyone who may have been exposed to the infected patient to prevent it from spreading any further. They're also consulting with their counterparts in Michigan and Texas because there may be exposure in those states as well because of this same case. Anyone who has visited these locations on the dates indicated may have been exposed: Friday, March 29, Cameron Memorial Community Hospital Urgent Care – 1381 N. Wayne St., Angola, IN 46703; 3:45 p.m. - 6:35 p.m. Saturday, March 30; Cameron Memorial Community Hospital Laboratory 5:30 p.m. - 8 p.m. Saturday, March 30.

ECONOMY: SHORT TERM RENTALS FACE NEW TAX - Ruth Floyd uses the income she earns from Airbnb to fund improvements to her circa-1880s home in downtown New Albany (Thomas, [News & Tribune](#)). A retiree and "not quite a spring chicken anymore," Floyd also is an unofficial ambassador of sorts for the Ohio River town, nudging guests toward places to grab a bite to eat and relax just a short stroll from her Mansion Row home on Main Street. But Floyd is concerned about an Indiana law, passed in 2016 but effective July 1, requiring the collection of sales tax from online short-term rental platforms like Airbnb. She's worried how potential guests might react to a possible increase in rates to compensate for the added levy. "A lot of people that I meet, if it weren't for Airbnb, they probably wouldn't travel as much," said Floyd. "They wouldn't be spending money in Indiana, so if the fees start going up and people start saying, 'well, I can't travel anymore,' then Indiana or whoever's trying to make some money will lose out on all of that." Indiana is one of three states that currently doesn't charge a sales tax for online short-term rental platforms, so how that levy will be collected and remitted is

still up in the air. The law that will go into effect this summer stipulates that sales tax to be collected by a facilitator, like Airbnb, if the rental transpired on such a platform, or the property owner if the property owner makes the transaction directly. A short-term rental is defined as a period of less than 30 days.

INDOT: SECTION 6 WORK ON I-69 BEGINS - In Martinsville, it looks like a tornado hit right along the State Road 37 corridor ([WRTV](#)). Trees are down, homes and businesses are boarded up. Martinsville residents and those who drive through the Morgan County town are seeing sure signs that work on the next phase of I 69 is underway. Its official name is "Section Six," the 26 miles of highway between Martinsville and I 465 in Indianapolis which will follow the current State Road 37. When it's done, I 69 will be complete from Evansville to Indianapolis.

DNR: TURKEY RUN SP ON NATIONAL REGISTRY - Western Indiana's Turkey Run State Park has been added to the National Register of Historic Places more than a century after it opened ([AP](#)). The park near Marshall, Indiana, boasts scenic views of Sugar Creek, which meanders along sandstone cliffs and outcroppings and is traversed by a 200-foot-long suspension bridge. The Indiana Department of Natural Resources says Turkey Run State Park was added to the national registry because of its cultural value to Indiana and its national history. The park was founded in 1916 about 25 miles northeast of Terre Haute. It's Indiana's second-oldest park, after McCormick's Creek. Turkey Run includes the Lusk Home, which was already listed on the national registry.

SPORTS: GUY LEADS UVA TO FINAL GAME - Think of all the kids who spent 10,000 hours in practice, hoping for this moment. U.Va. will play for the national men's basketball title for the first time after pulling off a last-second stunner last night in the Final Four in Minneapolis ([Axios](#)). Kyle Guy of Indianapolis, 21, made three free throws with 0.6 seconds after a disputed foul call, steadily swishing each one to dance past Auburn, 63-62. Lookahead: The Virginia Cavaliers and Texas Tech Red Raiders, with two of the three best defenses in the nation, will meet for the title Monday night — the first appearance in the final for each program.

Nation

WHITE HOUSE: TRUMP SEEKS QUICK FIX AS IMMIGRATION SURGES - More than halfway through President Trump's first term, unauthorized immigration has surged to the highest levels in a decade, leaving him searching for quick-fix solutions and his administration roiling with internal tensions over how to address a problem the president promised to solve ([Washington Post](#)). Trump sought to project confidence and strength on a visit to a renovated section of border fencing in Calexico, Calif., on Friday, amid warnings from federal authorities that the U.S. immigration system is at a "breaking point" in handling a record influx of Central American families. But his public indecision over the past week — threatening in a tweet to close the border with Mexico before reversing himself six days later — revealed an administration that is grasping to deal with a humanitarian challenge without a well-defined strategy and with significant divisions within Trump's team.

WHITE HOUSE: TRUMP SAYS DEMS WOULD ABANDON ISRAEL - President Donald Trump warned on Saturday that a Democratic victory in 2020 could "leave Israel out there," as he highlighted his pro-Israel actions in an effort to make the case for Jewish voters to back his re-election ([AP](#)). Speaking at the annual meeting of the Republican Jewish Coalition, Trump touted his precedent-shredding actions to move the U.S. Embassy to Jerusalem from Tel Aviv and recognition last month of Israeli sovereignty over the disputed Golan Heights, a strategic plateau that Israel seized from Syria in 1967. "We got you something that you wanted," Trump said of the embassy move, adding, "Unlike other presidents, I keep my promises." The group, backed by GOP megadonor Sheldon Adelson, supported Trump's 2016 campaign and is preparing to spend millions on his 2020 effort. "I know that the Republican Jewish Coalition will help lead our party to another historic victory," Trump said. "We need more Republicans. Let's go, so we can win everything."

WHITE HOUSE: CAIN NOMINATION DRAWS FIRE - Payments to women who complained of sexual harassment. Accusations of groping. Allegations of a 13-year extramarital affair. As President Trump moves ahead with his plan to nominate Herman Cain, a 2012 Republican presidential candidate, for a seat on the Federal Reserve's board of governors, Republican lawmakers are being forced to confront a fresh round of uncomfortable allegations of sexual misconduct against women as the 2020 campaign begins. A day after Mr. Trump made the choice of Mr. Cain official, Senate Republicans expressed quiet anxiety over the prospect of another #MeToo minefield even as the White House exalted the decision. The choice of Mr. Cain comes as Mr. Trump's other pick to fill an open seat on the seven-member Fed board, the conservative economist Stephen Moore, has been under fire for ethical and financial lapses that emerged from his divorce records. In both cases, the White House has publicly backed Mr. Trump's selections despite criticism that he was installing loyalists with questionable credentials in two of the country's top economic policy jobs.

ECONOMY: 196K JOBS CREATED IN MARCH - Hiring in the United States rebounded in March as U.S. employers added a solid 196,000 jobs, up sharply from February's scant gain and evidence that many businesses still want to hire despite signs that the economy is slowing ([AP](#)). The unemployment rate remained at 3.8%, near the lowest level in almost 50 years, the Labor Department reported Friday. Wage growth slowed a bit in March, with average hourly pay increasing 3.2% from a year earlier. That was down from February's year-over-year gain of 3.4%, which was the best in a decade. The employment figures reported Friday by the government suggest that February's anemic job growth figure—revised to 33,000, from an initial 20,000—was merely a temporary blip and that businesses are confident the economy remains on a firm footing. Even with the current expansion nearly 10 years old, the U.S. economy is demonstrating its resilience.

PENTAGON: U.S. TROOPS MOVED IN LIBYA - American forces currently operating inside Libya have relocated temporarily outside the war-riven country due to growing unrest in the Libyan capital, the U.S. military's top commander for Africa said Sunday ([Washington Post](#)). "The security realities on the ground in Libya are growing increasingly complex and unpredictable," Marine Corps Gen. Thomas Waldhauser, head of U.S. Africa Command, said in a statement Sunday.

MUELLER: BARR DEFENDS HANDLING OF REPORT - Attorney General William Barr is defending his handling of special counsel Robert Mueller's report on the Russia investigation, saying the confidential document contains sensitive grand jury material that prevented it from being immediately released to the public ([AP](#)). The statement Thursday came as Barr confronts concerns that his four-page letter summarizing Mueller's conclusions unduly sanitized the full report in President Donald Trump's favor, including on the key question of whether the president obstructed justice. House Democrats on Wednesday approved subpoenas for Mueller's entire report and any exhibits and other underlying evidence that the Justice Department might withhold. The disparity in length between Barr's letter and Mueller's full report, which totals nearly 400 pages, raises the likelihood of additional significant information that was put forward by the special counsel's office but not immediately shared by the attorney general. Barr is now expected to release the entire report, with redactions, by mid-April. "Given the extraordinary public interest in the matter, the Attorney General decided to release the report's bottom-line findings and his conclusions immediately — without attempting to summarize the report — with the understanding that the report itself would be released after the redaction process," the Justice Department statement said.

Local

CITIES: HOMICIDES UP IN GARY - Homicides and shootings have been on the rise this year in Gary, but police said gang-related cases are down and they've been able to secure charges or have a person of interest in a majority of the cases ([NWI Times](#)). Another positive sign is that the number of gang-related homicides is down, police Cmdr. Jack Hamady said. Of the 17 homicides this year, police currently think two were gang-related. Last year, nine of the 15 homicides reported during the first quarter were believed to be gang-related.

CITIES: BARNES & THORNBURG TO MOVE TO NEW DOWNTOWN SOUTH BEND SITE - Plans for the downtown's first new high-end office building in nearly three decades now include a major tenant ([South Bend Tribune](#)). The law firm Barnes & Thornburg LLC will occupy the middle three floors of a five-story modern glass and steel structure to be built at the southwest corner of Main Street and Jefferson Boulevard, and it will be called "The Barnes & Thornburg Building," the firm announced. The firm will remain in its First Source Bank Center space until the new building is finished, expected in the summer of 2021. A groundbreaking ceremony is set for Tuesday.

CITIES: NEWFIELDS GETS \$22M GRANT - Newfields announced it has received nearly \$22 million in grants and gifts that will go to upgrades to the popular attraction's infrastructure ([WIBC](#)). The money, which was gifted by private donors as well as foundations and public entities, will go to upgrading The Virginia B. Fairbanks Art & Nature Park: 100 Acres and The Garden. "Newfields is committed to strategic, impactful and sustainable growth that benefits the Indianapolis community. With these key infrastructure improvements, new contemporary art commissions and the addition of a Harvest festival, we will be able to welcome more people to Newfields for exceptional experiences with art and nature," said Dr. Charles L. Venable, The Melvin & Bren Simon Director and CEO. "Over the next 30 years the institution will expand its offerings in the Indianapolis Museum of Art, The Garden, the Lilly House and The Virginia B. Fairbanks Art & Nature Park. This funding lays the groundwork for the development of a campus and programs unlike anywhere else in the nation."

CITIES: FORT WAYNE CUTS PARK DEAL WITH RAILROAD - The plan for Headwaters Junction has chugged forward, moving closer to being part of the redevelopment of the North River property in Fort Wayne (Rodriguez, [Fort Wayne Journal Gazette](#)). The nonprofit organization behind the attraction has secured a purchase agreement with the Norfolk Southern railroad for 1.4 miles of railroad right of way. The acquisition would bring historic trains up to the approximately 30-acre former OmniSource property across Clinton Street from Science Central. The multimillion-dollar proposed attraction would offer the public a chance to learn about, view and ride trains headed by 20th-century locomotives already woven into the city's culture and history. Backers say the venue could attract 140,000 visitors and provide more than \$63 million in economic impact annually.

CITIES: KOR'S MUSEUM SEEKS NEW HOME - The CANDLES Holocaust Museum in Terre Haute aims to give visitors more than a lesson in history ([Indiana Public Media](#)). That's because Holocaust survivor and Terre Haute resident, Eva Kor, founded the museum on a unique message she continues to spread to this day: forgiveness. Eva and her sister Miriam were among the thousands of twins who were subjected to disturbing genetic experiments at the Auschwitz concentration camp. Together, Eva and Miriam were among only a few of the children who survived. Holocaust survivor, Eva Kor founded the CANDLES Holocaust museum to spread her message of healing and forgiveness. In 1993, Eva conceived the idea for the CANDLES Holocaust Museum and founded it in honor of her sister who died that year.

From: [Brown, Laura J](#)
To: [Goode, Earl](#); [Holwerda, Rebecca](#); [Hammond, John](#); [Johnston, Cristopher R](#)
Subject: Letter to Governor from Bruce Stevens - Indiana Coal Council
Date: Thursday, May 23, 2019 1:39:34 PM
Attachments: [20190523124604197.pdf](#)

The attached letter was hand delivered this morning by Bruce Stevens of the Indiana Coal Council (as per Lou Gerig).

A copy is going in the packet for the Governor today, but please advise/respond as appropriate.

Thank you,

Laura

Laura J. Brown
Executive Assistant to Governor Eric J. Holcomb
Office of Indiana Governor Eric J. Holcomb
200 W. Washington Street, #206
Indianapolis, Indiana 46204
317-233-4198
LBrown2@gov.in.gov

Gov ~ 5/23
Hand delivered
by Bruce Stevens
of Indiana Coal
Council (as per
Hon. Merig).
cc: Earl
John
Cris
Rebecca

May 23, 2019

The Honorable Eric Holcomb
Office of the Governor
Statehouse Room 206
Indianapolis, Indiana 46204

Re: Energy Issues

Dear Governor Holcomb;

Your efforts to keep electric costs from increasing are very much appreciated. Low electric rates play a central role in growing the economy of our state. That's why we wish to make you aware that NIPSCO, in its application to the Indiana Utility Regulatory Commission (IURC), is seeking an **11.2 percent average** increase in electric rates. This rate increase could cost the customers of NIPSCO an estimated \$180 million annually.

Unfortunately, NIPSCO has stated they plan to close the R.M. Schahfer and Michigan City plants and replace the megawatts with new generation. The electric utility has recently **invested \$775 million** in environmental controls on these two power plants. A large portion is yet to be recovered and will still be charged to ratepayers if the plants close.

Adding to the economic concerns are the job losses associated with the closure of the power plants. A study just released by the Energy Ventures Analysis (distinguished economic research firm) notes that **850 jobs** will be lost, unemployment in La Porte and Jasper county will increase by 40 percent and 150 percent respectively and property taxes will decrease by \$74 million.

What is most troubling is that NIPSCO has announced that they have reached a partial settlement offer with several major parties (**Office of Utility Consumer Counselor (OUCC)**, Sierra Club, Citizens Action Coalition, large Industrial customers). We fail to see how the OUCC could support a proposal that will increase electric rates for consumers.

We would like to point out the NIPSCO rate case includes a **major shift from existing state policy**. NIPSCO is seeking to allow its **five largest customers** which collectively account for **40 percent of load** to leave its system and seek other sources of electricity. This is a monumental change in the way electric utilities have operated in Indiana. If this is allowed for NIPSCO, we might expect to see similar actions with the other electric utilities (Duke, IPL, Vectren). Such a major change in operation should be approved through law. You recently signed legislation calling for a comprehensive study of the energy future for the state. Shouldn't we wait for the study results before allowing such a major shift in energy policy?

The approval of any rate case in Indiana needs to be appropriately timed. Under the Indiana Administrative Code there is a policy regarding the obligations for the utilities to

Governor Holcomb
May 23, 2019
Page Two

prepare periodic Integrated Resource Plans (IRP) and for the Commission to review them with stakeholder input. NIPSCO filed its rate case and IRP in separate proceedings **on the same date**. While NIPSCO's rate case is reliant on its IRP, the IRP has not been reviewed by the IURC and no draft or final Director's report has been filed. Any rulings by the Commission that are reliant on the IRP should follow the required Administrative review of the IRP.

We are thankful for your support of Chairman Soliday's Amendments to Senate Bill 472 during the recent legislative session. One of these amendments would have **prevented approval of two NIPSCO wind proposals** (Jordon Creek and Roaming Bison) without due consideration of their role in statewide energy planning. Approval of these proposals are premature as the IRP upon which they are justified do not even reflect the proposed change in NIPSCO load as a result of the tariff proposal. We are very concerned that these projects could be approved on May 29. Your common-sense approach to energy policy and continued efforts to defend Hoosiers from unnecessary increases in their electric bills are appreciated and does not go unnoticed.

Respectfully,

Indiana Coal Council, Inc.

National Mining Association

From: [Tony Samuel](#)
To: [Johnston, Cristopher R](#)
Subject: RE: SB 472 Moratorium on Energy Generation
Date: Tuesday, April 9, 2019 4:36:41 PM

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Thursday at 10 a.m. sounds good. I will be there. Thanks very much!

> On April 9, 2019 at 4:34 PM "Johnston, Cristopher R" <CrJohnston@gov.IN.gov> wrote:

>

>

> Thurs at 10 or Fri 3 pm and after should work

>

> From: Tony Samuel [<mailto:tsamuel@samuelsolutionsgroup.com>]

> Sent: Tuesday, April 9, 2019 1:57 PM

> To: Johnston, Cristopher R <CrJohnston@gov.IN.gov>

> Subject: RE: SB 472 Moratorium on Energy Generation

>

> **** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

>

> Chris,

>

> My Wind guys are gone and I hear the issue may be getting resolved. I would still like to talk to you but it doesn't have to be today. I will be in Chicago tomorrow on another issue. Will Thursday work for you or Friday if that is better. I do have another issue I would like to run by you too. Thanks.

>

> Tony

> (317) 403-2339

>

>

> On April 8, 2019 at 6:17 PM "Johnston, Cristopher R" <CrJohnston@gov.IN.gov<<mailto:CrJohnston@gov.IN.gov>>> wrote:

>

>

> What does the rest of your week look like? I may ask Jane to join.

>

> -----Original Message-----

> From: Tony Samuel [<mailto:tsamuel@samuelsolutionsgroup.com><<mailto:tsamuel@samuelsolutionsgroup.com>>]

> Sent: Friday, April 5, 2019 12:45 PM

> To: Johnston, Cristopher R <CrJohnston@gov.IN.gov<<mailto:CrJohnston@gov.IN.gov>>>

> Subject: SB 472 Moratorium on Energy Generation

>

> **** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

>

> Chris,

> Are you tuned in to SB 472 and the Moratorium on new energy generation it creates? Chairman Soliday is saying it is coming from the Governor. Figured you were well aware but I wanted you to know that it hurts my Wind Energy developer clients as well as other renewables and natural gas and could make the Governor look bad because of the economic development it jeopardizes.

- > Can we chat about it or should I talk to someone else in the office?
- > Tony
- > (317) 403-2339

From: [Beatty, Lauren E](#)
To: [Beatty, Lauren E](#); [Gras, Abby S](#); [Sweitzer, Erin](#); [Weismiller, Zachary \(Zach\)](#)
Subject: 7.8.19 Media Overview
Date: Monday, July 8, 2019 12:54:55 PM



International Economic Development

[Indiana ag. tourism group off to Mexico](#)

The Journal Gazette - Jul 7, 2019

Department of Agriculture, Indiana Office of Tourism **Development** and **Indiana Economic Development Corp.** The delegation will return Thursday.

[Lt. Governor to Grow Ag. Tourism Partnerships in Mexico](#)

USAgNet - Jul 8, 2019

of Agriculture, Indiana Office of Tourism Development and **Indiana Economic Development Corporation**, will lead a delegation of Indiana

Indiana Economy + Workforce

[Hicks: National Jobs Report 'Solid'](#)

Inside INdiana Business - Jul 8, 2019

The country added 224,000 jobs last month and the national unemployment rate remained unchanged at 3.6 percent. Ball State University Economist Michael Hicks calls the numbers "solid" but says there is still room for concern. The majority of job gains were in the healthcare and professional

[Indy spent \\$30M to keep Corteva's 1,000-plus jobs, but company cagey about the future](#)

IndyStar - Jul 7, 2019

About eight months ago, the City-County Council voted to give \$30 million in incentives to an agriculture chemical company in exchange for retaining more than a thousand local jobs. That company — DowDuPont Inc. — had never publicly confirmed or denied that it would shutter Dow AgroSciences or

[Universal Dedicated of Fort Wayne Expands Operations to Roanoke, Indiana](#)

Area Development - Jul 8, 2019

and cost savings initiatives for our customers." The **Indiana Economic Development Corporation** offered Universal Dedicated up to \$1.35

[In midst of a manufacturing skills shortage, one company is filling jobs differently](#)

Indianapolis Business Journal - Jul 5, 2019

—has a three-step strategy: Place associates in a **job**, move them to a better **job**, then help them **develop** a career. And it's not just about

[Karickhoff: New law provides additional financial tool for local governments](#)

Kokomo Perspective - Jul 7, 2019

money at a lower interest rate. STATEHOUSE (July 5, 2019) – Gov. **Eric Holcomb** recently signed a bill into law co-authored by State Rep. Mike

[Work to Begin on Yamaha Greenfield Facility](#)

Inside INdiana Business - Jul 8, 2019

Indianapolis-based Yamaha Precision Propellers Inc. is celebrating plans for a new location in Greenfield. The company will today host a groundbreaking ceremony for the 54,000-square-foot facility. The company said the facility will boost its efficiency and add jobs to the community, though a

[Hemp is sprouting in South Bend region](#)

South Bend Tribune - Jul 7, 2019

WARSAW — An old tractor creeps down the plastic-covered rows of a farm field just outside the city. It's a rare dry day in June, and the 35-acre parcel is one of Don Zolman's best pieces of property — especially this year when so many farmers have found it nearly impossible to get their crops in

[Indianapolis' costly history with economic incentives](#)

IndyStar - Jul 8, 2019

Over the years, Hoosier taxpayers have been asked to pay millions in economic incentives for major projects, such as the Hoosier Dome, Bankers Life Fieldhouse and now to retain a northwest-side company called Corteva.

[Jobs, education, GDP and more: The states with the best and worst economies](#)

USA Today - Jul 6, 2019

Indiana is one of several states in the Great Lakes region to experience sluggish economic growth over the past several years. The GDP of

Indiana grew at an average annual rate of 3.5% from 2013 to 2018, trailing behind the 4.1% national growth rate. In other measures of economic health, Indiana is roughly in line with the nation as a whole. Some 3.6% of the Indiana workforce is out of work and looking for a job – equivalent to the national unemployment rate – and 13.5% of residents live in poverty, compared to the 13.4% national poverty rate. To rank the best and worst state economies, 24/7 Wall St. factored in GDP and job growth, unemployment, poverty, and bachelor's degree attainment.

Innovation, Entrepreneurship + Quality of Place

[Electric Works creating optimism](#)

The Journal Gazette - Jul 7, 2019

population to 1 million, a goal established by the **Northeast Indiana Regional Partnership**. The strategy relies on creating unique spaces and

[PERQ Closes Funding Round](#)

Inside INdiana Business - Jul 8, 2019

home furnishings. Other investors and groups joining this round include **Elevate Ventures**, Allos Ventures, Collina Ventures and 4G Ventures.

[BLAZE: NEI Regional Pitch Competition Sparks Entrepreneurial Investments](#)

NE Indiana & Fort Wayne News - Jul 8, 2019

well as supporting sponsors STAR Bank, Elevate Northeast Indiana, Greater Fort Wayne, Inc, and the **Northeast Indiana Regional Partnership**.

[Pike County Tech Center Lands New Funding](#)

Inside INdiana Business - Jul 8, 2019

The **Pike County Economic Development** Corp. says the proposed Entrepreneurship & Technology Center has secured a \$2 million grant from the

[IU Launches Cybersecurity Clinic](#)

Inside INdiana Business - Jul 8, 2019

Foundation and matching funds up to \$225,000 from the **Indiana Economic Development** Corp. The IU Cybersecurity Clinic, which the university

[First-generation immigrant builds top Region cigar destination](#)

The Times of Northwest Indiana - Jul 7, 2019

Dhiren Shah spent the past 20 years working toward and then creating a business without peer in Northwest Indiana. From humble origins running a storefront tobacco shop with his father, Shah, a first-generation immigrant from India, has risen to become the owner-operator of Karma Cigar Bar in

[Public-private group to oversee central plaza](#)

Herald Argus - Jul 5, 2019

from the mayor's office, Michigan City Common Council, **Economic Development** Corporation **Michigan City**, Michigan City Chamber of Commerce and

[New Tourism Department Will Be More Business Focused](#)

City-Countyobserver - Jul 7, 2019

and more. It is expected to function much like the **Indiana Economic Development Corp.**, which replaced the Department of Commerce in 2005 as



[Meltwater - 225 Bush St Suite 1000, San Francisco, California 94104 USA](#)

To unsubscribe from this newsletter [Click Here](#)

From: [Weismiller, Zachary \(Zach\)](#)
To: [Weismiller, Zachary \(Zach\)](#); [Gras, Abby S](#); [Sweitzer, Erin](#); [Beatty, Lauren E](#)
Subject: 8.20.19 Media Overview
Date: Tuesday, August 20, 2019 1:29:20 PM



Economy + Workforce

[TriCore Logic plans to expand its office, more than double staff size](#)

US 93.3 - Aug 19, 2019

said **Elaine Bedel**, **president** of the **Indiana** Economic Development Corporation (**IEDC**). "Compared to other markets around the country, **Indiana**

[Hammond Pulls 135 Jobs from Illinois](#)

Inside INdiana Business - Aug 19, 2019

climate and convenient location," said Anne Anderson, **Hammond** director of **economic development**. In May, Lear Corp moved its northwest

[U.S. Steel plans to lay off hundreds of workers in Michigan, maybe Indiana](#)

Reuters - Aug 20, 2019

The city of Gary and the state of Indiana have offered U.S. Steel a \$47 million tax break package to help it invest \$750 million in modernizing Gary Works, its largest North American plant.

[Caito Foods to close Fresh Kitchen operations, eliminate 53 workers](#)

Indianapolis Business Journal - Aug 20, 2019

Produce company Caito Foods LLC is set to shut down its Fresh Kitchen operations in Indianapolis, less than three years after opening the \$32 million facility.

[Elanco to Acquire Bayer AG Animal Health Business](#)

Inside INdiana Business - Aug 20, 2019

Greenfield-based Elanco Animal Health Inc. (NYSE: ELAN) has entered into an agreement with Bayer AG (ETR: BAYN) to acquire its animal health business in a deal valued at \$7.6 billion. If approved, it would double Elanco's Companion Animal business and create the second-largest animal health company

[Three Region firms named to Inc. 5000](#)

The Times of Northwest Indiana - Aug 18, 2019

Three Region firms made the prestigious Inc. 5000, one for the seventh straight year. Inc. Magazine, a New York City-based national weekly publication that covers small business and startups, again recognized the 5,000 fastest-growing privately owned companies in the United States or, as the

[Notre Dame Among "Best Colleges in America"](#)

Inside INdiana Business - Aug 19, 2019

A website that uses quality of life data, Niche, has ranked the Best Colleges in America. The University of Notre Dame was the only Hoosier school represented on the list and claims the 17th spot in the national ranking. Notre Dame was given A+ rankings on Niche in academics, value, campus and

[SoIN Tourism Approves \\$1.4 million to Support Projects](#)

Inside INdiana Business - Aug 19, 2019

Several organizations and communities in Clark and Floyd counties are getting a financial boost to help draw more visitors to the area. The SoIN Tourism board of managers approved \$1.4 million to support emerging and existing community projects. The money comes from the Tourism Capital Development

Quality of Place + Innovation & Entrepreneurship

[Towns gear up for economic, tourism boom from Dunes' national park designation](#)

The Times of Northwest Indiana - Aug 20, 2019

The designation makes the Dunes the 61st national park in the U.S., the first in Indiana and the closest one to Chicago.

[New entrepreneurship training program to help foster 'innovation economy' in NWI](#)

The Times of Northwest Indiana - Aug 20, 2019

Purdue University Northwest landed a \$386,000 federal grant that will be used to foster an "innovation economy" in the Region by teaching people how to start up new ventures. The U.S. Economic Development Administration decided to fund Purdue Northwest's Concept to Commercialization 2020, or C2C-

[NIPSCO upgrading Merrillville infrastructure](#)

The Times of Northwest Indiana - Aug 20, 2019

NIPSCO is upgrading electric infrastructure in Merrillville, which has necessitated closing of a portion of Randolph Street between East 83rd Avenue and East 97th Avenue. The Merrillville-based energy and gas utility will upgrade utility poles and overhead electric lines as part of an ongoing

[Report Shows 'Promising Start' for Indiana VC Investment](#)

Inside INdiana Business - Aug 19, 2019

A new report from Indianapolis-based **Elevate Ventures** says venture investment activity in Indiana is off to a "promising start" this year.



[Meltwater - 225 Bush St Suite 1000, San Francisco, California 94104 USA](#)

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From: support@hannah-in.com
To: [Johnston, Cristopher R](#)
Subject: Conference Committee for SB 472
Date: Thursday, April 18, 2019 8:21:26 AM

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Conference Committee for SB 472 - UTILITY MATTERS (Koch, E)

Thursday, April 18
10:00 AM
Senate Chamber

Conferees
Senate: Koch, Ford J.D.
House: Soliday, Pierce

Advisors
Senate: Garten, Randolph Lonnie M, Charbonneau
House: Frye R, Morrison, Candelaria Reardon, Hatfield, Macer

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From: [King, Caitlin](#)
To: [#All Governor's Office](#); [Hoffman, Jeremy J](#); [Schwartz, Kristin](#); [Smith, Hamilton](#); [Adams, Dawn M](#); [Aichele, Stephen](#); [Allen, Jessica](#); [Hermer, Andrea](#); [Babu, Ambat](#); [Barnes, Tracy \(LG\)](#); [Bausman, David C](#); [Beesley, Keith](#); [Bennett, Wesley](#); [Britt, Luke](#); [Cain, Tim J](#); [Clark, David \(IFA\)](#); [Herron, Cindy](#); [Fernandez, Marilyn \(IARA\)](#); [Cotterill, Ted](#); [Creighton, Chris](#); [Criss, Emily \(IEDC\)](#); [Cudahy, Sarah](#); [Cummins, Jeffrey](#); [Dahlberg, Christine M](#); [Dant, Joseph \(IHCD\)](#); [Debbie Taylor](#); [Durst, Jim](#); [Dye, Darren](#); [Ehrenberg, Jim](#); [Elrod, Jonathan](#); [Ferguson, Jon](#); [Ferree, Cathryn \(Cathy\)](#); [Fite, Tom](#); [Fox, Trent \(ISDH\)](#); [Garrison, Joshua \(CHE\)](#); [Goodwin, Stewart](#); [Green, Anthony \(INPRS\)](#); [Habig, William J \(Gus\)](#); [Hadley, Jerry](#); [Hadley, Ryan E](#); [Hammond, John](#); [Hanna, Bill](#); [Haynes, Gary](#); [Heater, Ryan J](#); [Helene, Beth E](#); [Hoage, Joseph](#); [Hoffeditz, Brad P](#); [Howard, Roger](#); [Hoye, Cindy \(SFC\)](#); [Hyer, Lindsay M \(ATC\)](#); [Jackson, Zachary](#); [Joyce, Paul](#); [Sheridan, Erin \(LG\)](#); [Kearby, Bianca](#); [Kendrick, Teri](#); [Kent, Amy \(ISDH\)](#); [Kiefer, Chris](#); [Kielmovitch, Alicia](#); [King, Caitlin](#); [Knapp, Wendy](#); [Knox, Taylor](#); [Kowalski, Douglas](#); [Krevda, Stefanie N \(URC\)](#); [Light, Matthew J \(SBoA\)](#); [Lighty, Chandler](#); [Lizza, Meredith](#); [Lottes, Paul](#); [Lubsen, Graig](#); [Mays-Medley, Carolene](#); [McAdam, Justin L](#); [McDonald, Devon](#); [McGoff, James \(Jim\)](#); [Miller, Lyndsay](#); [Moloy, Dustin](#); [Moorhous, Erin](#); [Mulligan, Tiffany M](#); [Ness, Tyler J](#); [Owens, Gabrielle](#); [Perez, Silvia](#); [Posey, Doneisha](#); [Reske, Jenny](#); [Rockensuess, Brian](#); [Roeder, John](#); [Rosebrough, Dennis](#); [Ruble, Rick](#); [Russell, Christopher \(DOR\)](#); [Schelle, Sarah](#); [Sears, Jessica](#); [Shackle, Daniel](#); [Shriner, Kacey](#); [Simpkins, James M \(IDOI\)](#); [Simpson, Sarah \(BOAH\)](#); [Small, Greg](#); [Smith, Chris](#); [Smith, Todd \(ISP\)](#); [Smith, Zach \(CHE\)](#); [Speer, Jake](#); [Steltenpohl, Marita \(IDOA\)](#); [Storm, Nathaniel L](#); [Swinger, Anthony](#); [Szilard, Molly](#); [Taylor, Sarah](#); [Teare, Ross M](#); [Tierney, Sean \(CHE\)](#); [Turner, Laura A](#); [Van Zant, Rex](#); [Vance, Tristan S \(OED\)](#); [Vincent, Matthew](#); [Wandersee, Eric](#); [Wasky, Mark A](#); [Watson, Sylvia](#); [Whitham, Jonathan](#); [Young, William \(DCS\)](#); [Ziller, Sherri](#)
Subject: Conference Committee Update
Date: Thursday, April 18, 2019 2:56:20 PM

Hi everyone,

Please see below for an update.

-

Conference Committee Schedule

Thursday, April 18th

-

SB 554 - ECONOMIC DEVELOPMENT AND TICKET SALES (Garten, C)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 125

Conferees: Clere, Fleming, Grooms, Tallian

Advisors: Abbott, Carbaugh, Bartlett, Goodin, Klinker, Garten, Neizgodski, Boots

-

HB 1343 - LIBRARIES (Leonard, D)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 156-C

Conferees: Leonard, Chyung, Zay, Lanane

Advisors: Zent, May, Abbott, Moed, Pryor, Tomes, Taylor, Bohacek

-

SB 233 - BUSINESS PERSONAL PROPERTY TAX EXEMPTION (Freeman, A)

Date: Thursday, April 18, 2019

Time: 9:00 AM

Location: Rm. 233

Conferees: Freeman and Stoops, Speedy and Porter

Advisors: Garten, Taylor G, Holdman and Ford J.D, Thompson, Cherry, Harris and Klinker

HB 1002 - CAREER AND TECHNICAL EDUCATION (Sullivan, H)

Date: Thursday, April 18

Time: 9:30 AM

Location: Rm. 156-D

Conferees: Perfect, Melton, Sullivan, Porter

Advisors: Raatz, Stoops, Kruse, Frye, Goodrich, DeLaney, Pfaff, Wright

HB 1594 - INDIANA FINANCE AUTHORITY MATTERS (Huston, T)

Thursday, April 18

Time: 9:45 AM

Location: Rm. 404

Conferees: Huston, DeLaney, Mishler, Niezgodski

Advisors: Brown, Cherry, Porter, Rogers, Breaux, Holdman

SB 472 - UTILITY MATTERS (Koch, E)

Date: Thursday, April 18

Time: 10:00 AM

Location: Senate Chamber

Conferees: Koch, J.D. Ford, Soliday, Pierce

Advisors: Garten, Randolph, Charbonneau, Frye, Morrison, Reardon, Hatfield, Macer

HB 1001 - STATE BUDGET (Huston, T)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 404

Conferees: Huston and Porter, Mishler and Tallian

Advisors: Brown T, Cherry, Thompson, Karickhoff, Jordan, Sullivan, Negele, Campbell, DeLaney, Hamilton, Harris, Klinker, Pryor and Wright, Holdman, Niezgodski, Bassler, Melton, Brown L and Breaux

SB 535 - PUBLIC NOTICE ADVERTISING; EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (Boots, P)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 233

Conferees: Boots and Taylor G, Gutwein and Austin

Advisors: Buck, Lanane and Niemeyer, McNamara, Goodrich, Saunders, Prescott and Jackson

HB 1025 - COUNTY HIGHWAY ENGINEER'S SALARY (Aylesworth, M)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 156-A

Conferees: Buck, Niezgodski, Aylesworth, Harris

Advisors: Saunders, Abbott, Sullivan, Campbell, Hamilton, Melton, Niemeyer

SB 94 - INTERIM STUDY COMMITTEE (Boots, P)

Date: Thursday, April 18
Time: 10:45 AM
Location: Rm. 233
Conferees: Mahan and Campbell, Boots and Lanane
Advisors: Ellington, Negele and Pierce, Doriot and Taylor G

SB 438 - VARIOUS EDUCATION MATTERS (Zay, A)

Date: Thursday, April 18
Time: 11:30 AM
Location: Senate Chamber
Conferees: Behning and Pfaff, Zay and Melton
Advisors: Jordan, Cook, DeLaney and Klinker, Raatz and Stoops

SB 563 - ECONOMIC DEVELOPMENT (Holdman, T)

Date: Thursday, April 18
Time: 11:30 AM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Stoops
Advisors: Lehman, Mayfield, Hamilton and Klinker, Houchin and Ford J.D

HB 1630 - VARIOUS EDUCATION MATTERS (Behning, R)

Date: Thursday, April 18
Time: 2:00 PM
Location: Rm. 156-C
Conferees: Buchanan, Melton, Behning, Pfaff
Advisors: Cook, Burton, DeLaney, Klinker, Spartz, Stoops, Kruse

SB 565 - VARIOUS INCOME TAX MATTERS AND REGIONAL DEVELOPMENT AUTHORITIES (Holdman, T)

Date: Thursday, April 18
Time: 12:00 PM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Niezgodski
Advisors: Thompson, Heine, Campbell, DeLaney and Pryor, Houchin and Stoops

HB 1021 - EDUCATION FINANCE (Thompson, J)

Date: Thursday, April 18
Time: 12:30 PM
Location: Rm. 404
Conferees: Bassler, Tallian, Thompson, Klinker
Advisors: Buchanan, Melton, Spartz, Niezgodski, Judy, Campbell, Hatfield, Pryor, Steuerwald

HB 1089 - EDUCATION MATTERS (Thompson, J)

Date: Thursday, April 18
Time: 12:45 PM

Location: Rm. 404
Conferees: Thompson, Pfaff, Raatz, Stoops
Advisors: Cook, DeVon, DeLaney, Klinker, Kruse, Melton

Monday April 22nd

HB 1444 - STUDY COMMITTEE (Brown, T)

Date: Monday, April 22
Time: 9:30 AM
Location: Rm. 156-B
Conferees: Charbonneau and Tallian, Brown T and Klinker
Advisors: Brown L, Breaux, Holdman and Mishler, Judy, Karickhoff, Porter and Pryor

HB 1518 - ALCOHOLIC BEVERAGE MATTERS (Smaltz, B)

Date: Monday, April 22
Time: 10:00 AM
Location: Rm. 156-C
Conferees: Alting and Randolph Lonnie M, Smaltz and Moed
Advisors: Messmer, Lanane and Bohacek, Clere, Schaibley, Lehman, Austin and Summers

SB 603 - FIRE PROTECTION DISTRICTS AND ANNEXATION (Buck, J)

Date: Monday, April 22
Time: 10:30 AM
Location: Rm. 130
Conferees: Buck, Stoops, Ellington, Pierce
Advisors: Koch, Tallian, Brown L, Carbaugh, Morris, Frye R, Mayfield, Beck

SB 179 - ALCOHOL REGULATION (Alting, R)

Date: Monday, April 22
Time: 11:30 AM
Location: Rm. 125
Conferees: Alting and Lanane, Smaltz and Moed
Advisors: Bohacek and Randolph Lonnie M, Stutzman, Lehman, Austin and Summers

HB 1258 - DEPARTMENT OF HOMELAND SECURITY (Frye, R)

Date: Monday, April 22
Time: 2:00 PM
Location: Rm. 156-B
Conferees: Crider, Melton, Frye, Macer
Advisors: Gaskill, Randolph, Miller, Leonard, Chyung, Moseley

Best,

Caitlin King

Legislative Assistant

Office of Governor Eric J. Holcomb

CaiKing@gov.IN.gov

Cell: 317-601-5974

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From: [Howard, Roger](#)
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Subject: Conference Committee Update
Date: Thursday, April 18, 2019 8:56:09 AM

Hi everyone,

Please see below for an update.

-

Conference Committee Schedule

Thursday, April 18th

-

SB 554 - ECONOMIC DEVELOPMENT AND TICKET SALES (Garten, C)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 125

Conferees: Clere, Fleming, Grooms, Tallian

Advisors: Abbott, Carbaugh, Bartlett, Goodin, Klinker, Garten, Neizgodski, Boots

-

HB 1343 - LIBRARIES (Leonard, D)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 156-C

Conferees: Leonard, Chyung, Zay, Lanane

Advisors: Zent, May, Abbott, Moed, Pryor, Tomes, Taylor, Bohacek

-

SB 233 - BUSINESS PERSONAL PROPERTY TAX EXEMPTION (Freeman, A)

Date: Thursday, April 18, 2019

Time: 9:00 AM

Location: Rm. 233

Conferees: Freeman and Stoops, Speedy and Porter

Advisors: Garten, Taylor G, Holdman and Ford J.D, Thompson, Cherry, Harris and Klinker

HB 1002 - CAREER AND TECHNICAL EDUCATION (Sullivan, H)

Date: Thursday, April 18

Time: 9:30 AM

Location: Rm. 156-D

Conferees: Perfect, Melton, Sullivan, Porter

Advisors: Raatz, Stoops, Kruse, Frye, Goodrich, DeLaney, Pfaff, Wright

HB 1594 - INDIANA FINANCE AUTHORITY MATTERS (Huston, T)

Thursday, April 18

Time: 9:45 AM

Location: Rm. 404

Conferees: Huston, DeLaney, Mishler, Niezgodski

Advisors: Brown, Cherry, Porter, Rogers, Breaux, Holdman

SB 472 - UTILITY MATTERS (Koch, E)

Date: Thursday, April 18

Time: 10:00 AM

Location: Senate Chamber

Conferees: Koch, J.D. Ford, Soliday, Pierce

Advisors: Garten, Randolph, Charbonneau, Frye, Morrison, Reardon, Hatfield, Macer

HB 1001 - STATE BUDGET (Huston, T)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 404

Conferees: Huston and Porter, Mishler and Tallian

Advisors: Brown T, Cherry, Thompson, Karickhoff, Jordan, Sullivan, Negele, Campbell, DeLaney, Hamilton, Harris, Klinker, Pryor and Wright, Holdman, Niezgodski, Bassler, Melton, Brown L and Breaux

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Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 233

Conferees: Boots and Taylor G, Gutwein and Austin

Advisors: Buck, Lanane and Niemeyer, McNamara, Goodrich, Saunders, Prescott and Jackson

HB 1025 - COUNTY HIGHWAY ENGINEER'S SALARY (Aylesworth, M)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 156-A

Conferees: Buck, Niezgodski, Aylesworth, Harris

Advisors: Saunders, Abbott, Sullivan, Campbell, Hamilton, Melton, Niemeyer

SB 94 - INTERIM STUDY COMMITTEE (Boots, P)

Date: Thursday, April 18
Time: 10:45 AM
Location: Rm. 233
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Advisors: Ellington, Negele and Pierce, Doriot and Taylor G

SB 438 - VARIOUS EDUCATION MATTERS (Zay, A)

Date: Thursday, April 18
Time: 11:30 AM
Location: Senate Chamber
Conferees: Behning and Pfaff, Zay and Melton
Advisors: Jordan, Cook, DeLaney and Klinker, Raatz and Stoops

SB 563 - ECONOMIC DEVELOPMENT (Holdman, T)

Date: Thursday, April 18
Time: 11:30 AM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Stoops
Advisors: Lehman, Mayfield, Hamilton and Klinker, Houchin and Ford J.D

SB 565 - VARIOUS INCOME TAX MATTERS AND REGIONAL DEVELOPMENT AUTHORITIES (Holdman, T)

Date: Thursday, April 18
Time: 12:00 PM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Niezgodski
Advisors: Thompson, Heine, Campbell, DeLaney and Pryor, Houchin and Stoops

HB 1021 - EDUCATION FINANCE (Thompson, J)

Date: Thursday, April 18
Time: 12:30 PM
Location: Rm. 404
Conferees: Bassler, Tallian, Thompson, Klinker
Advisors: Buchanan, Melton, Spartz, Niezgodski, Judy, Campbell, Hatfield, Pryor, Steuerwald

HB 1089 - EDUCATION MATTERS (Thompson, J)

Date: Thursday, April 18
Time: 12:45 PM
Location: Rm. 404
Conferees: Thompson, Pfaff, Raatz, Stoops
Advisors: Cook, DeVon, DeLaney, Klinker, Kruse, Melton

Monday April 22nd

HB 1258 - DEPARTMENT OF HOMELAND SECURITY (Frye, R)

Date: Monday, April 22

Time: 2:00 PM

Location: Rm. 156-B

Conferees: Crider, Melton, Frye, Macer

Advisors: Gaskill, Randolph, Miller, Leonard, Chyung, Moseley

Best,

Roger Howard

Governor's Fellow

Office of Governor Eric J. Holcomb

Rhoward1@gov.in.gov

From: [Howard, Roger](#)
To: [#All Governor's Office](#); [Hoffman, Jeremy J](#); [Legislative Liaisons - 2019](#); [Schwartz, Kristin](#); [Smith, Hamilton](#); [Adams, Dawn M](#); [Aichele, Stephen](#); [Allen, Jessica](#); [Hermer, Andrea](#); [Babu, Ambat](#); [Barnes, Tracy \(LG\)](#); [Bausman, David C](#); [Beesley, Keith](#); [Bennett, Wesley](#); [Britt, Luke](#); [Cain, Tim J](#); [Clark, David \(IFA\)](#); [Herron, Cindy](#); [Fernandez, Marilyn \(IARA\)](#); [Cotterill, Ted](#); [Creighton, Chris](#); [Criss, Emily \(IEDC\)](#); [Cudahy, Sarah](#); [Cummins, Jeffrey](#); [Dahlberg, Christine M](#); [Dant, Joseph \(IHCDA\)](#); [Debbie Taylor](#); [Durst, Jim](#); [Dye, Darren](#); [Ehrenberg, Jim](#); [Elrod, Jonathan](#); [Ferguson, Jon](#); [Ferree, Cathryn \(Cathy\)](#); [Fite, Tom](#); [Fox, Trent \(ISDH\)](#); [Garrison, Joshua \(CHE\)](#); [Goodwin, Nicholas R](#); [Goodwin, Stewart](#); [Green, Anthony \(INPRS\)](#); [Habig, William J \(Gus\)](#); [Hadley, Jerry](#); [Hadley, Ryan E](#); [Hammond, John](#); [Hanna, Bill](#); [Haynes, Gary](#); [Heater, Ryan J](#); [Helene, Beth E.](#); [Hoage, Joseph](#); [Hoffeditz, Brad P.](#); [Howard, Roger](#); [Hoye, Cindy \(SFC\)](#); [Hyver, Lindsay M \(ATC\)](#); [Jackson, Zachary](#); [Joyce, Paul](#); [Sheridan, Erin \(LG\)](#); [Kearby, Bianca](#); [Kendrick, Teri](#); [Kent, Amy \(ISDH\)](#); [Kiefer, Chris](#); [Kiernovitch, Alicia](#); [King, Caitlin](#); [Knapp, Wendy](#); [Knox, Taylor](#); [Kowalski, Douglas](#); [Krevda, Stefanie N \(URC\)](#); [Light, Matthew J \(SBoA\)](#); [Lighty, Chandler](#); [Lizza, Meredith](#); [Lottes, Paul](#); [Lubsen, Graig](#); [Mays-Medley, Carolene](#); [McAdam, Justin L](#); [McDonald, Devon](#); [McGoff, James \(Jim\)](#); [Miller, Lyndsay](#); [Moloy, Dustin](#); [Moorhous, Erin](#); [Mulligan, Tiffany M](#); [Ness, Tyler J](#); [Owens, Gabrielle](#); [Perez, Silvia](#); [Posey, Doneisha](#); [Reske, Jenny](#); [Rockensuess, Brian](#); [Roeder, John](#); [Rosebrough, Dennis](#); [Ruble, Rick](#); [Russell, Christopher \(DOR\)](#); [Schelle, Sarah](#); [Sears, Jessica](#); [Shackle, Daniel](#); [Shriner, Kacey](#); [Simpkins, James M \(IDOI\)](#); [Simpson, Sarah \(BOAH\)](#); [Small, Greg](#); [Smith, Chris](#); [Smith, Todd \(ISP\)](#); [Smith, Zach \(CHE\)](#); [Speer, Jake](#); [Steltenpohl, Marita \(IDOA\)](#); [Storm, Nathaniel L](#); [Swinger, Anthony](#); [Szilard, Molly](#); [Taylor, Sarah](#); [Teare, Ross M](#); [Tierney, Sean \(CHE\)](#); [Turner, Laura A](#); [Van Zant, Rex](#); [Vance, Tristan S \(OED\)](#); [Vincent, Matthew](#); [Wandersee, Eric](#); [Wasky, Mark A](#); [Watson, Sylvia](#); [Whitham, Jonathan](#); [Young, William \(DCS\)](#); [Ziller, Sherr](#)
Subject: Conference Committee Update
Date: Thursday, April 18, 2019 8:40:13 AM

Hi everyone,

Please see below for an update.

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Conference Committee Schedule

Thursday, April 18th

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SB 554 - ECONOMIC DEVELOPMENT AND TICKET SALES (Garten, C)

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HB 1343 - LIBRARIES (Leonard, D)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 156-C

Conferees: Leonard, Chyung, Zay, Lanane

Advisors: Zent, May, Abbott, Moed, Pryor, Tomes, Taylor, Bohacek

-

SB 233 - BUSINESS PERSONAL PROPERTY TAX EXEMPTION (Freeman, A)

Date: Thursday, April 18, 2019

Time: 9:00 AM

Location: Rm. 233

Conferees: Freeman and Stoops, Speedy and Porter

Advisors: Garten, Taylor G, Holdman and Ford J.D, Thompson, Cherry, Harris and Klinker

HB 1002 - CAREER AND TECHNICAL EDUCATION (Sullivan, H)

Date: Thursday, April 18

Time: 9:30 AM

Location: Rm. 156-D

Conferees: Perfect, Melton, Sullivan, Porter

Advisors: Raatz, Stoops, Kruse, Frye, Goodrich, DeLaney, Pfaff, Wright

Conference Committee for SB 472 - UTILITY MATTERS (Koch, E)

Date: Thursday, April 18

Time: 10:00 AM

Location: Senate Chamber

Conferees: Koch, J.D. Ford, Soliday, Pierce

Advisors: Garten, Randolph, Charbonneau, Frye, Morrison, Reardon, Hatfield, Macer

HB 1001 - STATE BUDGET (Huston, T)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 404

Conferees: Huston and Porter, Mishler and Tallian

Advisors: Brown T, Cherry, Thompson, Karickhoff, Jordan, Sullivan, Negele, Campbell, DeLaney, Hamilton, Harris, Klinker, Pryor and Wright, Holdman, Niezgodski, Bassler, Melton, Brown L and Breaux

SB 535 - PUBLIC NOTICE ADVERTISING; EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (Boots, P)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 233

Conferees: Boots and Taylor G, Gutwein and Austin

Advisors: Buck, Lanane and Niemeyer, McNamara, Goodrich, Saunders, Prescott and Jackson

HB 1025 - COUNTY HIGHWAY ENGINEER'S SALARY (Aylesworth, M)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 156-A

Conferees: Buck, Niezgodski, Aylesworth, Harris

Advisors: Saunders, Abbott, Sullivan, Campbell, Hamilton, Melton, Niemeyer

SB 94 - INTERIM STUDY COMMITTEE (Boots, P)

Date: Thursday, April 18

Time: 10:45 AM

Location: Rm. 233

Conferees: Mahan and Campbell, Boots and Lanane

Advisors: Ellington, Negele and Pierce, Doriot and Taylor G

SB 438 - VARIOUS EDUCATION MATTERS (Zay, A)

Date: Thursday, April 18
Time: 11:30 AM
Location: Senate Chamber
Conferees: Behning and Pfaff, Zay and Melton
Advisors: Jordan, Cook, DeLaney and Klinker, Raatz and Stoops

SB 563 - ECONOMIC DEVELOPMENT (Holdman, T)

Date: Thursday, April 18
Time: 11:30 AM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Stoops
Advisors: Lehman, Mayfield, Hamilton and Klinker, Houchin and Ford J.D

SB 565 - VARIOUS INCOME TAX MATTERS AND REGIONAL DEVELOPMENT AUTHORITIES (Holdman, T)

Date: Thursday, April 18
Time: 12:00 PM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Niezgodski
Advisors: Thompson, Heine, Campbell, DeLaney and Pryor, Houchin and Stoops

HB 1021 - EDUCATION FINANCE (Thompson, J)

Date: Thursday, April 18
Time: 12:30 PM
Location: Rm. 404
Conferees: Bassler, Tallian, Thompson, Klinker
Advisors: Buchanan, Melton, Spartz, Niezgodski, Judy, Campbell, Hatfield, Pryor, Steuerwald

HB 1089 - EDUCATION MATTERS (Thompson, J)

Date: Thursday, April 18
Time: 12:45 PM
Location: Rm. 404
Conferees: Thompson, Pfaff, Raatz, Stoops
Advisors: Cook, DeVon, DeLaney, Klinker, Kruse, Melton

Monday April 22nd

HB 1258 - DEPARTMENT OF HOMELAND SECURITY (Frye, R)

Date: Monday, April 22
Time: 2:00 PM
Location: Rm. 156-B
Conferees: Crider, Melton, Frye, Macer
Advisors: Gaskill, Randolph, Miller, Leonard, Chyung, Moseley

Best,

Roger Howard

Governor's Fellow

Office of Governor Eric J. Holcomb

Rhoward1@gov.in.gov

From: [Howard, Roger](#)
To: [#All Governor's Office](#); [Hoffman, Jeremy J](#); [Legislative Liaisons - 2019](#); [Schwartz, Kristin](#); [Smith, Hamilton](#); [Adams, Dawn M](#); [Aichele, Stephen](#); [Allen, Jessica](#); [Hermer, Andrea](#); [Babu, Ambat](#); [Barnes, Tracy \(LG\)](#); [Bausman, David C](#); [Beesley, Keith](#); [Bennett, Wesley](#); [Britt, Luke](#); [Cain, Tim J](#); [Clark, David \(IFA\)](#); [Herron, Cindy](#); [Fernandez, Marilyn \(IARA\)](#); [Cotterill, Ted](#); [Creighton, Chris](#); [Criss, Emily \(IEDC\)](#); [Cudahy, Sarah](#); [Cummins, Jeffrey](#); [Dahlberg, Christine M](#); [Dant, Joseph \(IHCDA\)](#); [Debbie Taylor](#); [Durst, Jim](#); [Dye, Darren](#); [Ehrenberg, Jim](#); [Elrod, Jonathan](#); [Ferguson, Jon](#); [Ferree, Cathryn \(Cathy\)](#); [Fite, Tom](#); [Fox, Trent \(ISDH\)](#); [Garrison, Joshua \(CHE\)](#); [Goodwin, Nicholas R](#); [Goodwin, Stewart](#); [Green, Anthony \(INPRS\)](#); [Habig, William J \(Gus\)](#); [Hadley, Jerry](#); [Hadley, Ryan E](#); [Hammond, John](#); [Hanna, Bill](#); [Haynes, Gary](#); [Heater, Ryan J](#); [Helene, Beth E.](#); [Hoage, Joseph](#); [Hoffeditz, Brad P.](#); [Howard, Roger](#); [Hoye, Cindy \(SFC\)](#); [Hyver, Lindsay M \(ATC\)](#); [Jackson, Zachary](#); [Joyce, Paul](#); [Sheridan, Erin \(LG\)](#); [Kearby, Bianca](#); [Kendrick, Teri](#); [Kent, Amy \(ISDH\)](#); [Kiefer, Chris](#); [Kiernovitch, Alicia](#); [King, Caitlin](#); [Knapp, Wendy](#); [Knox, Taylor](#); [Kowalski, Douglas](#); [Krevda, Stefanie N \(URC\)](#); [Light, Matthew J \(SBoA\)](#); [Lighty, Chandler](#); [Lizza, Meredith](#); [Lottes, Paul](#); [Lubsen, Graig](#); [Mays-Medley, Carolene](#); [McAdam, Justin L](#); [McDonald, Devon](#); [McGoff, James \(Jim\)](#); [Miller, Lyndsay](#); [Moloy, Dustin](#); [Moorhous, Erin](#); [Mulligan, Tiffany M](#); [Ness, Tyler J](#); [Owens, Gabrielle](#); [Perez, Silvia](#); [Posey, Doneisha](#); [Reske, Jenny](#); [Rockensuess, Brian](#); [Roeder, John](#); [Rosebrough, Dennis](#); [Ruble, Rick](#); [Russell, Christopher \(DOR\)](#); [Schelle, Sarah](#); [Sears, Jessica](#); [Shackle, Daniel](#); [Shriner, Kacey](#); [Simpkins, James M \(IDOI\)](#); [Simpson, Sarah \(BOAH\)](#); [Small, Greg](#); [Smith, Chris](#); [Smith, Todd \(ISP\)](#); [Smith, Zach \(CHE\)](#); [Speer, Jake](#); [Steltenpohl, Marita \(IDOA\)](#); [Storm, Nathaniel L](#); [Swinger, Anthony](#); [Szilard, Molly](#); [Taylor, Sarah](#); [Teare, Ross M](#); [Tierney, Sean \(CHE\)](#); [Turner, Laura A](#); [Van Zant, Rex](#); [Vance, Tristan S \(OED\)](#); [Vincent, Matthew](#); [Wandersee, Eric](#); [Wasky, Mark A](#); [Watson, Sylvia](#); [Whitham, Jonathan](#); [Young, William \(DCS\)](#); [Ziller, Sherr](#)
Subject: Conference Committee Update
Date: Thursday, April 18, 2019 12:15:14 PM

Hi everyone,

Please see below for an update.

-

Conference Committee Schedule

Thursday, April 18th

-

SB 554 - ECONOMIC DEVELOPMENT AND TICKET SALES (Garten, C)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 125

Conferees: Clere, Fleming, Grooms, Tallian

Advisors: Abbott, Carbaugh, Bartlett, Goodin, Klinker, Garten, Neizgodski, Boots

-

HB 1343 - LIBRARIES (Leonard, D)

Date: Thursday, April 18

Time: 9:00 AM

Location: Rm. 156-C

Conferees: Leonard, Chyung, Zay, Lanane

Advisors: Zent, May, Abbott, Moed, Pryor, Tomes, Taylor, Bohacek

-

SB 233 - BUSINESS PERSONAL PROPERTY TAX EXEMPTION (Freeman, A)

Date: Thursday, April 18, 2019

Time: 9:00 AM

Location: Rm. 233

Conferees: Freeman and Stoops, Speedy and Porter

Advisors: Garten, Taylor G, Holdman and Ford J.D, Thompson, Cherry, Harris and Klinker

HB 1002 - CAREER AND TECHNICAL EDUCATION (Sullivan, H)

Date: Thursday, April 18

Time: 9:30 AM

Location: Rm. 156-D

Conferees: Perfect, Melton, Sullivan, Porter

Advisors: Raatz, Stoops, Kruse, Frye, Goodrich, DeLaney, Pfaff, Wright

HB 1594 - INDIANA FINANCE AUTHORITY MATTERS (Huston, T)

Thursday, April 18

Time: 9:45 AM

Location: Rm. 404

Conferees: Huston, DeLaney, Mishler, Niezgodski

Advisors: Brown, Cherry, Porter, Rogers, Breaux, Holdman

SB 472 - UTILITY MATTERS (Koch, E)

Date: Thursday, April 18

Time: 10:00 AM

Location: Senate Chamber

Conferees: Koch, J.D. Ford, Soliday, Pierce

Advisors: Garten, Randolph, Charbonneau, Frye, Morrison, Reardon, Hatfield, Macer

HB 1001 - STATE BUDGET (Huston, T)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 404

Conferees: Huston and Porter, Mishler and Tallian

Advisors: Brown T, Cherry, Thompson, Karickhoff, Jordan, Sullivan, Negele, Campbell, DeLaney, Hamilton, Harris, Klinker, Pryor and Wright, Holdman, Niezgodski, Bassler, Melton, Brown L and Breaux

SB 535 - PUBLIC NOTICE ADVERTISING; EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (Boots, P)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 233

Conferees: Boots and Taylor G, Gutwein and Austin

Advisors: Buck, Lanane and Niemeyer, McNamara, Goodrich, Saunders, Prescott and Jackson

HB 1025 - COUNTY HIGHWAY ENGINEER'S SALARY (Aylesworth, M)

Date: Thursday, April 18

Time: 10:00 AM

Location: Rm. 156-A

Conferees: Buck, Niezgodski, Aylesworth, Harris

Advisors: Saunders, Abbott, Sullivan, Campbell, Hamilton, Melton, Niemeyer

SB 94 - INTERIM STUDY COMMITTEE (Boots, P)

Date: Thursday, April 18
Time: 10:45 AM
Location: Rm. 233
Conferees: Mahan and Campbell, Boots and Lanane
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SB 563 - ECONOMIC DEVELOPMENT (Holdman, T)

Date: Thursday, April 18
Time: 11:30 AM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Stoops
Advisors: Lehman, Mayfield, Hamilton and Klinker, Houchin and Ford J.D

HB 1630 - VARIOUS EDUCATION MATTERS (Behning, R)

Date: Thursday, April 18
Time: 2:00 PM
Location: Rm. 156-C
Conferees: Buchanan, Melton, Behning, Pfaff
Advisors: Cook, Burton, DeLaney, Klinker, Spartz, Stoops, Kruse

SB 565 - VARIOUS INCOME TAX MATTERS AND REGIONAL DEVELOPMENT AUTHORITIES (Holdman, T)

Date: Thursday, April 18
Time: 12:00 PM
Location: Rm. 130
Conferees: Huston and Porter, Holdman and Niezgodski
Advisors: Thompson, Heine, Campbell, DeLaney and Pryor, Houchin and Stoops

HB 1021 - EDUCATION FINANCE (Thompson, J)

Date: Thursday, April 18
Time: 12:30 PM
Location: Rm. 404
Conferees: Bassler, Tallian, Thompson, Klinker
Advisors: Buchanan, Melton, Spartz, Niezgodski, Judy, Campbell, Hatfield, Pryor, Steuerwald

HB 1089 - EDUCATION MATTERS (Thompson, J)

Date: Thursday, April 18
Time: 12:45 PM

Location: Rm. 404

Conferees: Thompson, Pfaff, Raatz, Stoops

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Monday April 22nd

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Date: Monday, April 22

Time: 2:00 PM

Location: Rm. 156-B

Conferees: Crider, Melton, Frye, Macer

Advisors: Gaskill, Randolph, Miller, Leonard, Chyung, Moseley

Best,

Roger Howard

Governor's Fellow

Office of Governor Eric J. Holcomb

Rhoward1@gov.in.gov

From: [King, Caitlin](#)
To: [#All Governor's Office](#)
Subject: Floor Calendars & Conference Committee Schedules 4/18
Date: Thursday, April 18, 2019 9:00:43 AM
Attachments: [Senate Floor Calendar 4.18.pdf](#)
[House Floor Calendar 4.18.pdf](#)

Conference Committee Schedule

Thursday, April 18th

-

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Advisors: Saunders, Abbott, Sullivan, Campbell, Hamilton, Melton, Niemeyer

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SB 563 - ECONOMIC DEVELOPMENT (Holdman, T)

Date: Thursday, April 18

Time: 11:30 AM

Location: Rm. 130

Conferees: Huston and Porter, Holdman and Stoops

Advisors: Lehman, Mayfield, Hamilton and Klinker, Houchin and Ford J.D

**SB 565 - VARIOUS INCOME TAX MATTERS AND REGIONAL DEVELOPMENT AUTHORITIES
(Holdman, T)**

Date: Thursday, April 18

Time: 12:00 PM

Location: Rm. 130

Conferees: Huston and Porter, Holdman and Niezgodski

Advisors: Thompson, Heine, Campbell, DeLaney and Pryor, Houchin and Stoops

HB 1021 - EDUCATION FINANCE (Thompson, J)

Date: Thursday, April 18

Time: 12:30 PM

Location: Rm. 404

Conferees: Bassler, Tallian, Thompson, Klinker

Advisors: Buchanan, Melton, Spartz, Niezgodski, Judy, Campbell, Hatfield, Pryor, Steuerwald

HB 1089 - EDUCATION MATTERS (Thompson, J)

Date: Thursday, April 18

Time: 12:45 PM

Location: Rm. 404

Conferees: Thompson, Pfaff, Raatz, Stoops

Advisors: Cook, DeVon, DeLaney, Klinker, Kruse, Melton

Caitlin King

Legislative Assistant

Office of Governor Eric J. Holcomb

CaiKing@gov.IN.gov

Cell: 317-601-5974

Follow Governor Eric Holcomb on [Twitter](#), [Facebook](#) & [Instagram](#)

Senate Calendar



State of Indiana
121st General Assembly

President Pro Tempore
Rodric Bray

Principal Secretary
Jennifer Mertz

Legislative Day – Thursday

Convening Time : 01:30 PM

April 18, 2019

HOUSE CONCURRENT RESOLUTIONS ELIGIBLE FOR ADOPTION

Sponsors

HCR 34

Honoring Indiana State Trooper
Roy E. Jones.

Gaskill, Lanane

RULE 82(e) CONCURRENCES ELIGIBLE FOR ACTION

Authors

SB 325

Student mental health.

Crider

CONCURRENCES ELIGIBLE FOR ACTION

Authors

SB 1

Department of child services.

Houchin
JRH

SB 79

Rights of police officers.

Sandlin
SDH

Senate Calendar



President Pro Tempore
Rodric Bray

State of Indiana
121st General Assembly

Principal Secretary
Jennifer Mertz

Legislative Day – Thursday

Convening Time : 01:30 PM

April 18, 2019

SB 127	Referendum for school safety levy.	Holdman SDH
SB 186	Traffic crimes.	Koch SDH
SB 193	Sewer and water connections.	Bohacek RBH/PWP
SB 243	Nonconsensual pornography.	Freeman SDH
SB 460	Broadband development.	Messmer
SB 464	Homeless children and youths.	Merritt LAB
SB 485	Building standards.	Alting SDH

Senate Calendar



State of Indiana 121st General Assembly

President Pro Tempore
Rodric Bray

Principal Secretary
Jennifer Mertz

Legislative Day – Thursday

Convening Time : 01:30 PM

April 18, 2019

SB 546 Interim study committee.

Spartz
LAK

SB 558 Election security.

Houchin
Legal

SB 567 Education matters.

Raatz
LAK

SENATE CONFERENCE COMMITTEES ELIGIBLE FOR ACTION

Conferees

SB 33 Comprehensive addiction recovery centers.
CCR #1

Merritt, Stoops
Kirchhofer, Shackelford
DWH

SB 85 1977 fund retirement and surviving spouse benefits.
CCR #1

Ford Jon, Tallian
VanNatter, Harris
JLM

SB 228 Department of health matters.
CCR #1

Charbonneau, Breaux
Kirchhofer, Fleming
PWP

SB 459 Military matters.
CCR #1

Messmer, Ford J.D.
Morrison, Pfaff
JE

Senate Calendar



President Pro Tempore
Rodric Bray

State of Indiana
121st General Assembly

Principal Secretary
Jennifer Mertz

Legislative Day – Thursday

Convening Time : 01:30 PM

April 18, 2019

HOUSE CONFERENCE COMMITTEES ELIGIBLE FOR ACTION

Conferees

HB 1056 Property tax appeals.
CCR #1

Buck, Taylor G
Manning, Pryor
JLM

HB 1171 Apprentice plumbers.
CCR #1

Brown L, Niezgodski
Morris, Beck
LAB

HB 1192 Theft by public servants.
CCR #1

Koch, Randolph Lonnie M
Lauer, Dvorak
Legal

HB 1402 Innkeeper's taxes and other local taxes.
CCR #1

Sandlin, Ford J.D.
Karickhoff, GiaQuinta
JLM

HB 1405 Taxation of data centers.
CCR #1

Messmer, Taylor G
Soliday, Harris
JLM

House Calendar



Speaker
Brian C. Bosma

State of Indiana
121st General Assembly

Principal Clerk
Caroline Spotts

Legislative Day -- Thursday

Convening Time : 10:00 AM

April 18, 2019

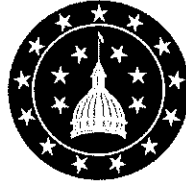
HOUSE CONFERENCE COMMITTEES ELIGIBLE FOR ACTION

		Conferees	TIME FILED
HB 1056 CCR #1	Property tax appeals.	Manning, Pryor Buck, Taylor G	04/17/2019 01:58 PM JLM
HB 1171 CCR #1	Apprentice plumbers.	Morris, Beck Brown L, Niezgodski	04/17/2019 02:21 PM LAB
HB 1402 CCR #1	Innkeeper's taxes and other local taxes.	Karickhoff, GiaQuinta Sandlin, Ford J.D.	04/16/2019 03:29 PM JLM
HB 1405 CCR #1	Taxation of data centers.	Soliday, Harris Messmer, Taylor G	04/17/2019 01:58 PM JLM

SENATE CONFERENCE COMMITTEES ELIGIBLE FOR ACTION

		Conferees	TIME FILED
SB 33 CCR #1	Comprehensive addiction recovery centers.	Kirchhofer, Shackelford Merritt, Stoops	04/17/2019 02:21 PM DWH
SB 85 CCR #1	1977 fund retirement and surviving spouse benefits.	VanNatter, Harris Ford Jon, Tallian	04/17/2019 02:21 PM JLM
SB 228 CCR #1	Department of health matters.	Kirchhofer, Fleming Charbonneau, Breaux	04/16/2019 03:29 PM PWP

House Calendar



State of Indiana
121st General Assembly

Speaker
Brian C. Bosma

Principal Clerk
Caroline Spotts

Legislative Day – Thursday

Convening Time : 10:00 AM

April 18, 2019

Addendum # 1

CONCURRENCES ELIGIBLE FOR ACTION	Authors	TIME FILED
HB 1136	Uniform Consumer Credit Code.	Burton
		04/17/2019 03:15 PM RBH
HB 1177	Township government issues.	Ziemke
		04/17/2019 10:53 AM JLM
HB 1668	Use of Social Security numbers in credit files.	Lauer
		04/17/2019 03:16 PM Legal

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: Insights
Date: Friday, March 8, 2019 12:49:28 PM
Attachments: [LegInsight Mar 8.pdf](#)
[GamInsight Mar 8.pdf](#)

Hi all,

Here are the Legislative and Gaming Insights for this past week. Have a great weekend!

Sincerely,

Tyler Warman

Staff Assistant
Office of Governor Eric Holcomb, State of Indiana
200 W. Washington St.
State House, Room 206
Indianapolis, IN 46204

TWarman@gov.IN.gov

(317) 232-1198



03/11/19

Vol. 31, No. 12

INDIANA LEGISLATIVE INSIGHT

www.hannah-in.com

No clear 2020 vision for IN Ds

Governor's race has no frontrunner; AG race comes into play as well

Democrats simply don't have any obvious potential candidates for statewide office whom Republicans fear. That's a fact of life that takes into account the Donnelly and Bayh statewide losses in 2016 and 2018, but just as importantly, the long record of Democratic futility in state office races, punctuated only by the anomalous Ritz candidacy in 2012 (and the 2016 race showed why that was an outlier).

There are some who look at Democratic prospects in 2020 – even without consideration for how the Trump/Pence ticket might play Back Home (recall how the Trump presence skewed the 2016 Indiana races at all levels) – and believe that trying to win the Governor's office over a popular incumbent in a presidential year is a fool's errand.

No Republican governor (nor any Democrats, either) has ever been ousted from office since the state ended the one-term limit via a 1972 constitutional amendment, and Evan Bayh (D) in 1988 was the only Democrat to succeed a Republican governor while Hoosiers were still voting for a Republican for president that year (and Mitch Daniels (R) still won re-election 20 years later even as Indiana voted Democrat in the presidential race for the first time since 1964).

More cynical Democrats may quietly be considering effectively surrendering the gubernatorial race to an incumbent with whom they can work, and would leave the office open four years hence, with no clear front-runner (though U.S. Sen. Todd Young (R) and U.S. Reps. Jim Banks (R) and Susan Brooks (R) and several state solons may be publicly jockeying for the starting gate by 2022, and you can't rule out any business leader or some up-and-coming metro mayors) in favor of focusing on the race for attorney general, should the Republican establishment be unable to shunt aside Attorney General Curtis Hill (R) . . . and could the Governor or Indiana Chamber of Commerce back Sen. Randy Head (R), a 2016 convention candidate for attorney general long considered an alternative to Hill, after Sen. Head voted with the majority of Senate Republicans to strip the list of covered classes from the bias crimes bill on the high-profile Second Reading action?

There are more moving parts than usual in looking at a 2020 GOP ticket.

Former two-term Evansville mayor Jonathan Weinzapfel (D), a key honcho for Ivy Tech (and hence education and workforce development guru) in Southwest Indiana, is the guy we're hearing is being eyed for that task. He would turn 55 in late 2020. At last glance, his political committee had a substantial six-figure balance, and the former state representative – who made an unsuccessful congressional bid in 1996 – has taken some serious looks at state and congressional runs in recent years before waving off because of conditions.

Weinzapfel would be a top-tier candidate for AG, which could encourage a potential Democratic candidate for governor to run, given that there would likely be a bigger confidence level in the entire ticket . . . but if Hill isn't on the ticket – and the Republicans manage to replace him early, that could keep Weinzapfel from making a race in which the dynamics would better resemble a traditional AG race, which the Democrats have not won outright when the office had just been held by a Republican since 1992 (and that was with a strong Democratic governor running for re-election).

For more, please see the following page . . .

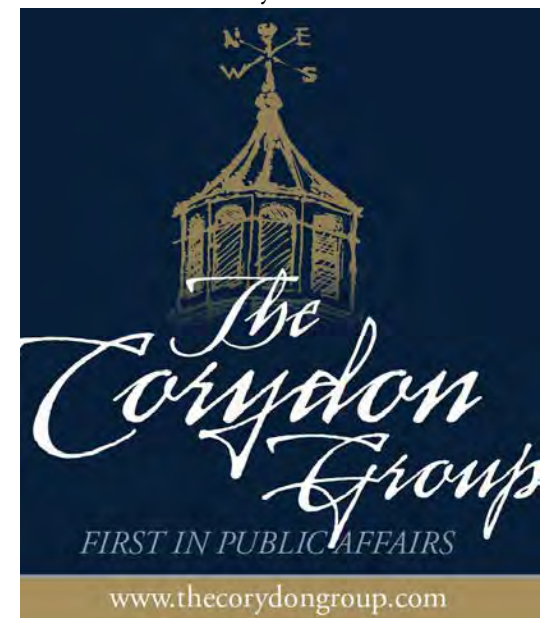
Trust US(DOL) on UI Fund

New federal report a cause for concern

The U.S. Department of Labor (USDOL) just released its *State Unemployment Insurance Trust Fund Solvency Report 2019*. Spoiler alert: Indiana does not fare well.

Dating back more than a decade, we've been your UI Trust Fund warning system, and it may be time to sound the alarm again. While USDOL finds 23 states below recommended (1.0) solvency standards, our 0.38 solvency level tops only those of New York, Ohio, Texas, Massachusetts, and California. The Indiana reserve ratio is a mere 0.56; the most solvent state, Vermont, posts a 4.68 ratio . . . though we are in a better place from a structural standpoint than we were before the recession.

Remember the high-cost borrowing from the Feds our UI trust fund resorted to after the 2008-09 fiscal crisis? Hoosier businesses had to pay a substantial UI premium surcharge for several years. As things stand today, we are among the minority of states not meeting eligibility criteria for interest-free advances or loans. The last year Indiana achieved a 1.0 average high cost multiple was 2002, back in the O'Bannon Administration. Recall that a business-labor deal ratified by legislative Republicans and the Democratic governor slashed premiums effective in 2001. The 1.0 multiple must have been achieved within the last five years to make Indiana eligible for an interest-free loan. Stay tuned.



General Hill, by the way, was solidifying his street cred with the Trump base last week, simply by doing his job; he was part of a group of attorneys general who met with the President while the AGs were in Washington, D.C. for the annual Winter meeting of the National Association of Attorneys General.

The Democratic Attorney General Association (DAGA) did announce, however, its "1881 Initiative" initiative last week, a DAGA program "to encourage and inspire Democratic women to run for the Office of Attorney General in their home state." The goal: "to see women occupying half of the state Attorneys General seats held by Democrats."

In 2016, Democrats ran a retired Hispanic judge from Lake County for the post. Their 2012 and 2008 nominees were Female Indianapolis attorneys.

But back to the top of ticket.

The Democrats are clearly without a front-runner (and Victor Oladipo - Vic4Indiana - still recovering from a knee injury!), consensus candidate for governor in 2020. Some on both sides think that the best chance Democrats would have is to reach into the business community (recall the 2008 candidacy of Jim Schellinger which was torpedoed in the primary?), and particularly the new high-tech world, to find someone with deep pockets and millennial appeal.

Without such a white knight of sorts on the horizon, however, Demos will likely have to dip back into the political pool, and it's not very deep, with few promising Democratic big-city mayors who would be eager to make the move - or without baggage - and only 43 legislators (and some too young constitutionally, or too old practically to even be considered).

Former U.S. Sen. Joe Donnelly (D) - a Baby Boomer (a pejorative term in electoral politics outside, perhaps Democratic progressives, who decidedly do not rule in Indiana, despite the 2016 primary boogie with Bernie) - will not be a gubernatorial candidate in 2020. Two names that seem to emerge most often as traditional potential contenders are former U.S. Rep. Baron Hill (D) and former Rep. Christina Hale (D), both of whom lost their only statewide races (Hill for U.S. Senate in 1990; Hale for lieutenant governor in 2016).

Hill also lost his most recent bid to remain in Congress (2010) and though the Indiana Basketball Hall of Fame member still looks like he can defend his Seymour High School all-time scoring record, he would turn 67 during the 2020 campaign, and it will have been a decade since he was last on the ballot. He has not maintained a significant public profile in the past few years. Further, a lot of Democrats still bear some resentment for Hill so readily stepping aside from the 2016 U.S. Senate race in favor of former U.S. Sen. Evan Bayh (D), who went on to an ignominious defeat that Fall.

One name that we do keep hearing some Democrats tout is former Rep. Hale, who acquitted herself well in her 2016 LG campaign, and made a lot of new friends across the state in that race. Some Republicans have long considered her to be the most worrisome candidate to run against, given her hard work in winning a marginal House district; her ability to reach across and enlist policy support from the other side of the aisle; and political bases in both the north side of Indianapolis/Hamilton County area in which she lives and her Porter County roots, which allow her some credibility in The Region.

One personnel move last month raised some hopeful eyebrows among the Democratic cognoscenti, as Michelle Study-Campbell left her post as CEO of the Ronald McDonald House Charities of Central Indiana to join Kiwanis International as director of youth protection. Hale is executive director of Kiwanis Youth Programs. Study-Campbell has established a strong name and network for herself in the non-profit and philanthropic center after working in the O'Bannon Administration and then spending a year on the staff of the Indiana Democratic Party as the 20th Century ended.

Conspiracy theorists would also note that just after Study-Campbell joined the Kiwanis, Poonam Gill also made her way into the youth program inner circle. Gill, who ran a strong race as the Democratic nominee against House Speaker Brian Bosma (R) last year in a Northeast Indianapolis district adjacent to the one once represented by Hale, becomes the new executive director of the Maker Youth Foundation.

Hale was a high-profile leader in the Women for Donnelly 2018 Senate campaign, and remains a frequent speaker at assorted Democratic and bipartisan events, and conveys an effective message in the #MeToo era (note, however, that General Hill stole some thunder from Hale's own efforts on behalf of sexual abuse victims last week by launching his own surprise crusade to help victims of abuse by the clergy).

But while the Hale package might have been a formidable addition to the state Democratic ticket in a campaign against Gov. Mike Pence (R) in 2016 if that match-up had come to fruition, Republicans - at least at the state level in 2020, with Governor Eric Holcomb (R) - can be expected to play down the kind of social "wedge" issues that Democrats were prepared to deploy against the Pence ticket (Pence would not have been helped on that front by the loss of his female lieutenant governor).

But Gov. Holcomb, who has even carved out an advocacy role on a hate crime bill that includes the "full list" of covered classes, is certainly not going to provoke the same kind of feelings on exclusion that his predecessor did, and he will also be running with a popular lieutenant governor (and don't underestimate other things Lieutenant Governor Suzanne Crouch (R) brings to the table; we expect her to transfer \$1 million in campaign cash to the Holcomb committee literally on the day the team announces for re-election).

We thought it might be interesting to see the career trajectory of unsuccessful lieutenant governor candidates preceding 2016 nominee Hale over the years.

Unsuccessful Major Party Lieutenant Governor Nominees 1956 -2016

2016	Hale (D)	1984	DeLaney (D)
2012	Simpson (D)	1980	Peterson (D)
2008	Oxley (D)	1976	Teague (D)
2004	Davis (D)	1972	Bodine (D)
2000	Clark (R)	1968	Beatty (D)
1996	Witwer (R)	1964	Ryan (R)
1992	Green (R)	1960	Utterback (R)
1988	Goldsmith (R)	1956	Zandstra (D)

While Hale was clearly the Democratic rock star in 2016, that may not count for much moving forward. Let's just say that if a drinking game required you to down a shot of your favorite craft-distilled spirits for each name you remembered prior to this century, you'd probably stay stone-cold sober.

As best as we can tell, over the past 60+ years, only Steve Goldsmith (R) moved from an unsuccessful LG election to another significant office higher than one in which he or she held before running for LG. Goldsmith – who was later nominated for governor – was elected mayor of Indianapolis after his service as Marion County prosecutor. Some others sought or may have even been nominated for other office (including governor), but were not elected to higher offices than those which they held when they ran for the state's second-highest office.

So it's looking dismal again for Democrats as they look to 2020, split between progressives (which VPOTUS largely labels as Socialists) and moderates (and then there's the Hoosier version of moderates as well) . . . but as we recall, there wasn't a great deal of GOP enthusiasm headed into 2016 with an unpopular governor; an entirely unsettled Republican presidential field; no identified candidate to challenge a Democratic incumbent superintendent of public instruction; and a candidate for lieutenant governor who had lost his only run for public office and dropped out of a U.S. Senate primary after finding no traction.

IN Politics

Federal Office Races . . .

- U.S. Jim Baird (R) joins fellow freshmen U.S. Reps. Dusty Johnson (R-SD) and James Lee Hagedorn (R-MN) in forming a joint fundraising committee for their respective congressional campaigns. The new vehicle will be the Freshman Agricultural Republican Members Trust (FARM Trust).

IN Legislative Races . . .

- After the "Protection at Conception" bill failed to get a hearing in the House, pro-life activist James Silberman took to The Resurgent to take on pro-life Republican legislative leaders for refusing to advance the measure.

□ Silberman notes that Indiana Right to Life had endorsed House Committee on Public Policy Chair Ben Smaltz (R) in 2018 over challenger William Carlin (R), "who ran on a platform of supporting the Protection at Conception Act. Their endorsement was unqualified despite Smaltz's public support for the legality of murdering babies conceived in rape or incest. Carlin told The Resurgent he is unsure whether he will be the one to challenge Smaltz again, but Amy Schlichter, president of Hoosiers for Life, the group who backed The Protection at Conception Act and Carlin's campaign, said in a phone interview with The Resurgent that her organization intends to recruit candidates to primary Smaltz as well as other state-level Republican leaders in 2020. 'We absolutely will [keep challenging them],' Schlichter said. 'Until there are people in [the legislature] that will stand for life, all life, without exception, we will continue to find people to run in their districts.'"

IN Political News . . .

- Who would have ever thought (two months ago) that we'd be asking this question in March: Is Mayor Pete peaking too soon? And for the record, we can't recall anyone ever raising that thought with respect to the lackluster Quayle or Lugar 1996, or Bayh 2008 presidential campaigns.

IN Brief

IN Federal Circles . . .

- U.S. Sen. Todd Young (R) becomes a cosponsor of S. Con. Res. 5, the "Local Radio Freedom Act (LRFA)" a resolution opposing "any new performance fee, tax, royalty, or other charge" on local broadcast radio stations." The measure opposes any potential legislation to impose new performance royalties on broadcast radio stations for music air play . . . Sen. Young allies with U.S. Sen. Tim Kaine (D-VA) to introduce a bipartisan bill to repeal the 1991 and 2002 Authorizations for Use of Military Force (AUMF) against Iraq. The legislation would formally end the authorizations for the Gulf and Iraq wars – 28 and 17 years, respectively, after these AUMFs were first passed – and reasserting what Sen. Young contends is Congress' vital role in not only declaring wars, but in ending them. He asserts that the repeal of these authorizations would also recognize the strong partnership the United States now has with a sovereign, democratic Iraq. "There is no obligation more sobering than considering an authorization for the use of military force, and it is critical that Congress exercise robust oversight once authorities have been granted. As a young high school student, I enlisted in the Navy mere weeks before the Gulf War began.

Now, 28 years later, those war authorities are still active and still in law. This illustrates the level of Congressional failure to perform its Constitutionally mandated oversight role" said Sen. Young. He believes his bipartisan legislation would send "a strong message that Congress is finally taking back its Article One responsibility. I look forward to working with my colleagues on the Foreign Relations Committee to advance this legislation and have this important debate" . . . the day after Sen. Young discussed non-compete agreements in a Committee on Small Business and Entrepreneurship hearing, he joined U.S. Sen. Chris Murphy (D-CT) in leading a bipartisan letter calling for a Government Accountability Office investigation into the use and abuse of non-compete agreements, which they contend subject too many workers to arbitrary limitations. and keep them trapped in their jobs. They explain that this hinders innovation and limits workers' ability to negotiate with their employer for higher wages or leave for a better opportunity, like starting a small business. "We are concerned that the use of non-compete agreements on a large scale could slow economic and wage growth, reduce productivity and



competition in labor markets, and create significant barriers to entrepreneurship and innovation,” the senators wrote. “In recent years, the wide use of non-competes has spread from highly technical fields into less technical and lower wage work, where they might reduce wage and benefit competition among employers and restrict employees’ upward mobility – for no good reason.” They add, “Academic experts and commentators from across the political spectrum have raised serious concerns about the use and abuse of these clauses,” and both parties have sought “to reform them. At the same time, this discussion would benefit from more information regarding the prevalence of such contracts, in both low-wage and high-wage occupations, and their actual effects on employees, firms, and the economy,” so they request the federal review.

● U.S. Sen. Mike Braun (R) again joins with U.S. Sen. Rick Scott (R-FL) in introducing legislation aimed at what they say is ensuring that “the era of career politicians is over.” The “Banning Lobbying and Safeguarding Trust (BLAST) Act” that they are championing would impose a permanent ban on members of Congress becoming federal lobbyists. “One of the reasons I left the private sector for Washington was to help President Trump drain the swamp and we can accomplish this by permanently banning Congressmen and Senators from lobbying Capitol Hill,” said Sen. Braun. “Together we can end the revolving door of career politicians coming to Washington, spending time in Congress, then enriching themselves from their service to the American people.” Their legislation is a companion bill to H.R.1145, a measure introduced by U.S. Rep. Trey Hollingsworth (R) . . . Sen. Braun spoke to CBS News’ *Red and Blue* host Elaine Quijano early last week about the Senate Committee on Health, Education, Labor and Pensions hearing on vaccine misinformation. His bottom line: “For me it would mean parents call that shot. I know that there’s a wide variety,” but “I’m a full believer that parents kind of guide the choice there . . . I think it’s a real tricky issue, but nobody’s better to make that decision than the parents themselves.” Asked about the President’s decision to use an emergency declaration to build The Wall, Sen. Braun responds that “It is a crisis at our southern border,” and He campaigned on it . . . he promised voters he’d do it. I don’t like the idea of when any one of our branches would get too declarative or out there. So the emergency – you know, I think it’s an emergency. Using it as declaration here, I had a little heartburn with it, but I’m going to be with the President to do it . . . I’d love to see Democrats what they come up with when it comes to smart technology – would they be willing to spend the money there? So there are going to be a whole lot of different methods used to secure the border, this is just the start of it.” In the end, however, “I think it’s important that he does stick with it because it was the primary centerpiece of, you know, what he ran on in 2016.” Sen. Braun – who spoke out against it on the Senate floor Wednesday, likening it to the Affordable Care Act, labels the proposed Green New Deal as a “complete disconnect with reality,” riddled with “preposterous components” that “completely gives no credit to the strides we’ve made over the last two or three decades.” However, he adds, “Until we get our house in order here with our budget, quit running trillion-dollar deficits, we’re going to have a hard time doing anything” . . . Sen. Braun chaired a hearing of his Senate Committee on Environment and Public Works Subcommittee on Clean Air and Nuclear Safety on the “States’ Role in Protecting Air Quality: Principles of Cooperative Federalism” . . . Sen. Braun was asked about rising health care costs by CBS News’ Quijano on Tuesday, and he told her, “We’ve got to get the industry involved in being transparent, in embracing competition, in

doing things differently from what they’ve been doing, or they’re going to be part of a one-payor system. The other side, you know, is talking about ‘Medicare for All.’ ” He didn’t mention that on the following day he would be introducing three bills to lower prescription drug costs. He explains in a *Washington Times* op-ed before telling Indiana media about his package, “Before being elected to the U.S. Senate last year, I spent 37 years building a business in my hometown, hiring hundreds of Americans and taking on the insurance industry to give my employees quality affordable healthcare while covering pre-existing conditions. I’m offering solutions to address rising healthcare prices by adding transparency to our drug pricing, clearing the backlog on pending drug applications at the FDA, and providing oversight and accountability within the healthcare industry.” His “Drug Price Transparency (DPT) Act,” S. 567, would build upon a proposed rule released last month by the U.S. Department of Health and Human Services (HHS) that would eliminate current legal safe harbors for pharmacy benefit managers (PBMs) to receive rebates from drug manufacturers. Specifically, the proposed rule relates to price reductions offered by a drug manufacturer to a Medicare Part D plan sponsor and Medicaid Managed Care Organizations (government payors). The Braun DPT Act bill would extend the idea of the PBM rebate rule to the commercial insurance market and amend the Public Health Service Act (Title 42) to prohibit PBMs from receiving any rebates or reductions in price from drug manufacturers. The bill would also fold in the two new safeguards that would be created by the HHS rule. The legislation would also explicitly require any rebates (or reduction in price) from a drug manufacturer for any drug be reflected at the point-of-sale (i.e. pharmacy counter) to the consumer. The goal of the bill is to lower prescription drug prices and out-of-pocket costs for consumers by encouraging PBMs to pass discounts from drug manufacturers directly on to consumers and bring transparency to prescription drug market. The intent of the rule is to lower out-of-pocket costs at the pharmacy counter and add needed pricing transparency to the market. However, his office notes that there is some caution surrounding the issue as a whole, as some are worried about rising premiums as plans stop applying drug manufacturer rebates to reduce consumer payment obligations. He tells the *Washington Post*, “This bill doesn’t outlaw PBMs. It doesn’t even outlaw rebates. What it’s going to do is shed light on the process so they’re not going to be able to get by with the argument that there’s room for a whole other layer of a middleman. You don’t need it.” Sen. Braun’s “Accelerated Drug Approval for Prescription Therapies (ADAPT) Act,” S. 658, would amend the Food, Drug, and Cosmetic Act to create an expedited drug approval process at FDA – with a six-month maximum review time – specifically for drugs that are currently approved for sale in developed countries. The legislation would encourage FDA to expeditiously review prescription drug applications for qualifying products (prescription drugs already approved and sold in developed nations with satisfactory history of clinical trials and data) under this new pathway. His bill would provide the commissioner of the Food and Drug Administration or HHS secretary authority to approve a drug if the FDA confirms: (1) the drug is lawfully approved for sale in a developed country; and, (2) is not banned by any current FDA standards. The goal of the bill would be to create more competition in the U.S. drug space. Sen. Braun believes that it would also address a long list of drug shortages managed by the FDA. While it would not be a pure drug importation bill, it would instead add a layer of FDA review that would focus on quality control, supply chain safety, manufacturing processes,

and similar functions. etc. Sen. Braun also explains that “The bill is not a strictly reciprocity bill, either, because we have added an extra layer of FDA review.” His “Transparency in Petitions Act,” S. 660, would amend the Federal Food Drug and Cosmetic Act to require any petition submitted to the FDA about a pending generic drug application be submitted within one year of when the petitioner first discovers the issue that is the basis for the petition. The HHS secretary may use his or her discretion to grant a waiver of this one-year deadline.

- Former U.S. Sen. **Richard Lugar (R)**, who chaired the Senate Committee on Foreign Relations, testified before the House Committee on Armed Services Subcommittee on Strategic Forces at the end of February about the implications of the impending withdrawal of the United States from the Intermediate Nuclear Forces (INF) Treaty and prospects for an extension of the New Strategic Arms Reduction Treaty (New START) with Russia. As you might expect, Lugar called for the preservation of INF and New START, explaining that countering Russia would be an easier task within the treaty confines than outside it. He also explained that the value of INF was not found just in its objective of limiting weapons, but in the verification process, which he said his experience has taught him forces both two sides to work cooperatively, an exercise that builds confidence. “There is safety in transparency,” he told the House panel, suggesting that the alternative – “drifting towards unrestrained arms competition” – would prove to be “an incredibly hazardous outcome.” He added that dropping out of either act “calls for a total new beginning and right now I don’t see that kind of initiative in the administration or the Congress,” noting that arms control has now “not been on the table for nine years.” He also called for deployment of a missile defense system even as the nation works toward extending New START and seeks new arms control agreements.

- U.S. Rep. **André Carson (D)** was pleased with Thursday night’s House vote that was initially intended to condemn anti-Semitism, but was expanded and included a condemnation of anti-Muslim bigotry as well. He tweeted, “After more than a decade in Congress, this was my first opportunity to vote on a resolution that condemned anti-Muslim hate. As a Muslim-American, this is an important step in the right direction – to condemn hate in all its forms.” He added, “We sent a clear message today that @HouseDemocrats are united in our shared opposition to hatred, bigotry and discrimination, but we can’t stop here.” In the final solo message in his trilogy, Rep. Carson is likely to raise some eyebrows among fellow Democrats when he tweets, “We must continue these tough but productive discussions about difficult topics – including Palestine and Israel. They won’t be easy, but we must have them in order to steer our nation in the right direction.” He also joined his fellow Muslim colleagues in Congress in a lengthier tweet recognizing the “historic” vote, even as others pointed out the irony given the need for such a vote at all.

- U.S. Rep. **Trey Hollingsworth (R)** introduces the “Violence Against Women Act (VAWA) Protections for Rural Women Act of 2019,” legislation that would add the Rural Housing Voucher program to the list of covered housing programs under VAWA. This bill would help victims of domestic violence by expanding protections in affordable housing, helping free women from cycles of abuse, what Rep. Hollingsworth says would prove to be a crucial step toward protecting victims of domestic violence from homelessness.

- U.S. Rep. **Susan Brooks (R)** sees the House pass H.R. 501, the “Poison Center Network Enhancement Act of 2019” that she authored with U.S. Reps. **Eliot Engel (D-NY)**, **Diana DeGette (D-CO)**, and **Jaime Herrera Beutler (R-WA)** and which she says will assist with potential poison exposures and help combat the national opioid epidemic. This bipartisan bill would reauthorize funding for the Poison Center Network, including their national toll-free number, and also clarifies that poison control centers can be called upon to assist with public health emergencies, responses, and preparedness. The bill also requests that enhanced communications capabilities (such as texting) be established. “There is no one-size-fits-all solution to put a stop to the deadly opioid crisis that is devastating Hoosiers and Americans across the country. However, this bill is a critical piece of the puzzle because it allows the national network of poison control centers to help people who are struggling with addiction by offering free, confidential and expert medical advice at all hours, every day of the year. Their data is used to identify hot spots for opioid abuse and misuse, and with this reauthorization, will be able to continue combating the opioid epidemic and save lives,” said Rep. Brooks . . . Rep. Brooks and U.S. Rep. **Yvette Clarke (D-NY)**, both members of the House Committee on Energy and Commerce, introduce the “Mobile Health Records Act” (MHRA), a bipartisan measure that seeks to encourage Medicare and Medicaid beneficiaries to own and access their medical records through the use of innovative mobile applications. The accessible health records and medical claims data would include medical conditions, detailed prescriptions and diagnoses, lists of tests and rendered services, and the contact and financial information for all of the providers seen by a particular patient. “Accessing, transferring, and sharing your health care records in order to receive quality care shouldn’t be a hassle,” says Rep. Brooks. “Improving access to health records through apps on people’s phones will make it easier for patients, wherever they are, to obtain their medical records with a tap of their finger in order to help them and their providers make informed health care decisions. Technological innovations have transformed the way we live our everyday lives, and I am proud to lead the effort to bring health care records into the 21st century with Congresswoman Clarke.”



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● U.S. Rep. Larry Bucshon (R), as a member of the GOP Doctors Caucus, signed a Monday letter with his fellow caucus members to U.S. Department of Health and Human Services Secretary Alex Azar applauding the agency's proposed rule to limit the use of rebates through the pharmaceutical distribution system. "Far too many American seniors struggle to afford high out-of-pocket costs for their prescription drugs, and efforts like the Administration's proposed rule will help lower costs at the pharmacy counter for a majority of seniors. I support this effort and look forward to continuing to find ways to lower the out-of-pocket health care costs of patients," said Dr. Bucshon . . . after Democrats introduced net neutrality legislation that Rep. Bucshon said would slow internet growth, the cosponsor of the "Open Internet Preservation Act" in the 115th Congress observed that the Obama Administration's Federal Communications Commission (FCC) in 2015 "abandoned the light-touch regulatory approach to internet governance that both parties had previously pursued for almost two decades. Instead of working toward 21st century solutions to moderate 21st century high tech companies, they opted for an antiquated regulatory scheme designed for the monopoly telephone carriers of the 1930s. This caused investment in internet services to fall by 5.6%, or \$3.6 billion. It is absolutely critical in a world and economy that is increasingly dependent on broadband internet access that we close the digital divide - especially for those who live in rural America. That is why in 2017, under Chairman Ajit Pai's leadership, the FCC adopted a rule restoring the light-touch approach to internet regulation, clearing the way for further innovation and investment that ensures a vibrant and competitive marketplace exists." However, he explains, "Democrats are now trying to reverse the ruling of Chairman Pai's approach for the same heavy-handed, antiquated regulations that caused the growth of the internet to slow down in the first place. Ultimately, the best approach is a robust and innovative marketplace that gives consumers ample choice. The Save the Internet Act would fail to close the digital divide - it would only widen it."

● U.S. Rep. Jim Banks (R) will serve on the Ronald Reagan Institute's Center for Peace Through Strength Task Force on 21st Century National Security Technology and Workforce . . . in his role as chair of the Republican Study Committee Budget and Spending Task Force, Rep. Banks met with the President at the White House Tuesday to discuss the shape of the Fiscal Year 2020 federal spending plan in the Democratic House. He says he told the President "of my commitment to work with him to help rein in government spending and put forward a conservative budget. As the Chairman of the RSC Budget and Spending Task Force, I had the opportunity to thank the President for his fiscally conservative leadership and look forward to working with his Administration to do right by the American taxpayer," Rep. Banks said.

● U.S. Rep. Jackie Walorski (R) joins forces again with U.S. Rep. Ron Kind (D-WI) on tariff issues, this time introducing the "Import Tax Relief Act," a bipartisan bill that would require the executive branch to create an exclusion process for List 3 (and any future list) of Chinese imports subject to Section 301 tariff imposition. Consistent with precedent and requirements placed on the U.S. Trade Representative (USTR) in the recent government funding bill, American companies would also be able to apply for a refund for duties paid on imported good subject to these tariffs that are granted an exclusion. U.S. Sens. James Lankford (R-OK) and Chris Coons (D-DE) introduced companion legislation in the Senate. Rep. Walorski used a House Committee on Ways and Means hearing

at the end of February to press U.S. Trade Representative Robert Lighthizer on the lack of a product exclusion process for the third round of tariffs on Chinese imports. Lighthizer indicated USTR would not meet the 30-day deadline to establish a process as directed by Congress in the recent funding bill. "I support President Trump's goal of stopping China's unfair trade practices, but we need to do so in a way that does not harm American farmers, manufacturers, and workers," Rep. Walorski said. "A fair and transparent exclusion process for the latest round of China tariffs is long overdue, but it is clear USTR does not intend to meet the deadline imposed by Congress to establish one. As a result, this bipartisan bill is necessary to provide much-needed relief to the American businesses and consumers paying the cost of these import taxes. I am hopeful the ongoing trade talks with China will lead to long-term benefits for our economy, but the administration must do more to create certainty for businesses and farmers and to stay focused on the goal of holding China accountable." You may recall that in October, Reps. Walorski and Kind led a bipartisan coalition of 169 members of Congress in calling on Lighthizer to establish an exclusion process in regards to Section 301 tariffs . . . Rep. Walorski joins U.S. Rep. Earl Blumenauer (D-OR), a Democratic tax writer, to introduce the "Move America Act of 2019," bipartisan legislation that the House Committee on Ways and Means duo contends would bring billions of dollars of investment to state and local governments to help grow and repair America's aging infrastructure. "State and local governments need cost-effective ways to revitalize our aging infrastructure and move America forward," says Rep. Walorski. "This bipartisan bill will give them the tools and flexibility they need to leverage private dollars for the infrastructure projects most important to our communities." The 36-page Move America Act of 2019 would create Move America Bonds to expand tax-exempt financing for public-private partnerships (P3s) and Move America Credits to leverage additional private equity investment at a lower cost for states. States will have the flexibility to choose which projects are most needed. Qualifying projects include airports, ports, transit, freight and passenger rail, roads, bridges, flood projects, inland and coastal waterway improvements, wastewater and sewage facilities, and broadband infrastructure.

IN State Circles . . .

● SB 12, the bias crimes bill, has been assigned to the House Committee on Courts and Criminal Code, chaired by Rep. Wendy McNamara (R). Like Sen. Ron Alting (R), chair of the Senate Committee on Public Policy, where the measure was heard in its chamber of origin, She is not an attorney.

□ We're expecting that the House sponsor of the measure, Rep. Greg Steuerwald (R), will strip the language in SB 12 as it came over from the Senate and insert the language from his HB 1093 that was not heard in the House in deference to the Senate. The majority caucus chair believes that the HB 1093 language "in his opinion, includes everybody" according to one GOP House colleague involved in the discussion . . . although he will face pushback from others, including Rep. Tony Cook (R) of Cicero, whose more specific HB 1020 was expected to be the focus of the House debate headed into session. Speaker Brian Bosma (R) said Thursday, "The goal is to get us off the list" of the five states without a hate crimes law.

□ Rep. Cook professes concern that judges are hesitant to use the hate crimes aggravator due to case law on discretion, and that judges need the language that had originally been featured in HB 1020 to properly perform their responsibilities.

□ Meanwhile, Hoosier high-tech companies and national civil rights organizations keep up their pressure on Republican legislative leaders for a comprehensive bill with a list.

● An intriguing Wednesday a.m. tweet from Superintendent of Public Instruction **Jennifer McCormick (R)**: “As I travel across Indiana and speak to communities about K-12 education, it is clear from listening to our citizens that many of IN’s education policies are in question & do not represent the wishes of the majority of families.”

□ Just as interesting: the responses to this tweet from Hoosiers who suggested that Dr. J run for governor in 2020. The most recent superintendent of public instruction to make (an albeit short) bid for governor was **Glenda Ritz (D)**, who sought to be a part of the 2016 field.

● Attorney General **Curtis Hill (R)** authored another FoxNews.com op-ed (initially exclusive to that forum, and not to any Indiana outlet) contrasting the legacy of civil rights hero **Clarence Henderson** with discredited actor **Jussie Smollett**. General Hill met the man who participated in the 1960 Greensboro lunch counter sit-ins at F.W. Woolworth, at the White House last month. “While Smollett has now attained popularity,” through his alleged hate crime false reporting, “he may find respect a harder prize to grasp if allegations are proven to be true,” AG Hill writes. “Henderson is someone who has earned respect” with his participation in protests against segregationist policies that “inspired similar efforts across the South.” The AG repeats words of presidential praise for Henderson and adds, “A civil rights hero who chose not to be a victim, Henderson is the antithesis of one who would use his race to disgrace the memory of his ancestors – all for a little popularity In today’s culture of political correctness, shameless self-promotion and the need to be liked, Clarence Henderson might not win many popularity contests.”

● We told you last month that the big-buck rate hike case involving Indiana American Water Company has been withdrawn from the Indiana Utility Regulatory Commission hearing agenda as it was ready for argument because the parties were negotiating in earnest good faith . . . and now we can report to you that Indiana American, the Office of the Utility Consumer Counselor, and additional parties have reached what they are labeling as “an agreement in principle” on the utility’s pending rate request, and you should anticipate the filing of a formal settlement agreement with the Commission by March 18.

● So you thought all the real scrutiny of bills in the second half would take place in the House . . . and that the Governor’s eye-opening budget request for the Department of Child Services, quickly ratified by the House, would be a given? Well, Senate Committee on Appropriations Chair **Ryan Mishler (R)** may have thrown down the gauntlet Thursday in a DCS budget hearing, questioning whether the \$286 million additional annual ask – which most have taken as a given to this point – was justified . . . and hinting that a lot of calculators may be heating up between now and late April to determine an appropriate number. Sen. Mishler noted that caseloads are already down about 15% over the last year; while case manager turnover has fallen by more than 25% over the same period.

□ And weren’t some eyebrows raised when DCS officials couldn’t answer what seemed to be a simple – and helpful – question from Sen. **Ed Charbonneau (R)** about how many case managers the agency needed based on the number of cases today.

● Attorney General **Curtis Hill (R)** launches a campaign to help Hoosiers “more easily report instances involving alleged abuse by clergy,” an initiative that seems to have come out of the blue, and which quickly attracted negative attention from detractors who quietly suggested that it was a bit cheeky of his office to do so given the recent investigations and pending civil actions regarding his personal conduct.

□ His office website now offers online form by which individuals may report abuse, which, in turn, may be disclosed by OAG “to appropriate law enforcement agencies in accordance with Indiana law. Anyone submitting a form may be contacted by an investigator.” While the website initially aired that OAG was “conducting an independent review for the purpose of public transparency and accountability,” that statement was quickly deleted, and it appears that the scope is far less proactive.

□ “Recent national and international reports of alleged abuse committed by clergy members have prompted widespread concerns,” General Hill said in announcing his outreach effort. “Hoosiers are understandably worried that this kind of criminal activity might go underreported even here in Indiana. As a result, we have decided to make sure citizens have an available means of reporting any potential abuse so that authorities at all levels of government can pursue justice for victims.” He continued, “Members of the clergy hold positions of great responsibility. People trust them and look to them for guidance. By providing this service, we help ensure that if ever a religious leader betrays that trust by committing an illegal act of abuse, he or she is more likely to be found out and investigated. Those who violate our laws must be held fully accountable for their actions.”

● **Caldwell VanRiper, Inc.** has been selected over five other bidders for contract negotiations leading to a three-year, \$360,000 contract to provide marketing and public relations services for the Family and Social Services Administration.

□ The unsuccessful bidders were all also based in the metro area, and are well-known in state government circles: **Tom Hiron’s Hiron & Company Communications, Inc.**; **Stephanie McFarland’s McFarland PR & Public Affairs, Inc.**; **Mike Snyder’s The MEK Group, Inc.**; **Sunny Lu Williams’ TechServ Corporation**; and **Guy Westermeyer’s Westcomm, Inc.**

● Expect some interesting new videos to pop up from the Department of Child Services late this year courtesy of a new contract with **Holsapple Communications LLC** (for up to \$35,000; but it also includes public relations services for up to \$7,000, and no video may be billed at more than \$4,000).

□ The contractor is to create and produce at least seven complete videos on topics to be determined and requested by DCS and may include topics such as: children in the child welfare system; a day in the life of a DCS family case manager; videos memorializing events and interviews; and public service announcements. At least four of the videos must be completed by November 30, and at least three more videos between December 1, 2019 and November 30, 2020.

● Attorney General **Curtis Hill (R)** joined a coalition of all 50 state (and the three territorial) attorneys general in signing a letter to the U.S. Senate Committee on Commerce, Science, and Transportation supporting enactment of the “Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act,” bipartisan legislation to curb illegal robocalls and spoofing.

□ In their letter, the attorneys general state that the TRACED Act enables states, federal regulators, and telecom providers to take appropriate steps to combat these illegal calls. The legislation would require voice service providers to participate in a call authentication framework to help block unwanted calls and creates an interagency working group to take additional actions to reduce robocalls and hold telemarketers and robocallers accountable. “Everyone deserves to be able to enjoy peace and privacy without the interruption of unwanted calls,” General Hill says. “We need stronger measures aimed at stopping illegal robocalling. This legislation would be a definite step in the right direction.”

● As the focus shifts from cleanup back to accommodating current and former area residents in the East Chicago neighborhood afflicted by lead contamination being addressed by Superfund action, look for **Jake Sipe** and the Indiana Housing and Community Development Authority to assume a greater public role. Sipe has earned plaudits for his work behind the scenes on working with residents of the evacuated housing complex, and IHCD will begin to emerge again as a big player in the process as it moves forward, particularly as EC Mayor **Anthony Copeland (D)** finds himself distracted by a May primary challenge from former Rep. **John Aguilera (D)**.

□ IHCD’s Sipe’s involvement may also now increase as Mayor Copeland seems to have changed his mind about the fate of the contaminated former West Calumet Public Housing Complex, and now seems willing to consider it again for residential use . . . although there are some suggestions that he’s only raising the prospect (at primary time) to gain leverage with the U.S. Environmental Protection Agency on the nature and extent of the Superfund cleanup efforts.

● The Indiana Department of Homeland Security will host a pair of public meetings to detail, answer questions, and receive comments about the 2019 State Multi-Hazard Mitigation Plan update. The plan, which identifies Indiana’s greatest risks for disasters and outlines strategies to mitigate these risks, must be updated every five years by the Federal Emergency Management Agency. The public meetings will be held at the Indiana Government Center South - Auditorium on March 14. The draft plan will be made available online to the public for review and comment after March 8.

● After the “Protection at Conception” bill failed to get a hearing in the House, pro-life activist **James Silberman** took to The Resurgent to assail pro-life Republican legislative leaders for refusing to advance the measure. He accuses House Committee on Public Policy Chair **Ben Smaltz (R)**, who did not hear the bill in his panel for a second year, of making “verifiably false” claims when “[h]e contends that a hostile judge could strike down the sections of The Protection at Conception Act which end abortion while upholding the sections which repeal regulations.”

□ Silberman blames National Right to Life’s state- and county-level affiliates for the “misinformation,” observing that “Allen County Right to Life (Fort Wayne and surrounding area) made the argument on their Facebook page. Smaltz and Right to Life are either being dishonest or they don’t know what they’re talking about, and it’s very difficult to believe a State Representative and a major lobbying group, whose primary objectives are writing and lobbying for legislation, are unable to understand what a non-severability clause is. Indiana Right to Life declined to answer questions”

□ The opinion piece also explains that House Speaker **Brian Bosma (R)** “claims his hands are tied, ignoring the fact that his oath is to the Constitution, not the Supreme Court. That oath obligates him to ignore *Roe v. Wade*, which was a grievous and deliberate violation of the Constitution.” Rep. **Curt Nisly (R)**, the bill’s author, said in an interview with The Resurgent “that while it’s too soon to say for certain, there’s no reason he wouldn’t introduce The Protection at Conception Act again in 2020. He also said he’s unable to tell whether he thinks Smaltz and Bosma are coming around and may be more open to ending abortion in Indiana next year.”

● The justices of the Supreme Court of the United States slate their the next conference for Friday, March 15, and the two big Indiana cases we have been telling you about for a few months now will likely be on the conference agenda again as the justices determine whether to add the matters to their docket.

□ Despite the (presumed) return of Justice **Ruth Bader Ginsburg**, the justices punted – for what is now a sixth time – on a decision on whether to review the State of Indiana’s October petition for a writ of certiorari in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. This is the challenge to provisions of HEA 1337-2016 that would (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, i.e., by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ Another Indiana case will presumably be relisted – for a 10th time now – on March 15 after having been rescheduled twice as well. *Newton v. Indiana*, No. 17-1511, involves the 1995 decision of a juvenile offender who, in exchange for the State’s agreement to no longer seek the death penalty, pleaded guilty to a sentence of life without the possibility of parole for a murder he committed at age 17 with two older co-defendants. If it is relisted for March 15, this case will likely been on the conference agenda more times than any other case up for consideration.

● The latest *Choice Scholarship Program Annual Report* from the Indiana Department of Education reveals that for the 2018-19 school year, 36,290 students took advantage of the state voucher program to attend 329 participating private schools, about 3.2% of total state student enrollment, at a cost to the state of \$161.4 million. More than 1,300 households that participate in the voucher program report incomes greater than \$100,000, and the largest over-the-year increase in household income type was found in the household income type of \$100,000+.

□ The demographics: 12% of voucher students are African American, 21% are Hispanic, and 58% of the voucher students are white.

● Don’t be surprised if you see a push to allow the U.S. Environmental Protection Agency and the Indiana Department of Environmental Management to regulate certain “fugitive emissions” – specifically airborne ethanol – in light of a fascinating frustrating fight in Ripley County. MGPI of Indiana seeks to store up to 320,000 barrels of whiskey in a pair of warehouses at the former Deufol packaging plant in Sunman . . . and local residents are up in arms over the prospect.

□ The problem? While whiskey barrel storage sounds relatively benign, locals complain that the whiskey aging process allows ethanol to evaporate from the saturated wood barrels – the “angel’s share” – which in turn causes a sac fungus, *Baudoinia compniacensis*, a black, crusty growth, to disfigure nearby buildings and plants, potentially harming property values and crops. Sunman residents turned out en masse to recent IDEM public meetings about the MGPI air permit request to express their concerns about the whiskey fungus, which is already very much in evidence on buildings and residences in nearby Lawrenceburg (nicknamed Whiskey Town, U.S.A.), and Greendale, where distilleries have been in operation for more than 150 years.

□ Mike Perleberg, news director for *Eagle Country* 99.3-FM in Lawrenceburg, reports that some 10% of Sunman’s population (only 989 people) turned out for a recent IDEM public meeting about MGPI’s air permit request, complaining that MGPI’s “profits are being prioritized over the property values, crops, and health.” He explains, “The mold has been visible on structures ... where Seagrams first began producing whiskey at a distillery in 1857. MGPI now owns that distillery, but has been searching for more warehouse space to place barrels for the aging process. In Lawrenceburg and Greendale, the distillery predates many of the homes and businesses. In the Sunman case, it is the distiller looking to move in, bringing some undesirable side-effects.” However, “IDEM officials told citizens that the agency cannot regulate the airborne ethanol ... because it is classified as a fugitive emission and is not on the list of contaminants the agency is required to regulate. ‘Ethanol is not classified as a hazardous air pollutant. The EPA by statute or federal rule has set out 187 hazardous air pollutants by name and ethanol is not among them,’ explained Doug Wagner, technical environmental specialist with IDEM’s Office of Air Quality. Wagner said IDEM enforces regulations established by the Indiana Environmental Rules Board. He said citizens can ask the IERB to consider adding ethanol vapor as a pollutant.” Former Sen. Bev Gard (R), a biochemist by training, chairs IERB.

IN the Economy

● We recently told you about the plan by Ohio’s new Republican governor to raise the Buckeye State sales tax on gas by 18¢ per gallon from 28¢ per gallon to 46¢ per gallon ... and now Michigan’s new Democratic governor is proposing to raise the Wolverine State gas tax by a stunning 45¢ per gallon (adding a 15¢ increment per year for three years), bumping the gas tax north of our border from 26¢ per gallon to 61¢ per gallon.

□ Will Hoosier gas stations and truck stops on the northern and eastern borders suddenly become prime investment vehicles themselves?

● Shelby County and Jackson County rank first and second in Indiana for having the highest share of employment by a foreign-owned corporation, according to the Bureau of Labor Statistics. In Shelby County, 22.4% of workers are employed by a foreign-owned establishment; in Jackson County, the rate is 21.5 percent. By comparison, 6.4% of Hoosiers and 5.0% of U.S. workers are employed by a foreign company. Bartholomew County at 15.5% is the only other Hoosier county in double digits.

□ There are only eight counties nationwide in which the share of employment by foreign-owned companies exceeds 20% (Ohio is the only other state with at least two such counties). The data is actually from 2012 but was only just released in February.

● Take the following news in tandem with what we’ve been telling you about the rapid decline in RV production in North Central Indiana: Average weekly wages in Elkhart County during the third quarter of 2018 declined by 4.2% compared to the third quarter of 2017 – the largest rate of decline among the 350 largest U.S. counties (which together cover 73% of U.S. workers), according to Bureau of Labor Statistics data.

● Indiana’s Office of Work-Based Learning & Apprenticeship, housed within the Department of Workforce Development, says that it is well on its way to hitting – and even surpassing – a gubernatorially imposed goal of doubling the number of Hoosiers enrolled in various types of work-based learning programs, from 12,500 to 25,000 by the end of 2019. The office was created one year ago via an Executive Order.

● STAT offers a decidedly different look at the (locally) ballyhooed decision by Eli Lilly and Company to market a half-priced version of its best-selling insulin, Humalog. The influential Beltway health and life science industry information provider’s D.C. Diagnosis newsletter wrote Tuesday while the strategy “seemed like a stellar PR move for the company, which is facing no less than three congressional investigations about its pricing of insulin by midday Monday, it became abundantly clear that lawmakers in both parties weren’t willing to cut Lilly much slack, and in some cases, I think the decision may have backfired entirely,” writes the author, who serves up negative or at least skeptical reactions from key lawmakers, including the chair and ranking Democrat on the Senate Committee on Finance; the chair of the House Committee on Ways and Means Health Subcommittee; and the Diabetes Caucus co-chair. STAT’s drug industry newsletter similarly questions whether the action will “actually appease Lilly’s critics. (No surprise, after all those lawmaker reactions: It doesn’t look like it.)”

□ Calling diabetes an “epidemic,” one House Democrat from Chicago is also pushing the “Insulin Access for All Act,” which would eliminate cost-sharing on insulin for Medicare and Medicaid beneficiaries.

● New data from the U.S. Department of Agriculture find that Indiana’s 2018 cattle inventory, at 880,000 head as of January 1, rose by two percent over 2017 levels. Broken down, beef cow numbers were up slightly to 209,000 head, while beef replacement heifers experienced a 10% decline to 45,000 head. The number of dairy cows was down by three percent to 181,000 head, while there was a seven percent growth in heifers for milk cow replacement, hitting 80,000 head. The 2018 calf crop was at 360,000 head, up by six percent from 2017.

□ Indiana’s sheep and lamb inventory in Indiana on January 1, 2019, was 60,000 head, up by five percent over 2017 levels.

● Rolls-Royce Corporation of Indianapolis is awarded a \$19,459,236 delivery order as part of a previously awarded Air Force Life Cycle Management Center contract for C-130J Propulsion long-term sustainment. This delivery order provides for funding Option II flying hours. Work will be performed primarily at Robins Air Force Base, Georgia, and also at various locations that support the work, and is expected to be complete by January 31, 2020.

- Fast-growing Carmel-based KAR Auction Services Inc. lays off an undisclosed number of employees. After it committed to long-term growth in Hamilton County (including \$80 million toward its corporate headquarters), KAR was offered up to \$6.45 million in conditional tax credits and up to \$500,000 in training grants by the Indiana Economic Development Corporation not even 18 months ago. IEDC also was to provide Hamilton County with up to \$1 million in infrastructure assistance from the state's Industrial Development Grant Fund on top of additional incentives from the City of Carmel.

- Pinpoint Pharma, a West Lafayette-based startup that specializes in custom compounded medication for pets, plans to invest almost \$240,000 to lease, renovate, and equip more than 2,100 square feet of lab space in West Lafayette as it ramps up operations to support the commercialization of its medicine-printing technology. Pinpoint Pharma has used several state-directed entrepreneurial resources and Purdue University programs to fuel its growth to date, and recently received its license from the Indiana Board of Pharmacy. The company plans to create more than 25 new, high-wage jobs over the next few years. The Indiana Economic Development Corporation offers Pinpoint Pharma up to \$243,000 in performance-based tax credits. Tippecanoe County and Greater Lafayette Commerce will provide training grants . . .

IN Transition

- The Indiana State Department of Agriculture hires Kimberly Barkman as ISDA's first Agricultural Education program manager. In that role, Barkman will serve as a liaison between ISDA and the Indiana Department of Education, and schools with an agriculture program. Barkman grew up on a tobacco farm in Switzerland County, participated in 4-H, and served as the 2003 District 12 FFA President. She earned her undergrad degree from Purdue University in Agricultural Education before working as an agricultural education teacher at Triton Central for two years and then teaching at Beech Grove City Schools for six years.

- **Brandt Anderson** is the new national security advisor for U.S. Sen. **Todd Young** (R), who serves on the Committee on Foreign Relations. Anderson had been a military legislative assistant to U.S. Sen. **Ted Cruz** (R-TX).

- Grant County's own **Joel Elliott**, who was chief of staff to former U.S. Sen. **Joe Donnelly** (D) in both the House and Senate, is now chief of staff for freshman U.S. Rep. **Abby Finkenauer** (D-IA). Elliott also served on the staffs of former U.S. Sen. **Evan Bayh** (D), former U.S. Rep. **Baron Hill** (D), and former Lt. Governor **Kathy Davis** (D). The Butler University alum, who earned his law degree from the Indiana University School of Law, now has an excuse to spend time in Iowa heading up to the 2020 presidential race . . . which has to be good news for South Bend's Mayor **Pete Buttigieg** (D).

- U.S. Surgeon General **Jerome Adams**, a former Indiana health commissioner, is being whispered by some as a potential long-shot candidate for the open commissioner post at the Food and Drug Administration, where Dr. Adams could exert greater regulatory influence.

IN the Lobby

- Barnes & Thornburg LLP files a federal lobby registration on behalf of the Career Education Corporation, a higher education provider based in Schaumburg, Illinois, to "Assist client with legislation and regulations concerning higher education issues, including work with the Higher Education Act (HEA)" . . . Barnes & Thornburg also registers on behalf of the Vapor Technology Association, the Washington, D.C.-based national trade association for the vapor industry, to "Assist client with legislation and regulations involving vaping industry."

- The Washington, D.C. law firm Baker & Hostetler LLP files a federal lobby registration on behalf of medical technology provider Hill-Rom Holdings to lobby Congress on "Medicare coverage for medical technology."

- University of Notre Dame Associate Vice President for Federal and Washington Relations **John F. Sturm** retires from his in-house lobbyist post after almost seven years during which he opened the University's first office in Washington, D.C., where he was based.

□ Sturm, an Irish alum who earned his law degree from the Indiana University School of Law, had almost a generation of lobbying experience for NBC, then CBS, and finally the Newspaper Association of America before joining UND in 2012. He also served in several capacities at the Federal Communications Commission.

- Our sister Hannah News Service newsletter, **INDIANA GAMING INSIGHT**, reports that as SB 552, the omnibus gaming bill, left the Senate, a provision in the measure would remove the prohibition on horsemen's associations using their distribution from racino slot machine wagering adjusted gross receipts for lobbying.

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INDIANA GAMING INSIGHT

The House holds Gary's cards now

Haute cuisine, casino condiments shift to the House menu

The Senate has advanced SB 552 and SB 66 to the House after some minor tweaks on Second Reading that, in part, paid lip service to some communities that would be impacted by changes in the gaming rubric - but removing some protections for others in just eight minutes of floor surgery.

All of the amendments were approved via voice vote. Four others had been prepared, but were not called by their respective authors.

SB 66 Senate Second Reading

A pair of minor amendments to SB 66 consumed two minutes of floor time.

An amendment offered by Senate Committee on Appropriations Chair Ryan Mishler (R) of Bremen was largely technical and had little to do with the gaming issues, and a Melton amendment, brought to him by Ivy Tech Community College, was just a clarifying provision that would better allow Ivy Tech to provide workforce alignment support. Sen. Melton thanked Sen. Mishler for his "hard work" on the measure.

SB 66 Senate Third Reading

Third Reading action on SB 66 consumed 10 times as many minutes as Second Reading action . . . a full 20 minutes.

Sen. Mishler (R) introduced his bill, effectively appropriated from Sen. Melton, promoting it as a "development bill for Gary and for the State of Indiana." But to achieve the lofty objectives, "This will require the relocation of two gaming boats." In exchange, the Buffington Harbor land on which the two Majestic Star Casino boats, pavilion, and hotel currently operate will be directed to a new "compact" under detailed agreement, and the waterfront will be developed.

Sen. Melton then rose to tell the chamber, "This means a whole lot to my community," touting a \$300 million investment that "would go into the City of Gary," with attendant jobs and a significant new property tax base. "This can be transformational for the City of Gary, and this is just one aspect" of the bill, he proudly noted.

Passage would "send a sign" to all elements for people "to drive through and stop" in Gary, and not just for a new "gaming institution." He called the proposed transmodal logistics complex a "catalyst for opportunity." "This is not about gaming. This is about making history and using today as making a watershed moment." Pre-empting criticism about the lack of specifics to date about potential investors, how much would be required, and the extent to which any state, county, or local governmental dollars would be required, he contended that this is "not some type of pie in the sky" dream, but a serious proposal that had been "truly vetted by experts." The message: "Gary is open for business. You lookin' for water? We got that. You lookin' for trains? We got that Excuse how I say that, just keepin' it real today," explained an excited Melton.

He concluded, "This is not about creating another port; this is truly an opportunity to develop within the footprint of Buffington Harbor and also to attract national and international businesses into Gary due to the proposed partnership between the City of Gary and the State of Indiana."

For more, please see the following page . . .

IN luck with new Caesars CEO?

Wouldn't be his first time at this Rodio

After swooping in with a major stock purchase at a vulnerable time for Caesars Entertainment Corporation (a new CEO search and rumors of a corporate sale), veteran activist investor Carl Icahn cut a deal under which he now effectively controls 25% of its board, with the opportunity to add one more seat to his stockpile should Caesars fail to choose a CEO of whom he approves effectively by mid-April.

The potential good news for Indiana, where Caesars owns four properties and generally generates one-half of all casino revenue in a given month: Icahn is believed to favor Tony Rodio as the next CEO of the conglomerate.

Rodio, Affinity Gaming's CEO since October, was president, CEO, and a board member of Tropicana Entertainment, Inc. for seven years before the sale of the parent company of Tropicana Evansville to Eldorado Resorts, Inc. in late 2018. Rodio was GM of Argosy Casino Lawrenceburg and then Hollywood Casino Lawrenceburg, from October 2008 until May 2011, overseeing the \$336 million conversion from the original riverboat . . . and giving him an understanding of the Cincinnati market and Indiana dual-casino operator Penn National Gaming, Inc., which owned the Lawrenceburg property. Rodio's Affinity, with Z Capital Partners, also made a takeover bid in October for Full House Resorts, Inc., parent of Rising Star Casino • Resort.



Melton added, "This about rebuilding a community," and will mean "new jobs, an expanded tax base, and more funding for local schools."

Following her Democratic colleague, Sen. Jean Breaux (D) of Indianapolis spent a minute praising Melton's "outstanding job of explaining" why the measure was so important to the city and state. In a signal to her fellow senators from the Indianapolis metro area, Sen. Breaux likened the measure to SB 7, the Indianapolis Capital Improvement Board funding bill that would help expand the Indiana Convention Center, upgrade the Bankers Life Fieldhouse, and pave the way for a new soccer stadium and multi-use development, noting that SB 66 offered similar "excitement for Gary."

Sen. Rick Niemeyer (R) of Lowell, a member of the legislative interim study committee that examined the Gary port proposal and land-based casino, took five minutes to offer his cautious support.

Sen. Niemeyer began by reminding everyone that the sole negative vote on the interim panel final report "was mine." He explained that at the time, no one from the investment community and the national railroad lines showed up to express their individual or collective interest and involvement. This was a "great idea and concept," but no one was there to talk specifics and indicate an interest in becoming part of the project. Since then, however, the South Lake senator said that investment people had been in contact about putting money in, and "that changed the game."

The former county official – whose father was also a senator from 1973-84 – explained that he had always had an issue with Northwest Indiana development giving one area an advantage over another in training and related matters. "I get that," he acknowledged, but Sen. Niemeyer added that he remained "a little concerned" about the language. This needs to become "a Northwest Indiana project," and not just a Gary-centric deal. As the senator representing seven of the 11 Lake County townships, he noted how the Northwest Indiana Regional Development Authority (RDA) couldn't concentrate just on the northwest corner and had to look elsewhere for economic development in Lake County given that the "population explosion" was in these seven townships, and any new development deal will "need to look at this."

With prospective developers now coming forward, railroads becoming involved, and the gaming-related component getting cleaned up, "now it makes sense to me," so he said that he would vote for it. As for the sordid history of local government corruption in Gary, the senator said that his wife told him, "That stuff is history, you gotta go forward, Rick." This would be "one of the biggest bills helping Gary" that he has seen since being elected to the Senate, and he believed it had the potential to make Gary "what it was when I was growing up." He vowed, however, that "I'm gonna be fighting for this development stuff" in the other seven township "where the population growth is gonna be at."

Sen. Mishler closed by telling senators that during the interim study committee and leadership field trips to Gary last Summer, "we saw a lot of potential there." He also offered a shout out to "Sen. Rogers," former Sen. Earline Rogers (D) of Gary, the Mother of Casino Gaming, who was lobbying for SB 66.

SB 66 passed 43-6. Sens. Erin Houchin (R) of Salem; Vaneta Becker (R) of Evansville; Eric Koch (R) of Bedford; Dennis Kruse (R) of Auburn; Jim Tomes (R) of Wadesville; and Mike Young (R) of Indianapolis voted against it.

Sens. Becker, Houchin, and Tomes likely opposed it because of the problems they had with hold harmless language in the companion measure, SB 552.

SB 552 Senate Second Reading

February 25 floor amendments to SB 552 would establish a general framework for competitive bidding for the new Terre Haute casino license, hold some casino host communities harmless from the new competition, and set up a process for compensating Spectacle Entertainment, LLC for the value of its "floating" second Gary license if it is not ultimately chosen to operate a new Vigo County casino.

Senate Majority Floor Leader Mark Messmer (R) of Jasper, the author of SB 552, offered cleanup language in the first amendment, restoring the original language about licensees, and re-establishing hold harmless provisions for the City of Evansville and the West Baden historical hotel fund, but with a three-year sunset provision and a \$25 million hotel fund limit. Mandatory hold harmless language was re-inserted for both Hammond and East Chicago, and LaPorte County and Michigan City were added to the hold harmless umbrella under a change that would mean those units would effectively be guaranteed their current gaming tax revenue stream for three years after a Gary casino opens at a land-based site in the Steel City.

The hold harmless language as it left committee – which left such payments completely to the discretion of the City of Gary – prompted what could have been The Region equivalent of events at Fort Sumpter in 1861.

Former Rep. Gail Riecken (D) of Evansville, whose husband was involved in one of the original Evansville riverboat proposals back in 1994-95, writes for the City-County Observer, an online Evansville news and commentary site, "Why are the payments unequal to the Evansville and the West Baden Fund? If it is the problem of distance with the Vigo Co license where the transfer will take revenue from two other casinos, why aren't the payments ongoing?" She continues, "Evansville needs money. This could be a nice windfall. But, let's make sure we get all that we deserve. Let's make sure we get the same revenue for this bill as the West Baden Hotel."

Hammond Mayor Tom McDermott, Jr. (D) said on his paid political radio show on WJOB 1230-AM in Hammond February 22 that hold harmless was promised to Mayors McDermott and Anthony Copeland (D) of East Chicago "to our faces" by Sen. Messmer. "They wanted it in there to shut me and Mayor Copeland up," Mayor Tom told listeners.

Mayor McDermott said that Messmer's amendment protected the cities, but that casinos in Hammond and East Chicago were still at risk of losing big chunks of workers. He recounted Sen. Melton publicly asking local officials in assorted Senate proceedings not to scare Lake County residents with layoff talk. "That's the dumbest thing I've ever heard you say," Mayor McDermott mused. "There are going to be layoffs – that's a fact," he asserted. "Sen. Melton, there's going to be layoffs."

Hammond's mayor again took up the mantle for his less vocal EC colleague, Mayor Copeland, noting that 50% of the Ameristar Casino East Chicago workers live in the City of East Chicago. Beyond the loss of local jobs, there would also be a big hit to Horseshoe Casino Hammond (about 10% he says) and Ameristar (about 35% he approximates).

"It doesn't hurt Hammond as much as it devastates East Chicago," McDermott explains, largely because the new land-based Gary casino would cut off traffic to Cline Avenue. "This is way worse for East Chicago than it is for Hammond," says the mayor, observing that Mayor Copeland "did the right thing with his casino money" . . . and adding gratuitously that there were no East Chicago city government iPads "sold on the streets of Chicago," a reference to the January conviction of a Gary city department official, who was just ordered to repay \$4.13 million in restitution for the computer equipment thefts.

And in case you're wondering about the apology publicly demanded by Sen. Melton after Hammond public safety employees disparaged Gary over city corruption in a Senate Committee on Public Policy hearing on the casino bill, he assures The Region that he had talked to Gary Mayor Karen Freeman-Wilson (D) about that.

"I apologized and she accepted," hizzoner confirmed.

The Messmer amendment also would set the Indiana Gaming Commission up in the most important discretionary role for commissioners in at least 15 years through the process that would allow other operators to bid on the Terre Haute casino and evaluate the value of the second Gary license.

That valuation process would be used to compensate Spectacle Entertainment if the incoming owner of the Majestic Star Casino assets is not ultimately awarded the Wabash Valley license.

Sen. Chip Perfect (R) of Lawrenceburg, whose district includes both Hollywood Casino Lawrenceburg and Rising Star Casino • Resort (which wanted to move just its "unused" gaming capacity to Terre Haute), tells Mike Perleberg of Eagle Country 99.3-FM in Lawrenceburg, "Each casino operator would put together a package, much like happened 27 (sic) years ago, to compete for the license. That package would include how much money they are going to spend on a casino, hotel, or local development, but also ask for that license. So everybody gets a fair shot," believes Perfect, who was part of the local investor team for an unsuccessful original Lawrenceburg riverboat applicant in the initial 1994-95 competition.

Perleberg reported that Sen. Perfect had planned to offer an amendment to SB 552 "to more clearly define casinos' adjusted gross revenue in an effort to protect local riverboat revenues for casino host communities like Lawrenceburg and Rising Sun. He decided not to after reaching an agreement with Senator Messmer, the bill author. 'This moving of the licenses is going to change the revenue picture. We want to make sure that all the adjusted gross revenue that is associated with all these different casinos and racinos is part of the new floor, because in 2020 we will set a new base for how hold harmless dollars (for host communities) are calculated,' said Perfect."

Sen. Messmer's changes would also allow the Gameboys to factor in any undue economic concentration of licenses after the cap on license ownership is lifted under SB 552.



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Less noticed, but said to be critical to Caesars Entertainment Corporation: the Messmer amendment reinstated the 20% live dealer rate for the racinos "similar to how it left Public Policy," Sen. Messmer noted. The amendment creates a separate "gambling game tax" for table games, calculated on 88% of table game adjusted gross receipts, and equal to 20% of the AGR received by a licensee during the state fiscal year.

Sen. Eddie Melton (D) of Gary, author of the SB 66 companion bill, rose in support of the Messmer amendment to SB 552, citing the "significance and importance" of the project, and emphasizing the degree of collaboration that had been achieved in Northwest Indiana over the hold harmless language. He called this a "monumental day" in the history of both Gary and Northwest Indiana.

Sen. Lonnie Randolph (D) of East Chicago moved through an amendment of his own, with

stated support on the floor from Sens. Messmer and Melton, consistent with Messmer's effort, but covering distributions to Lake County units, and holding harmless East Chicago and Hammond for any difference in dollars they might be losing once SB 552 would take effect.

An amendment to SB 552 prepared by Sen. Mike Bohacek (R) of Michiana Shores largely protected LaPorte County and Michigan City in the way that the Randolph amendment insulated the two cities in his own district.

Sen. Bohacek thanked Sen. Messmer for "looking out for all the other communities," observing also that the four cities "have not been known in the past to work together well, and it's nice that this is happening."

Sen. Melton added that this cooperation "sets a very strong precedent for the future" for working together.

The following day, the Senate spent only two minutes on educating itself, debating, and voting to send SB 552 across the Rotunda to the House.

SB 552 Senate Third Reading

Sen. Messmer (R) called down his bill, touting it as a “once-in-a-generation opportunity to reset the gaming industry in Indiana.” This “collaborative effort involving all the casino operators,” the Indiana Gaming Commission, senators, local government officials, and other state officials helps the existing operators be more competitive, and “will maximize our opportunity as a state to benefit from increased gaming revenues to our General Fund without increasing the number of licenses and staying within the caps that were established in 2013 for the number of positions at each facility.”

The majority floor leader explained that a big change from earlier versions was the creation of an open process under which other casino operators, freed of license ownership caps, could bid on the new Terre Haute casino, “This competitive proposal is important for Vigo County and the state,” and was designed to “ensure Vigo County and the State get the best proposal possible.” He told his colleagues that he had worked extensively with the Gaming Commission and the industry to “craft the mechanisms” that will allow this process to work.

Sen. Messmer offered an overview of the other provisions, particularly the ones through the Second Reading amendment that would allow the Department of Child Services to recover delinquent child support on sports betting winnings; Gaming Commission-sought language on undue economic concentration in lifting the ownership caps; and hold harmless benefits for all Lake Michigan municipalities, Evansville, horsemen, and the West Baden historic hotel preservation fund. He also noted that French Lick would be free to direct some AGR to support the fund. Messmer also mentioned the acceleration of the timeline for live dealers at the racinos, and the proposed increase in the free play deduction from \$7 million to \$9 million.

After the four-minute explanation, he yielded to Sen. Jon Ford (R) of Terre Haute to describe the sports betting provisions in SB 553. Sen. Ford said that the bill would allow casinos, racinos, and OTBs to apply for license from the Gameboys for “over-21 sports betting.” The bill would allow subcontracts with vendors to operate the sports wagering aspects of gaming facilities, and the sports wagering vendors would be required to obtain a license from the Gaming Commission. The measure does not include any tax provisions or rates for sports wagering because any new taxes must originate in House bills, and Ford promises that a tax regime for sports wagering will be debated and included in a relevant bill by the end of session.

Wagering could be conducted only on events approved by the Gaming Commission, focused upon professional and college sports. “High school sports, amateur sports [involving those under age 18], and competitive video games cannot be wagered on,” Sen. Ford summarizes.

Wagering could occur on site or on a “registered mobile device.” Obscured through the debate in both committee and on Second Reading was whether a mobile device user would be required to register in person at a brick-and-mortar site (or kiosk) or if a mobile device user could merely register online.

After a full five minutes of explanation about the bill, Sen. Melton rose to deem Sen. Messmer a “a true convenor” who brought people together with his “hard work.” After promising not to review the benefits for Gary, Melton proclaimed SB 552 to be “an extremely good complement to Senate Bill 66” and said that it would “support communities.” He added that “I don’t see this as an expansion of gaming. I see this as an opportunity to leverage our existing assets and allow us an opportunity to move forward” in Gary. With Illinois headed toward online gaming, he said that Indiana needed to “be proactive and not reactive.”

Sen. Becker of Evansville also took to the floor to recognize and appreciate Sen. Messmer’s work. But she reminded her colleagues that they had just “restructured casino rules not too many years ago,” and Evansville got permission to move from its riverboat onto land. Tropicana Evansville invested \$45 million in this new land-based facility in downtown Evansville and opened just two years ago. She asserted that “this bill will hurt Eldorado” Resorts, Inc., the parent company of Trop, and that she had successfully offered an amendment in the public policy committee to help Eldorado and the City of Evansville . . . but the hold harmless language for Eldorado was pulled out of the bigger bill – and while the hold harmless clause for the Pocket City was restored, it is in line to quickly sunset. “I don’t think it’s fair to leave us high and dry after three years,” said Becker, who was a strong advocate of the 1993 riverboat authorization law when she served in the House. She says she hoped for appropriate changes as the bill moves over to the House, but told her colleagues that she would vote against SB 552 in its current form now.

Sen. Lonnie Randolph (D) of East Chicago followed Sen. Becker to the microphone, thanking Sens. Messmer, Ford, and Mishler before he echoed the same concerns as Sen. Becker – specifically the East Chicago hold harmless language. Sen. Randolph, whose district includes parts of Hammond and Gary as well as all of East Chicago, acknowledged that Gary has its “own style” as to how they handle some things, and while he added that he was “not here to apologize for the conduct,” he asked his fellow senators to “understand where they’re coming from” and the pressures that they are under. “I appreciate the consideration you’ve shown the riverboats in my district,” he concluded.

No senator chose to speak against the bulky legislation.

Sen. Messmer closed the discussion by thanking Sen. Ford for allowing the merger of Ford’s SB 439 sports wagering bill into 552, and Sen. Melton for his hard work on the package. He also gave a shout out to Sen. Breaux, and Senate Majority Caucus Chair Jim Merritt (R) of Indianapolis and Senate Democratic Leader Tim Lanane (D) of Anderson for their support. Messmer noted the unanimous votes for the bill in both panels which considered it, and asked for its approval.

The bill passed 38-11, and we can largely group most of the negative votes into three categories:

Unhappy with local hold harmless language. Sens. Becker, Houchin, Tones, and Greg Walker (R) of Columbus (some might presume his vote to have been simply prompted by being anti-gaming, but it goes deeper here: Sen. Walker’s parents were from Orange County; he is a strong admirer of the local recycling of casino revenues; and he wasn’t convinced that French Lick was well enough protected by the formula).

Unhappy with gaming expansion. Sens. Jim Buck (R) of Kokomo; John Crane (R) of Avon; Koch, Kruse; and Young (R).

Others. Senate Committee on Tax and Fiscal Policy Chair Travis Holdman (R) of Markle was probably a no vote because of his general views on gaming, but we hesitate to pigeonhole him there with the others. Sen. Jack Sandlin (R) of Indianapolis represents a district that includes the Winner's Circle Pub, Grille & OTB in Indianapolis, so we're not quite sure what he found objectionable in the bill.

Hammond's Mayor Weighs in Again. The leader of the opposition to a Gary inland casino move, Hammond's Mayor McDermott, continued to speak out (sometimes as the unappointed surrogate for East Chicago's Mayor Copeland) even after SB 522 passed the Senate.

Because of the importance of Hammond (and the former Lake County Democratic Party chair who also remains a statewide political player) in the mix as the bill heads to the House, where he should hold more sway, we're keeping close tabs for you on what the unfiltered mayor has been saying.

The day after the bill was formally referred to the House, Mayor McDermott joined Lakeshore Public Radio's Chris Nolte on *Regionally Speaking* (where you can also hear your favorite gaming newsletter's Ed Feigenbaum early next week) to outline his concerns with the measure.

Mayor McDermott believes that a high-profile inland location will not increase the market, but merely slice into the revenues for Horseshoe Casino Hammond and Ameristar Casino East Chicago . . . a situation that he thinks will be exacerbated by what may be coming in Chicago.

"I'm not really optimistic something good's going to come out of this," Mayor McDermott tells Nolte, although "it really depends upon from your perspective. If it's Gary, yeah, I think Gary is positive that this is going to be an improvement for them. But really what's happening is they're shifting [the revenue.] If the Chicago gaming market was a pie, and the slices were cut as they're cut, Hammond would have a big piece, I acknowledge that, but we're also the closest to our market, which is Chicago. East Chicago has the second-biggest piece, and they're also the second-closest to Chicago. Gary - even though they have two licenses - has two smaller pieces, smaller than East Chicago's piece, smaller than Hammond's piece, and then you've got Michigan City and that's the pie. Now the question is, if we allow Gary's casino to relocate to 80/94, which is what they want to do, is that gonna make the pie bigger, or are we just gonna cut the pieces differently? And it's my contention the pie's not gonna get bigger; all they're doing is cutting the pie differently. Which [means that] East Chicago is going to give up a lot of their piece. East Chicago is projected to lose anywhere from 30 to 50% of their gaming revenue if this happens, and Hammond's projected to lose about 10 percent. So it's really not a huge impact on the City of Hammond, but on East Chicago it's devastating. So if you're looking from East Chicago's perspective, this is the worst thing that could possibly happen to them. If you're looking at it from Gary's perspective, they think this is great."

He proceeds to explain just why.

"I don't think it's fair personally," said McDermott. East Chicago, in particular, Ameristar Casino just invested \$25 - \$30 million under the current Indiana law, which says 'build on your footprint.' And they did, and you're gambling on the footprint right now in East Chicago. And now Gary - instead of building on the footprint like the law says - they want to change the rules, and I don't think it's fair."

Hammond's mayor also contends that the SB 66 transmodal facility is just a ruse by which the license move can be rationalized and justified - an argument to watch for again in the next month.

He reminds listeners that "Gary for a long time has wanted to relocate their casinos. Now, they've approached it differently this year, and said 'We have this opportunity at Buffington Harbor to create a deep water port and an intermodal facility; that's why we want to relocate the gaming boat.' I don't really see it much different than any other argument, and quite frankly there's been no study on how much a deep water port would cost. I mean, just knowing what I know about the Hammond Marina, when we do our breakwall, and it's just for a little sailboat marina, okay when we do our breakwall, it's like \$35 million. So if we're going to do a deep water port at Buffington Harbor, how much is- is that gonna cost \$100 million? \$150 million? Who's paying [for] that? Is it Gary? Is it RDA? Is the State of Indiana paying for it? These are questions nobody's talking about. But what they're very willing to do is possibly detrimentally harm the gaming by moving the casino license, which is contrary to state law, and they don't really know what they're going to do with Buffington Harbor after that."

Mayor Tom continues, "They talk about a lot of things [in Gary], but you know, I've talked about a lot of things as mayor, and then one thing I realize is that you can't really talk unless you have the money to back it up and get it done. Nobody's talking about how much that's gonna cost, and it's not going to be cheap."

Then he turns his attention to "the big gorilla in the room" - "Chicago, and what they're going to do in Illinois, what they're going to do with the gaming industry. Are they gonna build a casino closer to Hammond? If they do, we're gonna be fighting against Illinois and against Chicago, and you know, at the same time I'm sitting here looking over my shoulder in Indiana and I've got the state coming at us too! We're feeling a little lonely in East Chicago and Hammond right now."

What Should You Expect in the House? "I have a feeling it's going to change a lot" in the House, says Mayor McDermott, and no one would disagree with him on his point. "This bill's going to change every step of the way," Rep. Sean Eberhart (R) of Shelbyville told a late February Shelby County crowd.

"I can't predict what the House is going to do. Our case is made in terms of economic benefit," Sen. Melton told a March 2 legislative forum in Gary.

But the fact is that this is still largely an Inside the Limestone debate. The public has not been mobilized (at least, perhaps, outside of Terre Haute, where they are "All-in"), and without anyone but the industry and local officials truly involved in the measure, there will be an opportunity for House leaders to perform any desired surgery without much scrutiny beyond the State House.

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Even Sen. Messmer, author of the omnibus gaming bill and maestro of the overall package, was somewhat dismissive of his measure in an online interview with 18 WJTS in his hometown of Jasper, saying only that SB 552 offered “updates to our gaming statutes,” and after touching on the Gary casino move, he merely noted that his bill had “a lot of other minor pieces and nuances to it.”

There is certainly not the public engagement seen with the 1993 riverboat authorization, the 2005 legalization of a casino for French Lick, or even the 2007 legalization of “slots at the tracks.” There was no noise during the 2015 deal that allowed land-based gaming within existing footprints, and even the sports wagering elements of the current package have failed to generate much public excitement, pro or con (recall that the majority of Hoosiers in the two most recent polls are not in favor of legal sports betting).

Another factor to consider is the uncertainty in the budget process this year, with both the Senate Committee on Appropriations and the Senate Committee on Tax and Fiscal Policy home to solons chairing their respective panels for the first time in a budget session, and Rep. Tim Brown (R) of Crawfordsville still recovering from a serious head injury and more than sharing his House Committee on Ways and Means chair with Rep. Todd Huston (R) of Fishers.

Neither chamber seems to have any budget primacy this year (as the Senate has enjoyed in recent years), and where deals might have been cut on the side with then-Sen. Luke Kenley (R) of Noblesville to include a gaming element in the budget at the last minute to avoid a floor fight, we’re not sure that those kinds of arrangements might be quite as easy to make this time around, with no single “go-to” guy playing point on the budget now. This is important to bear in mind, and could be more of a complicating factor than you might think.

While eventually Rep. Huston will likely assume the Kenley budget/gaming guru role, he may not yet have the clout this session to shape things flying solo.

- ***The Speaker is Not on Board.*** At mid-session, House Speaker Brian Bosma (R) of Indianapolis sat down with the media and faced a number of questions about the pair of bills, which will both be sponsored by Ways and Means Co-Chair Huston, who has been vocal in recent years about needing to reset the gaming rubric in the state in partnership with the industry and host communities to address current market realities, new competition, and changing demographics.

The cosponsors of SB 552 are House Majority Floor Leader Matt Lehman (R) of Berne, and Reps. Terri Austin (D) of Austin and Greg Porter (D) of Indianapolis. The Speaker says that both SB 552 and SB 66 will be assigned to the House Committee on Public Policy. Assuming they advance from there, both measures will also have to stop over in Ways and Means prior to hitting the House floor.

Speaker Bosma, who is both respectful and perhaps representative of those who served in the General Assembly during the legalization process from 1989-1993 and the early years of legalized gambling in Indiana, reminds Hoosiers that “any major expansion of gaming gets a lot of scrutiny in the General Assembly. I’m sure this one will as well. I do consider it a major expansion of gaming.”

Asked which part he considers a “major expansion,” the Speaker quickly responded, “All of it.” He explained that “It will be the largest one since perhaps the racinos were authorized to have games” 12 years ago, and “there will be those who are just anti-gaming generally” who will vote against it.

“It’s not an expansion of gaming. It’s just a relocation of assets,” Sen. Melton told the early March Gary event attendees in a preview of the House argument. “We’re not asking for more table games... I’m optimistic we had a great economic development case when it was in the Senate.”

One of those who has traditionally been opposed to gaming bills since he made his legislative debut a decade after the riverboat authorization passed in 1993, is Rep. Bruce Borders (R) of Jasonville. His district is one of four that includes Vigo County territory (bumping right up against Terre Haute city limits), and he is likely to be the sole vote in the VC delegation against any casino bill that includes Terre Haute and Vigo County.

Speaking on WVUT 91.1-FM’s *Meet Your Legislators* show in Vincennes, Rep. Borders says that he is not swayed by potential jobs and economic benefits for Vigo and surrounding counties. Rather, the former mayor of Jasonville views a casino facility as likely detrimental to smaller locally owned businesses. He contends that “a lot of your mom-and-pop businesses can’t compete with the low cost of the entertainment, the low prices of the meals, and so forth, and so what typically happens is that it doesn’t take too many blocks outside of those areas, and little restaurants start closing up, little dry cleaners, and so forth – and I think that it actually in the long-haul it creates addicts to gambling.” He adds that those who cannot afford to spend their paychecks on gambling end up hurting their families and falling into debt.

“There will be those who don’t like the impact on their local community – one of the other 13 – and those who don’t think the bill goes far enough, so it’s difficult to find the place where a large expansion like that can pass. I’m surprised that it passed the Senate,” Speaker Bosma added.

Pressed as to how simply moving an existing casino elsewhere constitutes expansion, the Speaker asserted, “If there’s a new casino facility, I don’t know how anyone can argue that is *not* an expansion, just because there was a ‘dormant’ license. Pressed further about whether the second Gary license was truly “dormant” as he contends, the Speaker details his rationale: “Well, they have one entrance and they pay one set of taxes, so you want to keep arguing about this, whether it’s one or two?” He continued, “they’re walking in the same turnstile, they turn the same turnstile”

His bottom line is that “I think it’s a major expansion, and it brings up the live games at the racinos. I haven’t even read how much money is exchanging hands among everyone, and there’s still winners and losers. And I’ve said this many times: every time – because of our limited market in this state for gaming and our saturation of gaming facilities – if you change something, even a small change, you’re turning a knob over here and as an ex-engineer that used to work monitoring air conditioning machines, dials move all over the place, and every little change changes dials all over the state, and a new casino would certainly do that in a major fashion.”

So could all of the changes requested actually amount to a bill with enough of something for enough districts that it could be successful instead of falling victim to its own weight? "If all the knobs are right, it could, I guess," Speaker Bosma concedes.

Speaker Bosma turned his attention to the sports wagering portion of the bill, which he seems to believe at least arguably may not constitute an expansion of gambling.

He explained that "After the Supreme Court [of the United States] said you could do it and it's going on – so I understand – it's going on in our state right now anyway; people are utilizing off-shore and generally illegal facilities to do so. There seems to be some sense behind it that is not unlike what we did with Cherry Masters here, collecting up 15,000 Cherry Masters from truck stops and bars and taverns, and allowing games to go in at the racinos [in 2007-08]. We convinced ourselves then that that was not an expansion, and this seems to be analogous. Again, I don't know what's going to happen to it here."

Asked about moving up the date for live dealers at racino table games from the 2021 date initially set during the Pence Administration, Speaker Bosma reminds everyone that "It was picked for a reason. The reason was to allow French Lick an opportunity to bring its facilities in a competitive position, and that was a date set for a purpose, and I do have concerns about moving it up."

Due to the then-governor's concerns about expansion, live dealers were set to become effective in the same month that Gov. Pence would have left office after completing a potential second term.

Can lawmakers overlook what could be hundreds of millions of dollars of new revenue?

The Speaker was dismissive. "That argument has been used for all sorts of nefarious activities: 'If only the state would legalize and tax our [idea], that would be the end of our woes.' I encourage our caucus literally to set aside that concern. Everybody shops their pet project with, 'Look at all the money that's coming your way,' [but] we need to make the best decision on policy for the citizens of the State of Indiana and not worry about the fiscal enhancements that might occur."

Rep. Huston, who will be carrying both measures in the House, echoed the Speaker's tax sentiments in comments captured by Dave Taylor of the *Terre Haute Tribune-Star*. "In any policy, particularly gaming policy, you can't chase the dollars," Rep. Huston said, just as he did during the Bingham Greenebaum Doll Legislative Conference back in December. "You have to think about what's the right public policy and what's the right long-term impact and the right positioning for Indiana."

Rep. Huston added that the state is also not in a situation "where we need to chase dollars."

Even accepting the premise that the package in front of the House would constitute an expansion of gaming, is that a proverbial red line for lawmakers? "Well, apparently not in the Senate," says the Speaker, even though "It was; it was for years."

Then Speaker Bosma drops this intriguing tidbit: "I actually had a discussion with the new Senate leader [Senate President Pro Tem Rodric Bray (R) of Martinsville] about his position that because there had been this now-dormant license that had not been used since it was issued but now dormant, that it wasn't an expansion. And I said 'Are you telling me that a new brick-and-mortar facility that has gambling in it is not an expansion?' And he said, 'Well, if you say it like that' I'm not criticizing. Everyone's going to have a different position on this, and it's personal to them, and personal to what they think is best for the state and their constituents. So, maybe less of red line than it used to be."

So the Speaker is uneasy, other members of his leadership team confide to us that the unrefined bill as it came over from the Senate is simply too heavy a lift at this point, and Rep. Huston – one of the veritable handful of House members who understand the individual components, how everything meshes, and the implications of any little change for other pieces and the whole package – has yet to speak out substantively on the two bills.

- *The Northwest Indiana House Delegation.* Expect the Northwest Indiana House delegation to play a large role in reshaping the SB 552/SB 66 package in the House. Mayor McDermott asserted on his paid WJOB radio show March 1 (where he gave a much appreciated shout-out to your favorite gaming newsletter for its detailed coverage!), "The Senate doesn't even listen to my opinion; they don't even care." but he is confident that those who oppose a Gary move off the footprint strength (at least without major compensation for those casinos and communities negatively impacted) will possess significantly stronger voice in the House.

Mayor McD says this despite the fact that all of the NWI casinos affected by the move – positive or negative – are Democrats, who are the House superminority, and that his Hammond casino and the Michigan City casino are all represented by freshmen Democrats. Even the East Chicago property is served by a Democrat who is only serving his second term in the House (this lawmaker, Rep. Earl Harris, Jr. (D) of East Chicago, also has the two Gary casinos in his district, raising the same kind of intra-district conflict as Sen. Randolph, whose district include the same three casinos and Horseshoe Casino Hammond).

Rep. Carolyn Jackson (D) of Hammond is "ready and waiting for this bill; she's going to take it to town," says Mayor McDermott of the freshman representative who has Horseshoe in her district. The more experienced Rep. Mara Candelaria Reardon (D) of Munster, whose district extends into Hammond, is similarly "licking her chops."

Hammond's mayor expects his delegation to make the case that a new inland casino, despite how well it might perform, is not going to "create a whole bunch of additional gamblers ... because Gary's got a casino now." Rather, the casino will largely cannibalize the existing properties.

He also notes that Speaker Bosma is not interested in expanding gaming and the Governor's not pushing the package either. Hizzoner suggests that "A lot of people in Gary are 'high-fiving' about taking a piece of our pie, but it's not a done deal yet."

Others who are watching the debate from the 40,000-foot level suggest to us that the plethora of moving parts and the lack of Senate enthusiasm to seriously pick apart the parts suggests that when House members start to dissect things, the high-profile casino elements could simply disappear.

• *Some Specific Provisions to Monitor in the House.*

– *Sports Wagering.* Generally speaking, there seems to be an undercurrent of sorts suggesting that many on the House side would prefer to see the bill – if not broken off into bite-sized pieces – at least cleaved in two, with the more readily acceptable sports wagering component considered separately, and not potentially weighed down by the casino provisions (some were still telling us late last week that there still may be enough inter-casino and community conflict over hold harmless provisions alone to sink the entire package).

Asked Thursday about a bifurcation of the gaming bill, Speaker Bosma said, “That’ll be up to the chairman of the committee,” House Committee on Public Policy Chair Ben Smaltz (R) of Auburn, “and his members, I don’t know if that’s going to happen or not. There’s an awful lot in it, so it may make some sense to divide it into parts, but that will be entirely up to the committee.”

What about the details . . . which received short shrift in the Senate?

As the measure – pertaining to sports wagering – passed the Senate on Third Reading, it reads, “A patron may register under this section in person at the certificate holder’s licensed facility or online using an Internet form approved by the commission.” Watch whether this sentence attracts more attention among House members.

The bill as it crossed chambers also allows in-play wagering (so-called “prop bets”), but would require an operator to rely upon official league data for determination of payouts. There may be some general concern about prop bets, but they are likely to stay . . . and some casino operators, at least in the myriad of other jurisdictions where similar debates are playing out, have raised questions about the need to work with (and the efficiency of) sports leagues on the official data component.

The key task for the House is setting the sports wagering tax rates . . . and this will go hand-in-hand with the registration and renewal fees as well. Everyone seems to be on message with the need to keep tax rates low to ensure that the illegal operators are crowded out, as well as to boost payouts to winning bettors – no small deal especially for those close to the border with other sports wagering options. Early talk, beginning back with the interim study committee and the Indiana Gaming Commission’s Eilers & Krejci Gaming report, seems to have focused on a Nevada-like 6.75% tax rate (and nothing resembling the much-maligned 36% Pennsylvania tariff), but you shouldn’t be surprised to see the ultimate rate resemble that of New Jersey: 8.5% for in-person wagering at a casino, and 13% for online wagering.

Operators are hoping that the registration fees remain in the range initially proposed in the legislation, and that lawmakers don’t get stars (or dollar signs) in their eyes by glancing at the fees sought by Illinois’ new governor, who wants to raise \$200 million from 20 sports wagering licenses at \$10 million each, but coupled with a token annual renewal fee of \$5,000.

That simply ain’t gonna fly in the Hoosier State (although some Hoosiers still warmly remember the total \$500 million in property tax relief the General Assembly extorted from the two pari-mutuel horse racing tracks for being allowed the racino privilege in the final 2007 legislative flurry . . . while they may also conveniently forget that the exorbitant toll was a significant contributor to the properties ultimately filing for bankruptcy reorganization).

Will there be any talk about directing any potential state or local lucre from sports wagering to the Capital Improvement Board, Bankers Life Fieldhouse upgrades, or the Indy Eleven soccer team multi-use complex, which could solve a lot of dilemmas (although there seems not to have yet been any out-state legislative hand-wringing over help for any of these efforts this year, nor has there been any significant local opposition heard from on these prospective funding deals)?

And might Democrats seek to score some political points by hijacking the future revenue stream for teacher pay or school safety? Bear in mind that Rep. Porter, the Ranking Democrat on Ways and Means and a key player in the teacher pay and general school funding talks, is a cosponsor of SB 552 as it moved to the House.

We probably also ought to caution you that if the sports wagering provisions are split off into a separate bill (as Sen. Ford of Terre Haute initially intended it to be, perhaps believing it would make it easier for him to win a Vigo County casino), that also makes it easier for the casinos – for which sports wagering is an ancillary revenue-raising opportunity, secondary to what could be won or lost from the movement of casinos under SB 552 – to walk away if the provisions are not entirely to their liking.

While the operators should fear not over the tax rate debate, the casinos are wary about the prospect of having to use – and pay for – official league and sanctioning body data for in-game and in-event bets.

This could get particularly uncomfortable for some recalcitrant lawmakers should the sports leagues defer to, say, a pair of key locals like the Indianapolis-based National Collegiate Athletic Association’s Mark Emmert and IndyCar’s Mark Miles to make this tough sell . . . but we wouldn’t rule out this particular issue perhaps being the big nail-biter in the waning hours of the session.

– *Questions for Gary About the Basic Premise.* While there was literally no substantive questioning in the Senate about just how pie-in-the-sky the deepwater port and transmodal facility might be; the expected cost and financing mechanisms for such an effort; and what specific public and private commitments (or even expressions of private interest) there have been, there should be a sharper focus on this in the House, and we don’t think that general comments such as those on the floor by Sen. Niemeyer about investment types being in contact will suffice.

Complicating things is that Gary just lost to retirement one highly respected House member who had served for more than 35 years, and his replacement is a long-time political foe of Gary Mayor Karen Freeman-Wilson (D).

A lot of the Senate undercurrents (and some of the negative public testimony) centered on Gary's inability to get its collective act together, and while it seems like some of the other Northwest Indiana communities have managed to unite (if only to oppose the off-footprint Gary casino move and preserve their respective revenue streams), keep close watch on whether Gary's assorted factions and individuals can come together for an important economic development package – particularly in the midst of a big Democratic mayoral primary in the Steel City.

– *Local Development Agreements.* Look for lawmakers from Southeast Indiana to pay particular attention to how both SB 552 and SB 66 might treat local development agreements, and whether there appears to be a House predilection toward making interlocal agreements a matter of statute, or allowing them to continue via contractual agreements negotiated between units of government.

Like some of their counterparts in Lake County (at least on the Senate side) whose districts may include competing casinos and communities, lawmakers in the so-called Cincinnati market may face similar conflicts among the units of government they serve.

– *Distributions of Slot Wagering Revenues.* Expect to see Shelbyville Rep. Eberhart, a member of the House Committee on Public Policy, to push for a change to the proposed tax cap on local dollars, even though the pool is expected to expand with the addition of live dealers at table games and sports wagering at the racinos.

The weekend just before Second Reading amendments were considered, Rep. Eberhart was questioned at a Shelbyville legislative luncheon by a Shelby County judge about whether a better revenue-sharing package could be crafted under the pending legislation. “It’s in state law that says that local communities are entitled to three percent. It wasn’t negotiable,” responded Rep. Eberhart, explaining that “the county gets three percent of the adjusted gross revenue of the racino and that is spread amongst the communities. That will not change. What will change,” he noted, is the revenue side of the equation. “The projection is it will increase by \$35 to \$40 million with live table games, and (Shelby County) will get three percent of that.” While the county currently enjoys a bounty slightly in excess of \$7 million, SB 552 would cap that amount at \$8 million. Rep. Eberhart does the math and concludes, “You will probably hit that cap with the additional money coming from live games and sports wagering.” However, he adds, “That provision has not been debated yet.”

Expect Rep. Eberhart – who dropped his own HB 1483 in favor of the Senate bill – to tell his fellow committee members and colleagues on the floor that accelerating live dealers will “lead to several hundred jobs that pay on average of over \$50,000 a year” at his county’s largest employer, and “spur economic development, we hope.”

– *Terre Haute Convention Center Funding.* Look for the House to strip a provision in SB 552 that would send almost \$1 million annually to Terre Haute for its proposed convention center complex, and to do it with the support of Terre Haute. The appropriation is no longer needed thanks to the intervening approval of a local food and beverage tax for that purpose.

Terre Haute’s Sen. Ford still seems baffled about how the language from his original 2017 measure continues to pop up in 552 despite explicit instructions for its removal at assorted stages.

Where Does the Governor Stand on this Now? Governor Eric Holcomb (R) was asked about some of the issues involved in the gaming milieu during a news conference at the end of February.

He told reporters, “I understand and concur with leaders upstairs who mention that every reaction has an equal and greater reaction somewhere else. I understand that. We need to be very mindful of that. On the other side, I understand there were ‘haves’ some years ago and there were ‘have nots.’ So I’m not opposed to looking at new ways, with the existing licenses that are there, but this bill goes far beyond just that. And quite honestly, I need to do a lot more digging before I weigh in whether I’m for a final version of this bill.”

Regardless of Governor Holcomb’s reference to “expansion,” he’s never been opposed to expansion *per se*, preferring a deep look at where we’ve been and why, and where we want to be 10-20 years down the line, as he explained to your favorite gaming newsletter when he was a candidate for governor in 2016.

And if you harken back to what he said then and how we interpreted it for you, you’ll understand the context within which he will likely forge his decision. He spoke to us exclusively three years ago about the need to view things, as we wrote, “in the broader context, understanding the laws of intended and unintended consequences of changes to the gaming rubric in Indiana.” His actual words: “I want to encourage thoughtful discussion – long-term thinking – understanding that you don’t want to disrupt the market or destabilize the market with hasty decisions,” adding that he was concerned about “the facilities that we have right now around the state that are critically important to those communities, and so chaos in the market is not good, on one hand. Stability in the market is good; predictability is good. And that’s what gamers look for, too, is trying to be able to predict.”

The Holcomb bottom line, take from the most extensive interview he has given to date on gaming: “[W]e need to be careful and thoughtful because of the longstanding agreements that we’ve had and because of the community development that’s occurred and then the whole relationship that comes into the states and the cities, and the counties potentially.” He reiterated that given the significant investments by casino companies over the years, “Deals are deals, and we’ve made deals and we need to honor those.” When we challenged him on whether that meant the State effectively entered into lifetime deals with the casinos in 1993, especially given that we’ve significantly changed some elements, the then-lieutenant governor replied, “We’d have to discuss each of them.”

As for sports wagering in the 2019 legislature, the Governor was a bit more enthusiastic (perhaps realizing that he could potentially wager on his beloved Houston Astros to win the 2019 World Series!). He explains, “It’s happening now in Indiana. What we are doing in this bill would allow us to capture part of a market that already exists that we don’t capture now. I’m not quick to walk away from that.” However, there was another careful gubernatorial caveat: “But, again, I stress I want to look at every word.”

IN General

● In our last issue, we told you that Ice Miller LLP's John R. Hammond III testified before the Senate Committee on Appropriations representing Penn National Gaming, Inc., – but we added one too many references to “Hammond” on that item. He had lobbied on behalf of the original Lawrenceburg casino a generation ago (not the original Hammond Empress casino) – bringing some symmetry to the process, because Penn National owns what is now the Hollywood Casino Lawrenceburg. We did accurately note the substance of his testimony – that a Gary land-based casino would cost his company's Ameristar Casino East Chicago some \$35 million to \$60 million in gross gaming revenues, leading to a reduction of 175 to 300 jobs, depending upon the ultimate location . . . and that moving up the date of live dealers for table games at the racinos from March 2021 to July 1, 2019 would impact Penn National's Lawrenceburg property to the tune of \$7 million and 21 jobs.

□ Indeed, in a February 28 filing of its Form 10-K filed with the U.S. Securities and Exchange Commission, Penn National raises the dreaded “material adverse impact” prospect. Penn National explicitly states that “In the event this legislation passes and a casino is developed in Gary or a nearby municipality in Northwest Indiana, this would have a material adverse impact on the results of operations of Ameristar East Chicago,” and “In the event this legislation passes and live dealer table games at the existing racinos are available in the summer of 2019, this would have a material adverse impact on the results of operations at Hollywood Casino Lawrenceburg”

● Churchill Downs Inc. is poised to become the biggest head-to-head competitor with the two Caesars Entertainment Corporation Indiana casinos that bookend the diagonally opposite ends of the state on Lake Michigan and the Ohio River.

□ While Churchill's Churchill Downs in Louisville has not been a threat to Horseshoe Casino Southern Indiana given the lack of any other gaming product beyond on-track and simulcast pari-mutuel wagering, when Churchill opened its Derby City Gaming facility with slot-like historical horse racing machines in September at a highly renovated former OTB, revenues in Harrison County immediately saw a highly discernible decline, and if sports wagering comes to the Commonwealth of Kentucky, Churchill is well-positioned to deploy and profit from the new option (even as Indiana is likely to beat the Bluegrass State to the starting gate, and HCSI is in the process of converting to a land-based casino to further address competition).

□ Meanwhile, the biggest casino revenue-producer in the Chicagoland market, Rivers Casino in Des Plaines, Illinois, is being taken over by Churchill, which cites the potential of sports wagering and additional synergy with its own nearby Arlington Park Racecourse. Churchill is acquiring a majority of the Rivers parent company, Neil Bluhm's Midwest Gaming Holdings (Rush Street Gaming is the Midwest Gaming parent) in a deal that will cost CDI more than \$325 million in cash (and will mean that it has to bring on some additional minority investors to satisfy Illinois Gaming Board diversity desires; CDI agreed to make a “good-faith” effort to sell as much as 10% of Midwest Gaming to women and minorities within 90 days.

□ Long-time observers who remember the ill-fated Indianatied Rivers predecessor deal in Rosemont may wonder if “the Widow Payton” will end up being part of this deal after being a victim of the prior pact). The original deal called for Churchill to pay \$326 million in cash for a 50.1% stake in the company, but after additional investors agreed to sell, it grew to \$407 million in cash for an ≈ 62% ownership share. Neil Bluhm will stay on as chair, and Rush Street will continue to manage the Chicagoland casino.

□ After Rivers opened in July 2011, its location on the outskirts of Chicago proper next to O'Hare International Airport with easy interstate access and major local roads, ensured that it would quickly become the market leader, snatching the crown from Horseshoe Casino Hammond.

IN Sports Wagering

● Five days before the IndyCar 2019 season kicks off, Hulman & Co. top exec Mark Miles tells Brant James of Gambling.com he believes “that it's much better than 50/50 that something along the lines of what came out of the Senate will be passed and become law” before the 104th running of the Indianapolis 500 next rear. “The legislative proposals which we argued in support of are likely to be helpful to fans of the Indianapolis 500-mile race and IndyCar because they will facilitate deeper and broader fan engagement, simply. So that's primarily the reason that were supportive.”

□ According to James, Miles says that integral to IndyCar's support, would be licensing of official data from the series for in-race bets. “Presumably,” he told James, “we would be able to charge some kind of licensing fee to those who want to offer this bet.” “There's a lot of data to suggest what really drives interest, would be in our case to be able to bet on what happens on the next lap. And if that's true, then the question arises, well, where the data comes from, which will inform settlements of those bets and setting those odds, etc.,” Miles said. ‘And our view is thinking about racing, sometimes you finish a lap and it takes us another lap to figure out what happened on that lap. It has to happen in race control and it's totally driven by the data that is available real-time in race control. So we wouldn't want to see a situation where different offers of bets – in-race bets – somehow came to different conclusions about what happens. We think it's important that there be an authentic provider of the information for settling bets and we don't see any way that the licensees offering bets could get that real time if they don't have our real-time data.’ Miles said IndyCar collects upwards of 50 million data points from the track during a typical two-hour race. That, he said, would make a data-sharing partnership similar to those Sportradar has forged with the top pro leagues in North America a logical next step. IndyCar odds are sparse currently except for futures markets for an Indianapolis 500 win by former F1 driver Fernando Alonso.”

□ According to the article, as for “‘The 500, we take 80 million data records off the track, all real-time,’ Miles said. ‘So that's just not usable to the casino that wants to offer in-race betting. That has to be massaged so that it is usable and it's quick. We think there will be an opportunity to manage our data and provide it in a way that helps facilitate casinos who want to offer this.’”

□ Miles also revealed that the IndyCar “series is current reviewing its rules regarding betting, which already forbid anyone issued a full-season credential – called a ‘hard card’ – from betting on IndyCar events. ‘But I think that that’s, that’s inadequate,’ Miles added. “And so we will soon be communicating with stakeholders and then promulgating enhancements to the existing rules.’ ”

□ Look for the highly respected Miles – replete with the unparalleled imprimatur of the state’s one-of-a-kind international tourist destination – to return to the State House to testify in committee in favor of legalizing sports wagering, but this time he’ll be much more focused on winning language that would position the professional sports leagues and sanctioning bodies to be licensed and compensated for providing official data to decide in-event wagers.

● Suddenly of greater interest than perhaps when the bill left the Senate Committee on Appropriations at the end of February: A provision in SB 552 that would specifically permit the Indiana Gaming Commission to “act upon information received from a sports governing body in considering requests to prohibit wagering on particular events or to prohibit making wagers of a particular type.”

□ Note that Major League Baseball recently requested that Nevada and Pennsylvania not allow wagering on Spring Training games, events which are not as competitive as regular-season games, and which may be affected by more frequent substitutions or wholesale roster changes (given the prevalence of split-squad games).

● Indiana does not yet have legalized sports wagering, but Horseshoe Casino Southern Indiana still manages to find a way to capitalize upon the NCAA men’s basketball tournament (though you’ll never see the kinds of magic words that would cause the NCAA lawyers – or Indiana Gaming Commission investigators – to come down on the property). “We know you’ve got your favorites when it comes to college basketball. Come in March 18 - 20 and make your selections,” Horseshoe entices patrons via social media. “You could walk away with a share of \$15,000 in cash and free play! Winner alerted after the Championship Game, no need to be present to win!”

□ The top five guests with the highest number of points at the end of the championship game will share \$10,000 in cash and free play, with the top player earning an additional \$5,000 in cash.

● Spring must be approaching and you must be in Indiana, because two casinos in the same market are separately running promotions with John Deere mowers as prizes.

□ Horseshoe Casino Southern Indiana’s “Mow Money, Less Problems” giveaway saw two lucky guests on March 9 each win a brand new John Deere lawnmower with even more winners awarded free play.

□ Meanwhile, just a few days later and a few miles to HCSI’s northeast, Belterra Casino Resort features a “Mower For Your Money” promotion of its own, with drawings from 6:00 p.m. to 10:30 p.m. in which one winner receives a John Deere lawn tractor every 30 minutes, and a finale drawing at 11:00 p.m. features one winner taking home a John Deere ZTR mower and a John Deere gator.

IN Native American Gaming

● The eighth annual Four Winds Invitational, part of the Symetra Tour – Road to the LPGA, will be held June 7-9 at Blackthorn Golf Club in South Bend. The Pokagon Band of Potawatomi Indians and its Four Winds Casinos have raised more than \$545,000 in seven years for South Bend’s Beacon Health System through this regional event. The 2019 tournament will feature a field of 144 professional women golfers from around the world competing for a \$150,000 purse in the official qualifying tour of the LPGA Tour.

□ The Four Winds Invitational is one of four Symetra Tour events that are part of the Potawatomi Cup. The Cup highlights the contributions of four member tribes from the Potawatomi Nation who host tournaments throughout the Midwest. As well as the normal purse payout for each event, a total of \$40,000 in bonus money is available to players based on performance, including \$6,000 to the winner of the Potawatomi Cup.

IN Casinos

Northern Market News . . .

● As the Indiana Gaming Commission was preparing to approve the Spectacle Entertainment, LLC purchase of Majestic Holdco, LLC and the Majestic Star Casino properties in Gary on March 8, after we went to press with this issue, details were revealed about investors in the Spectacle project.

□ Centaur Gaming’s Rod Ratcliff brings in general counsel John Keeler, CFO Tammy Schaeffer, and a family trust for Centaur’s COO, Jim Brown. From Ratcliff’s work with Hoosier Park and Argosy Casino Lawrenceburg, he adds his former partner, Terre Haute native Steve Hilbert. Former Rep. Dan Domezich (R), of Schererville, a GOP powerbroker and financial benefactor and some of his family members are also involved. End Game Holdings LLC of Lafayette is also involved through local attorney Stuart Gutwein.

□ You’ve long known that Terre Haute business leader Greg Gibson and some of his related entities are involved, but he’s also tied in trusts for the children of former Indiana State University basketball star Larry Bird (who was involved in abortive bids for both rounds of the Orange County operating agent contract some 15 years ago).

□ Others popping up in the application include former Indiana secretary of commerce Dan Hasler, now executive vice president for communications at Purdue University, and Windy City H&C Investors LLC of Carmel, a newly formed entity which may be linked to Dave Shepherd’s Shepherd Insurance.

□ Summit Partners Credit Advisors LP of Boston, a global alternative investment firm, will serve as Spectacle’s lender.

● Ameristar Casino East Chicago has a collective bargaining agreement with UNITE/HERE which will expire next month (April 30) after it was extended last year on a year-to-year basis.

● In the **Boyd Gaming Corporation** fourth quarter earnings call with investment analysts, top execs of the parent company of **Blue Chip Casino** are asked about whether prior expectations for EBITDAR cannibalization should be deleted out of 2019 models given the unexpected strong performance by Blue Chip after the opening of the **Four Winds Casino South Bend** to its eastern flank. Executive Vice President and Chief Financial Officer **Josh Hirsberg** explains that “the way we think about it is Blue Chip did a really good job of kind of managing to the competition that it had. The impact was not what we expected it to be, but I think we have felt largely the impact that we are going to see. And what we’re doing now is having a business that has the opportunity to grow off of the levels that it’s at. To the extent of competitive dynamics today essentially as they are today, we would expect Blue Chip to kind of go off this base going into 2019.”

□ President and Chief Executive Officer **Keith Smith** adds some color on how Blue Chip mined other markets to counter the impact. He explains that “we saw the impact that we expected to see out of the battleground markets between the new competitions in Blue Chip. We saw really significant declines. What the team was able to do ... was really grow the business in other areas that worked between them and the new competition that came out of **Chicago** and other places. And so the team did a remarkable job of being able to offset those declines by picking up business from other places. So as **Josh** said, I think we feel good about, we’re at a stable base now. The impact of the new competition has been felt, whatever it is, and we can grow off of this base at modest levels.”

Southern Market News . . .

● Due to the latest round of **Ohio River** flooding and the rise in river levels, the ferry operations at **Rising Star Casino • Resort** were suspended until further notice before dawn on February 21. The ferry service did not resume again until approximately 4:30 p.m. on Friday, March 1.

□ The flooding did not impact casino operations. The property posted a note on its website telling patrons “WE ARE OPEN! THE RIVER MAY BE RISING BUT RISING STAR IS FLOODED WITH CASH!”

● **Full House Resorts, Inc.** tells the U.S. Securities and Exchange Commission that the company’s **Rising Star Casino • Resort** “continues to explore opportunities to develop a new casino in **Terre Haute, Indiana**. The state legislature is currently considering several changes in casino legislation, including legalization of a possible casino in **Terre Haute**. Should such a bill become law, we intend to compete with all interested operators to present the best proposal for **Terre Haute** and for **Indiana**. There is no certainty that any casino legislation will pass or, if so, that it will allow competition on fair terms for such an opportunity.”

□ **Full House** President and CEO **Dan Lee** expounds on this in the company’s fourth quarter earnings call with analysts at the end of February, saying “There’s lots of steps going on,” and the bill “keeps getting twisted and modified,” with everybody trying to “get some advantage out of it, including us. And we’ll see where it ends up I think it was **Mark Twain** who said nobody’s property] is safe when the state legislature is in session, and I’ve seen it go both ways, so the bill in **Indiana** seems like every day has some new twist and turn in it, and we watch it.”

● **Full House Resorts, Inc.** President and CEO **Dan Lee** uses the company’s fourth quarter earnings call with analysts at the end of February to outline some recent and pending changes at the property that might have flown under the radar. **Lee** explains, “We recently introduced a resort fee in the hotel, which is pretty common in hotels these days. We no longer operate our buffet at breakfast, but instead we offer a **Fairfield Inn- or Doubletree Hotel-type** of buffet that’s kind of free, and that’s what you get for your resort fee ... but it’s much less expensive for us to have that free buffet than it was to operate the full buffet at the volumes we were having.”

□ Another change he says to expect: “We’re actually going to modify one of the existing restaurants that we can operate at more meals [during] the day, and turn the buffet into something that just operates on weekends – which is frankly something most of our competition in that market is already at. We’re the only people who have been operating buffet three meals a day, seven days a week, and we’ve already stopped the breakfast portion. And frankly, we’re one of the very few people who operate seven days a week lunch and dinner, and when you really run the math on it, it’s not very economical for us to operate that mid-week on many days of the week.”

□ You will also soon be seeing some visible differences on the gaming floor, according to CEO **Lee**. “We are making some changes in the casino with some of these ‘stadium gaming facilities,’ which we are installing in the next few weeks. Once we have that installed, we will offer fewer \$5 tables, and perhaps and not operate the casino – the table games part of the casino – in the wee hours of the morning. We do now at **Rising Star**, and we don’t in our other markets. So, when you get into 5 o’clock in the morning, **Rising Star** will have more employees at the table games area than there are customers,” **Lee** relates, but he also adds that “we don’t want to eliminate it until we have the kind of stadium gaming alternative, which gives you an ability to play craps or blackjack in kind of a table games type setting. If you really run the math on a \$5 blackjack table, if the people sitting at that table are really betting only \$5 a hand, even if the table is full, you don’t cover payroll, and so fewer other companies doing that as well – and- trying to move away from the \$5 dealer-dealt game and move from that game to more of a mechanized one.”

□ **Lee’s** bottom line on the changes is that they constitute “a philosophy throughout the company and throughout the economy as minimum wages go up and unemployment goes down, [that] we’re looking for every way we can to substitute technology for payroll. And so that’s marketing kiosks, maybe it’s front desk kiosks, any way we can satisfy things with the kiosk or drive people to where we are improving our websites where people can make their reservations for hotel rooms and special events on line. and maybe we don’t to have the same staffing at the call centers and so on.”

□ **Full House** Chief Financial Officer **Lewis Fanger** dishes out some additional color on the earnings call, giving credit to **Ben Douglass**, the new general manager of some six months. **Fanger** says **Douglass** offers “fresh eyes,” and has “started reinventing some of the ways we do things,” starting to be seen “in the results. If you look at revenues there was a small decline, but when you look at adjusted EBITDA and improved pretty meaningfully. Last year’s EBITDA was only \$7,000, my joke is we can buy a third of a slot machine with last year’s EBITDA. This year we got it up to about \$706,000.”

□ Fanger also subtly preaches some patience, observing that “It takes time to ramp up those new services like the ferry boat and as an example if you use Google maps to navigate, it takes some time to get a ferry boat inserted as the fastest route option. It’s a process, but it’s one we have been making our way through and it’s starting to populate now.”

● At Rising Star Casino • Resort, parent Full House Resorts, Inc. reports that net revenues of almost \$12.0 million for the fourth quarter of 2018 compared unfavorably to just under \$12.3 million in the prior-year period. Adjusted Property EBITDA improved significantly, however, despite the revenue decline, to \$706,000 from only about \$7,000 in the fourth quarter of 2017, reflecting what the parent company says are “management changes, a focus on cost controls, and improved weather.” This is the strongest Q4 quarter-over-quarter improvement in four years.

□ For the full-year period, Rising Star’s 2018 Adjusted Property EBITDA improved 4.8% to \$2.8 million from \$2.7 million in 2017, despite a small decline in revenues. The full-year results reflect adverse weather in the first quarter of 2018, including a brief closure related to elevated river levels. Management says that this was offset, in part, by the Rising Star RV Park, which opened in August 2017, and the new ferry service between Rising Sun and Boone County, Kentucky, which began operations in September 2018.

	Fourth Quarter		Full Year	
	Net Revenues	Adj. EBITDAR	Net Revenues	Adj. EBITDA
2018	\$ 11.983M	\$ 0.706M	\$ 47.966M	\$ 2.806M
2017	\$ 12.254M	\$ 0.007M	\$ 49.751M	\$ 2.678M
2016	\$ 12.620M	\$ 0.448M	\$ 49.472M	\$ 2.931M
2015	\$ 12.113M	\$ 0.754M	\$ 47.557M	\$ 4.005M
2014	\$ 10.922M	(\$ 0.322M)	\$ 51.110M	\$ 2.174M
2013	\$ 14.734M	(\$ 0.155M)	\$ 69.147M	\$ 5.425M

● Performance during the second half of February through early March at Tropicana Evansville was boosted due to the flooding-related closure of Harrah’s Metropolis on the Ohio River, well within Trop’s downriver market. The Illinois land-based (!) property was forced to close at 6:00 a.m. local time on Monday, February 18, and the property remained closed through at least March 7. When Illinois’ February casino revenues were released, they showed that Harrah’s had taken in only about one-third of its February 2018 numbers.

□ As we were headed to press with this issue on Thursday, Harrah’s posted this note: “The Ohio River has started to recede and we anticipate reopening in the near future; however, the frequently changing river forecast makes it difficult to accurately determine a specific time and date.”

● Seems like it was just yesterday (actually it was four years and change) that we were telling you about an angry Adam “Pacman” Jones, then of the National Football League’s Cincinnati Bengals, being escorted out of Hollywood Casino Lawrenceburg in early morning hours over what was described then as a dispute at the casino cage. Fast forward to the wee hours of Wednesday February 27, change the venue to a few miles south at Rising Star Casino • Resort, and you’ll see that Jones was arrested shortly after 3:00 a.m. after he allegedly reacted belligerently when confronted by Indiana Gaming Commission agents who told him that they had evidence showing he had capped his bets at a table game and told him further such action would not be tolerated. After he allegedly “became verbally combative and disorderly,” Jones was placed under arrest.

□ According to the Ohio County Circuit Court probable cause affidavit in *State v. Jones*, No. 58C01-1902-F6-000015, Gaming Commission enforcement agents were alerted to potential cheating by Rising Star personnel, quickly reviewed digital surveillance and found “what appeared to be one visible count of capping a bet by Jones.” An IGC agent “approached Jones’ table to advise Jones that if he continued to cap his bets, he would be charged with Cheating at a Gambling Game,” and saw him verbally harassing the table games director “with loud and abusive language ... while pointing and gesturing his hands” After IGC intervention, Jones “aggressively” addressed the agent, swearing at him and using his body “in a threatening manner.” During the altercation, Jones allegedly told the agent, “I will kill you” and then stated, “I will whoop your ass.” After Jones “continued his threatening behavior,” as he was being restrained he was reported to have gotten physical with the agent “and attempted to forcibly free himself,” and was then placed in handcuffs. The agents say “Jones continued to disrupt casino gaming operations by yelling and screaming and refused to calm down. During law enforcement’s encounter with Jones, he appeared to be intoxicated,” and he was placed under arrest and eventually transported to the Dearborn County law enforcement center (shared with Ohio County), a transition during which “Jones continued with verbal harassments” against law enforcement officers. Some of his alleged comments mirrored almost verbatim what we reported in 2015 that he was heard shouting on video recordings of that incident. “During the transfer of custody, while Ohio County Sheriff’s Department was switching out issued IGC handcuffs for those of Ohio County, Jones fled from the OCS Deputy and ran towards the door attempting to exit, grabbing and turning the door handle before being subdued by law enforcement officers. Jones also resisted other law enforcement officers by refusing/resisting their repeated requests to enter the Sheriff’s Department’s vehicle.” Jones was transported to High Point Health for medical evaluation, and allegedly directed a racial epithet toward a High Point employee.

□ The 35-year-old Jones was charged with three separate Felony 6 offenses involving intimidation of a law enforcement official, battery against a public safety official, and cheating at gambling. He also faces a Misdemeanor A count of theft, as well as a pair of Misdemeanor A charges resisting law enforcement for flight and forcible resistance. The final two charges against Jones are Misdemeanor A charges of disorderly conduct and public intoxication.

□ As of last week, Jones is now represented by David Zerbe of Lawrenceburg. Long-time readers may remember him as the city attorney from the early and mid 1990s who was involved in the original Lawrenceburg riverboat deal – attracting the negative attention of the Gameboys and other investigative bodies in 1994-95 (note also that the Bengals, the team most associated with Jones, have not won a playoff game since January 1991 – before casino gaming was even authorized in Indiana; for some historical context, the Indianapolis Colts were led that same season by Jeff George and Eric Dickerson). The original counsel for Jones, Delmar Weldon III of Lawrenceburg, issued a statement shortly after the arrest flatly asserting that his client had been “falsely accused of cheating,” and “was arrested merely for reacting in the way any of us would.” Weldon asked people “not to rush to judgment,” and contends that “the facts will show that Adam was not in the wrong.”

□ The day after the probable cause affidavit was filed, Weldon moved to have the judge strike “inflammatory and offensive language” – a racial epithet (one of two) that we mentioned above that Jones was alleged to have used, arguing that it “has no relevance to any of the charging information and serves no practical legal purpose whatsoever. The inflammatory and offensive nature of this word is beyond measure and beyond dispute.”

□ Dearborn-Ohio County prosecutor Lynn Deddens (R) was not at all pleased with Weldon’s statements and other interviews he gave to the media, nor with his effort to have an amended affidavit filed. She quickly countered with a “Motion For Order Restricting Public Comments and Public Presentation of Evidence,” which is better described as a gag order on Weldon. In her request, she states that “hours of video evidence” of Jones at the casino “showed him changing his bets after game outcome had been determined,” and “support all of the charges and all of the allegations in the Probable Cause Affidavit” Referring to Weldon’s actions, the prosecutor expresses her concern that “he elaborates on these allegations, in a manner which implicitly casts aspersions on the integrity of the Court and the Prosecuting Attorney. These statements of Attorney Weldon are materially false and were made with reckless disregard for the truth of what led to Defendant’s arrest. It is difficult if not impossible to understand Attorney Weldon’s purpose in issuing these false statements, other than to grandstand or mislead public perception of the truth.” Weldon filed a response the next day, asking the judge to dismiss the State’s motion “for the reason that it does not provide any legal authority, which prevents the Defendant from responding and the Court from making a ruling,” or in the alternative, asking “the Court order the State to provide legal authority and allow the Defendant an opportunity to review and respond and make argument at a hearing.” Such a hearing was set last week for March 21 . . . suggesting to us that the judge wasn’t particularly concerned about the defense speaking out and prejudicing the State’s case or impugning its witnesses. There was intense local interest in the matter given Jones’ 14-year career with the Bengals before ending in Denver, and even TMZ and ESPN jumped in on the coverage.

□ Jones was eventually released on surety bond set at \$10,000 and cash bond at \$1,000. Terms of his release include a ban on direct or indirect contact with Rising Star. A pre-trial hearing is set for April 29.

□ On Wednesday, TMZ Sports posted about four minutes worth of cell-phone video footage which the site says was shot by his wife shortly after he had been placed in handcuffs in the service area of the complex, “footage the NFL star believes will prove officials overreacted that day Jones believes the video will show he was NOT out of control but rather restrained considering he was being taken into custody in front of his wife and other people who recognized him Both Pacman and his wife repeatedly tell cops they can say whatever they want because of ‘freedom of speech.’ At one point during the incident, Pacman turns to one of the arresting officers and calls him a ‘bitch ass n***a.’ We spoke with Pacman’s agent, Peter Schaffer, who tells us, ‘Adam was very controlled. We think the authorities overreacted, they love the attention ... Adam showed great restraint.’” The video also captures Mrs. Jones telling the Gaming Commission agents that her husband had spent some \$20,000 at the tables during that visit.

● A 29-year-old Lawrenceburg man has been charged with two counts of Criminal Confinement (Level 5 Felony) and two counts of Neglect of a Dependent (Level 6 Felony) after he allegedly left his three-year-old girl and a one-year-old boy alone at home while he first went to buy cigarettes, and then decided to visit Hollywood Casino Lawrenceburg. *State v. Elsen*, No. 15C01-1902-F5-000024.

□ According to the probable cause affidavit, the children left the house despite a zip-tied gate and were wandering downtown streets on a cold morning until a citizen rescued them and brought them to the police department. Dearborn County dispatch used the Smart 911 system to involve local residents in tracking down the parents, while the fire department and county emergency management took to social media to share the information. The mother was located at work, and that eventually led to the father, who was supposed to be home watching the children, also being found. The Department of Child Services was also drawn into the matter.

● Curious about just what Horseshoe Casino Southern Indiana now has to compete against across the Ohio River in Louisville? Churchill Downs Inc. reports that its new \$65 Derby City Gaming facility, stocked with historical racing machines, resulted in a fourth quarter 2018 net revenue increase of \$12.0 million and an Adjusted EBITDA increase of \$2.1 million for the company. CDI also says that for the full year, net revenue for the company’s category which includes the new venue “increased by \$14.1 million and Adjusted EBITDA \$1.6 million primarily driven by the opening of Derby City Gaming in September 2018.”

IN Other Casino News . . .

● Here are your January casino numbers:

CASINO	TABLE WIN	SLOT WIN	TOTAL WIN
Ameristar	\$ 4,299,335	\$ 11,861,145	\$ 16,160,480
Belterra	\$ 1,366,904	\$ 6,062,752	\$ 7,429,656
Blue Chip	\$ 1,254,180	\$ 9,046,927	\$ 10,301,107
French Lick	\$ 1,037,107	\$ 5,802,352	\$ 6,839,459
Hollywood	\$ 1,960,646	\$ 10,361,696	\$ 12,322,342
Hoosier Park	N/A	\$ 14,680,588	\$ 14,680,588
Horseshoe HD	\$ 8,678,339	\$ 19,884,756	\$ 28,563,095
Horseshoe SI	\$ 3,420,034	\$ 13,054,698	\$ 16,474,732
Indiana Grand	N/A	\$ 20,677,557	\$ 20,677,557
Majestic Star I	\$ 1,411,912	\$ 5,126,172	\$ 6,538,084
Majestic Star II	\$ 152,074	\$ 4,141,172	\$ 4,293,246
Rising Star	\$ 477,269	\$ 2,772,499	\$ 3,249,768
Tropicana	\$ 2,000,435	\$ 9,335,806	\$ 11,336,241
STATEWIDE	\$ 26,058,234	\$ 132,808,119	\$ 158,866,353

CASINO WIN, past six months (\$ in millions)

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe HD	\$ 28.56	\$ 32.37	\$ 29.79	\$ 33.34	\$ 31.71	\$ 32.37
Indiana Grand	\$ 20.68	\$ 23.80	\$ 22.11	\$ 19.97	\$ 23.15	\$ 23.64
Horseshoe SI	\$ 16.47	\$ 20.43	\$ 18.76	\$ 18.29	\$ 19.36	\$ 20.34
Ameristar	\$ 16.16	\$ 19.50	\$ 18.40	\$ 18.05	\$ 18.14	\$ 19.72
Hoosier Park	\$ 14.68	\$ 18.32	\$ 17.29	\$ 17.58	\$ 18.21	\$ 17.73
Hollywood	\$ 12.32	\$ 15.38	\$ 14.26	\$ 12.86	\$ 13.12	\$ 14.49
Tropicana	\$ 11.34	\$ 12.94	\$ 11.75	\$ 11.39	\$ 12.31	\$ 12.71
Blue Chip	\$ 10.30	\$ 13.16	\$ 12.17	\$ 12.27	\$ 12.82	\$ 13.32
Belterra	\$ 7.43	\$ 9.64	\$ 8.45	\$ 8.77	\$ 9.23	\$ 10.78
French Lick	\$ 6.84	\$ 9.03	\$ 7.53	\$ 7.93	\$ 7.96	\$ 8.14
Majestic Star I	\$ 6.54	\$ 7.54	\$ 6.94	\$ 7.28	\$ 6.98	\$ 7.43
Majestic Star II	\$ 4.29	\$ 5.20	\$ 4.77	\$ 5.05	\$ 4.99	\$ 4.95
Rising Star	\$ 3.25	\$ 4.10	\$ 3.99	\$ 4.14	\$ 4.36	\$ 4.30
STATEWIDE	\$158.87	\$191.41	\$176.19	\$176.91	\$182.34	\$189.81

CASINO WIN, vs. prior month, past five months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	- 11.76%	8.66%	- 10.66%	5.15%	- 1.74%
Tropicana	- 12.42%	10.16%	3.12%	- 7.42%	- 3.15%
Indiana Grand	- 13.11%	7.66%	10.72%	- 13.76%	- 2.06%
Majestic Star I	- 13.24%	8.58%	- 4.61%	4.22%	- 6.02%
Ameristar	- 17.14%	6.01%	1.92%	- 0.51%	- 7.97%
Majestic Star II	- 17.37%	9.02%	- 5.61%	1.26%	0.69%
Horseshoe SI	- 19.38%	8.94%	2.56%	- 5.53%	- 4.80%
Hollywood	- 19.88%	7.86%	10.88%	- 2.00%	- 9.45%
Hoosier Park	- 19.88%	5.95%	- 1.65%	- 3.45%	2.72%
Rising Star	- 20.81%	2.96%	- 3.65%	- 5.06%	1.34%
Blue Chip	- 21.70%	8.12%	- 0.83%	- 4.30%	- 3.72%
Belterra	- 22.93%	14.10%	- 3.60%	- 5.00%	- 14.41%
French Lick	- 24.27%	19.93%	- 5.03%	- 0.36%	- 2.21%
STATEWIDE	- 17.00%	8.64%	- 0.41%	- 2.98%	- 3.93%

CASINO WIN, past six years (\$ in millions)

CASINO	01/2019	01/2018	01/2017	01/2016	01/2015	01/2014
Horseshoe HD	\$ 28.56	\$ 33.54	\$ 33.80	\$ 35.11	\$ 34.13	\$ 29.82
Indiana Grand	\$ 20.68	\$ 20.32	\$ 21.30	\$ 20.92	\$ 19.02	\$ 15.57
Horseshoe SI	\$ 16.47	\$ 18.47	\$ 18.61	\$ 19.64	\$ 21.33	\$ 18.96
Ameristar	\$ 16.16	\$ 18.46	\$ 17.09	\$ 18.69	\$ 17.60	\$ 15.00
Hoosier Park	\$ 14.68	\$ 15.09	\$ 15.76	\$ 15.91	\$ 15.54	\$ 13.32
Hollywood	\$ 12.32	\$ 12.44	\$ 12.67	\$ 13.81	\$ 14.78	\$ 15.23
Tropicana	\$ 11.34	\$ 11.25	\$ 10.27	\$ 10.06	\$ 9.66	\$ 9.53
Blue Chip	\$ 10.30	\$ 10.66	\$ 11.98	\$ 12.55	\$ 11.73	\$ 9.35
Belterra	\$ 7.43	\$ 7.47	\$ 8.20	\$ 9.05	\$ 9.87	\$ 8.16
French Lick	\$ 6.84	\$ 6.22	\$ 7.01	\$ 6.88	\$ 6.12	\$ 5.11
Majestic Star I	\$ 6.54	\$ 6.56	\$ 7.27	\$ 7.35	\$ 7.23	\$ 7.19
Majestic Star II	\$ 4.29	\$ 4.56	\$ 4.83	\$ 5.48	\$ 5.30	\$ 4.15
Rising Star	\$ 3.25	\$ 3.55	\$ 3.92	\$ 4.02	\$ 4.13	\$ 3.85
STATEWIDE	\$158.87	\$168.60	\$172.71	\$179.48	\$176.42	\$155.26

CASINO WIN, vs. prior year, past five years

CASINO	01/2019	01/2018	01/2017	01/2016	01/2015
French Lick	9.87%	- 11.18%	1.84%	12.50%	19.68%
Indiana Grand	1.78%	- 4.62%	1.81%	9.98%	22.17%
Tropicana	0.72%	9.62%	2.04%	4.16%	1.35%
Majestic Star I	- 0.29%	- 9.76%	- 1.07%	1.59%	0.58%
Belterra	- 0.57%	- 8.90%	- 9.32%	- 8.33%	20.90%
Hollywood	- 0.93%	- 1.82%	- 8.24%	- 6.56%	- 3.00%
Hoosier Park	- 2.73%	- 4.23%	- 0.96%	2.41%	16.63%
Blue Chip	- 3.35%	- 11.03%	- 4.58%	7.08%	25.38%
Majestic Star II	- 5.93%	- 5.56%	- 11.88%	3.51%	27.57%
Rising Star	- 8.36%	- 9.56%	- 2.40%	- 2.74%	7.22%
Horseshoe SI	- 10.79%	- 0.78%	- 5.26%	- 7.88%	12.47%
Ameristar	- 12.46%	8.01%	- 8.57%	6.24%	17.27%
Horseshoe HD	- 14.84%	- 0.77%	- 3.71%	2.87%	14.46%

STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
02/18	\$ 170,114,738	- 8.32%	(\$ 15,436,003)
03/18	\$ 221,057,413	4.60%	\$ 9,723,531
04/18	\$ 195,349,498	2.15%	\$ 4,114,748
05/18	\$ 191,065,884	- 0.25%	(\$ 474,507)
06/18	\$ 186,792,189	4.49%	\$ 8,019,573
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)

STATEWIDE WIN, same month, past years

	Total Win	% Change Prior Year	Actual Change Prior Year
01/01	\$ 144,233,081	10.03%	\$ 13,150,779
01/02	\$ 158,078,333	9.60%	\$ 13,845,252
01/03	\$ 173,310,113	9.64%	\$ 15,231,780
01/04	\$ 189,930,837	9.59%	\$ 16,620,724
01/05	\$ 181,571,608	- 4.40%	(\$ 8,359,229)
01/06	\$ 211,661,984	16.57%	\$ 30,090,376
01/07	\$ 218,635,927	3.29%	\$ 6,973,943
01/08	\$ 200,488,899	- 8.30%	(\$ 18,147,028)
01/09	\$ 223,072,570	11.26%	\$ 22,583,671
01/10	\$ 222,999,511	- 0.03%	(\$ 73,059)
01/11	\$ 217,580,560	- 2.43%	(\$ 5,418,951)
01/12	\$ 211,170,289	- 2.95%	(\$ 6,410,271)
01/13	\$ 198,769,738	- 5.87%	(\$ 12,400,551)
01/14	\$ 155,260,727	- 21.89%	(\$ 43,509,011)
01/15	\$ 176,415,115	13.63%	\$ 21,154,388
01/16	\$ 179,477,455	1.74%	\$ 3,062,340
01/17	\$ 172,714,110	- 3.77%	(\$ 6,763,345)
01/18	\$ 168,596,335	- 2.38%	(\$ 4,117,775)
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 28,563,095	\$ 33,542,344	(\$ 4,979,249)	- 14.84%
Indiana Grand	\$ 20,677,557	\$ 20,315,842	\$ 361,715	1.78%
Horseshoe SI	\$ 16,474,732	\$ 18,467,355	(\$ 1,992,623)	- 10.79%
Ameristar	\$ 16,160,480	\$ 18,460,889	(\$ 2,300,409)	- 12.46%
Hoosier Park	\$ 14,680,588	\$ 15,093,325	(\$ 412,737)	- 2.73%
Hollywood	\$ 12,322,342	\$ 12,438,478	(\$ 116,136)	- 0.93%
Tropicana	\$ 11,336,241	\$ 11,254,995	\$ 81,246	0.72%
Blue Chip	\$ 10,301,107	\$ 10,658,485	(\$ 357,378)	- 3.35%
Belterra	\$ 7,429,656	\$ 7,471,992	(\$ 42,336)	- 0.57%
French Lick	\$ 6,839,459	\$ 6,224,994	\$ 614,465	9.87%
Majestic Star I	\$ 6,538,084	\$ 6,557,282	(\$ 19,198)	- 0.29%
Majestic Star II	\$ 4,293,246	\$ 4,563,944	(\$ 270,698)	- 5.93%
Rising Star	\$ 3,249,768	\$ 3,546,410	(\$ 296,642)	- 8.36%
STATEWIDE	\$ 158,866,355	\$ 168,596,335	(\$ 9,729,980)	- 5.77%

REGIONAL WIN (\$ in millions), past six months

REGION	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Lake	\$ 65.86	\$ 77.76	\$ 72.06	\$ 75.99	\$ 74.64	\$ 77.69
Southern	\$ 57.65	\$ 71.53	\$ 64.73	\$ 63.37	\$ 66.33	\$ 70.75
Racinos	\$ 35.36	\$ 42.12	\$ 39.40	\$ 37.55	\$ 41.36	\$ 41.37

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Caesars*	\$ 80.40	\$ 94.92	\$ 87.95	\$ 89.18	\$ 92.44	\$ 93.98
Penn National*	\$ 28.48	\$ 34.88	\$ 32.66	\$ 30.91	\$ 31.27	\$ 34.21
Boyd Gaming*	\$ 17.73	\$ 22.80	\$ 20.62	\$ 21.03	\$ 22.05	\$ 24.09
Majestic Star	\$ 10.83	\$ 12.73	\$ 11.71	\$ 12.33	\$ 11.97	\$ 12.38

* Assumes current combinations looking retrospectively

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN	TABLE WIN
Majestic Star I	- 12.36% (\$ 723,170)	- 16.30% (\$ 275,000)
Indiana Grand	- 13.11% (\$ 3,120,433)	N/A N/A
Tropicana	- 13.35% (\$ 1,438,244)	- 7.80% (\$ 169,187)
Horseshoe HD	- 15.69% (\$ 3,701,400)	- 1.19% (\$ 104,525)
Horseshoe SI	- 16.92% (\$ 2,658,718)	- 27.56% (\$ 1,301,119)
Majestic Star II	- 18.46% (\$ 937,251)	29.67% \$ 34,794
Ameristar	- 18.59% (\$ 2,708,670)	- 12.86% (\$ 634,263)
Hoosier Park	- 19.88% (\$ 3,642,812)	N/A N/A
Blue Chip	- 21.86% (\$ 2,531,080)	- 20.49% (\$ 323,292)
Belterra	- 21.91% (\$ 1,701,524)	- 27.14% (\$ 509,182)
Hollywood	- 22.50% (\$ 3,007,848)	- 2.44% (\$ 48,998)
Rising Star	- 25.07% (\$ 927,397)	18.14% \$ 73,275
French Lick	- 26.08% (\$ 2,047,584)	- 12.19% (\$ 144,018)
STATEWIDE	- 18.00% (\$ 29,146,132)	- 11.55% (\$ 3,401,516)

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN		TABLE WIN	
French Lick	6.73%	\$ 365,993	31.51%	\$ 248,472
Tropicana	2.40%	\$ 219,020	- 6.44%	(\$ 137,774)
Indiana Grand	1.78%	\$ 361,715	N/A	N/A
Hollywood	0.27%	\$ 27,956	- 6.85%	(\$ 144,092)
Majestic Star I	- 2.38%	(\$ 124,732)	8.08%	\$ 105,534
Blue Chip	- 2.66%	(\$ 246,831)	- 8.10%	(\$ 110,547)
Hoosier Park	- 2.73%	(\$ 412,737)	N/A	N/A
Belterra	- 5.25%	(\$ 335,725)	27.33%	\$ 293,389
Majestic Star II	- 6.58%	(\$ 291,600)	15.93%	\$ 20,902
Horseshoe SI	- 8.11%	(\$ 1,152,644)	- 19.72%	(\$ 839,979)
Rising Star	- 8.52%	(\$ 258,149)	- 7.46%	(\$ 38,493)
Ameristar	- 8.80%	(\$ 1,144,060)	- 21.20%	(\$ 1,156,349)
Horseshoe HD	- 12.30%	(\$ 2,787,725)	- 20.16%	(\$ 2,191,524)
STATEWIDE	- 4.17%	(\$ 5,779,520)	- 13.16%	(\$ 3,950,462)

WIN PER SLOT PER DAY

CASINO	01/2019	01/2018	12/2018
Indiana Grand	\$ 322	\$ 309	\$ 371
Hoosier Park	\$ 296	\$ 266	\$ 367
Horseshoe HD	\$ 289	\$ 316	\$ 343
Tropicana	\$ 268	\$ 259	\$ 308
Horseshoe SI	\$ 267	\$ 288	\$ 321
Majestic Star I	\$ 236	\$ 195	\$ 231
Ameristar	\$ 219	\$ 244	\$ 267
Hollywood	\$ 217	\$ 199	\$ 283
French Lick	\$ 205	\$ 188	\$ 276
Blue Chip	\$ 174	\$ 178	\$ 223
Belterra	\$ 166	\$ 173	\$ 211
Majestic Star II	\$ 159	\$ 171	\$ 195
Rising Star	\$ 100	\$ 106	\$ 133
STATEWIDE	\$ 237	\$ 237	\$ 287

COIN-IN, past five months (\$ in millions)

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018
Indiana Grand	\$ 226.05	\$ 252.78	\$ 228.65	\$ 217.63	\$ 279.06
Horseshoe HD	\$ 203.11	\$ 241.70	\$ 211.92	\$ 227.86	\$ 229.54
Hoosier Park	\$ 162.65	\$ 200.98	\$ 176.31	\$ 210.38	\$ 216.44
Horseshoe SI	\$ 133.28	\$ 157.44	\$ 147.24	\$ 143.66	\$ 151.95
Ameristar	\$ 122.59	\$ 143.02	\$ 135.70	\$ 137.28	\$ 138.44
Blue Chip	\$ 105.47	\$ 137.39	\$ 123.21	\$ 131.00	\$ 133.95
Hollywood	\$ 102.71	\$ 129.49	\$ 121.25	\$ 112.39	\$ 115.62
Tropicana	\$ 88.43	\$ 104.77	\$ 90.88	\$ 93.41	\$ 96.51
French Lick	\$ 67.38	\$ 92.02	\$ 75.66	\$ 79.73	\$ 81.65
Belterra	\$ 65.38	\$ 86.22	\$ 75.93	\$ 81.25	\$ 93.06
Majestic Star I	\$ 51.25	\$ 58.88	\$ 54.18	\$ 57.86	\$ 59.94
Majestic Star II	\$ 41.08	\$ 48.87	\$ 44.94	\$ 48.76	\$ 49.76
Rising Star	\$ 32.35	\$ 44.99	\$ 40.54	\$ 40.02	\$ 42.50
STATEWIDE	\$ 1.402B	\$ 1.699B	\$ 1.526B	\$ 1.581B	\$ 1.689B

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 38,722,196	\$ 8,678,339 22.41%
Ameristar	\$ 25,980,492	\$ 4,299,335 16.55%
Horseshoe SI	\$ 16,592,104	\$ 3,420,034 20.61%
Hollywood	\$ 8,800,172	\$ 1,960,646 22.17%
Tropicana	\$ 8,539,636	\$ 2,000,435 23.43%
Majestic Star I	\$ 8,093,460	\$ 1,411,912 17.45%
Blue Chip	\$ 5,737,507	\$ 1,254,180 21.86%
Belterra	\$ 5,436,680	\$ 1,366,904 25.14%
French Lick	\$ 4,704,848	\$ 1,037,107 22.04%
Rising Star	\$ 2,265,205	\$ 477,269 21.07%
Majestic Star II	\$ 99,858	\$ 152,074 152.29%
STATEWIDE	\$ 124,972,158	\$ 26,058,234 20.85%

SLOT PAYBACK, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Rising Star	91.43%	91.78%	91.20%	91.37%	91.04%	91.41%
Blue Chip	91.42%	91.58%	91.23%	91.55%	91.48%	91.60%
French Lick	91.39%	91.47%	91.53%	91.50%	91.58%	92.08%
Hoosier Park	90.97%	90.88%	90.19%	91.64%	91.59%	91.70%
Indiana Grand	90.85%	90.59%	90.33%	90.83%	91.70%	91.79%
Belterra	90.73%	90.99%	90.82%	90.35%	91.40%	91.37%
Ameristar	90.32%	89.81%	89.90%	89.94%	89.87%	89.63%
Horseshoe HD	90.21%	90.24%	89.87%	90.15%	89.79%	90.09%
Horseshoe SI	90.21%	90.02%	90.22%	90.14%	89.98%	90.12%
Majestic Star I	90.00%	90.07%	89.86%	90.40%	90.49%	90.70%
Majestic Star II	89.92%	89.61%	89.66%	89.86%	90.19%	90.06%
Hollywood	89.91%	89.68%	90.12%	89.89%	90.30%	89.77%
Tropicana	89.44%	89.72%	89.45%	89.83%	89.56%	89.47%
STATEWIDE	90.53%	90.47%	90.28%	90.61%	90.76%	90.82%

TABLE HOLD, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Majestic Star II	152.29%	112.02%	115.59%	108.91%	115.48%	108.04%
Hollywood	34.17%	28.29%	36.29%	24.07%	27.59%	28.61%
Belterra	25.14%	27.48%	24.60%	16.66%	18.96%	28.87%
Tropicana	23.43%	22.01%	25.20%	22.59%	25.89%	22.71%
Horseshoe HD	22.41%	21.51%	21.96%	26.66%	21.65%	22.33%
French Lick	22.04%	20.76%	23.71%	24.09%	19.11%	17.18%
Blue Chip	21.86%	22.20%	21.62%	19.34%	20.36%	19.70%
Rising Star	21.07%	13.00%	15.28%	25.04%	18.31%	19.35%
Horseshoe SI	20.61%	25.63%	24.17%	25.84%	23.33%	24.53%
Majestic Star I	17.45%	21.47%	20.08%	23.02%	19.00%	23.11%
Ameristar	16.55%	15.72%	16.41%	15.50%	14.98%	17.94%
STATEWIDE	20.85%	20.87%	21.42%	22.29%	20.25%	21.70%

SLOT MACHINES, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe HD	2,217	2,221	2,205	2,267	2,262	2,267
Indiana Grand	2,069	2,069	2,069	2,071	2,070	2,071
Ameristar	1,749	1,762	1,774	1,777	1,761	1,569
Blue Chip	1,678	1,678	1,675	1,675	1,680	1,675
Hoosier Park	1,599	1,611	1,658	1,811	1,811	1,811
Horseshoe SI	1,580	1,579	1,586	1,587	1,573	1,585
Hollywood	1,541	1,522	1,509	1,509	1,474	1,482
Belterra	1,180	1,186	1,170	1,184	1,182	1,188
Tropicana	1,125	1,128	1,130	1,130	1,130	1,137
French Lick	915	916	916	919	918	916
Rising Star	897	897	894	901	918	932
Majestic Star II	838	842	859	859	859	849
Majestic Star I	700	818	819	819	819	823
STATEWIDE	18,088	18,229	18,264	18,509	18,457	18,305

TABLE GAMES, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe HD	155	154	156	153	153	153
Horseshoe SI	103	103	103	103	103	103
Ameristar	79	80	76	76	70	75
Hollywood	78	78	73	78	78	78
Majestic Star I	49	49	50	50	50	50
Blue Chip	48	48	48	48	48	48
Belterra	43	43	43	43	43	42
Tropicana	41	41	41	41	41	41
French Lick	37	37	37	37	37	37
Rising Star	29	25	25	25	29	32
Majestic Star II	14	14	14	14	14	14
STATEWIDE	676	672	671	668	666	673

WIN PER TABLE PER DAY

CASINO	01/2019	01/2018	12/2018
Horseshoe HD	\$ 1,806	\$ 2,292	\$ 1,840
Ameristar	\$ 1,756	\$ 2,444	\$ 1,989
Tropicana	\$ 1,574	\$ 1,682	\$ 1,707
Horseshoe SI	\$ 1,071	\$ 1,334	\$ 1,479
Belterra	\$ 1,025	\$ 825	\$ 1,407
Majestic Star I	\$ 930	\$ 826	\$ 1,111
French Lick	\$ 904	\$ 688	\$ 1,030
Blue Chip	\$ 843	\$ 917	\$ 1,060
Hollywood	\$ 811	\$ 828	\$ 831
Rising Star	\$ 531	\$ 574	\$ 521
Majestic Star II	\$ 350	\$ 163	\$ 270
STATEWIDE	\$ 1,243	\$ 1,415	\$ 1,414

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	01/2019	12/2018	11/2018	10/2018
Majestic Star II	96.5/03.5%	97.7/02.3%	97.5/02.5%	97.9/02.1%
Blue Chip	87.8/12.2%	88.0/12.0%	88.8/11.2%	90.2/09.8%
Rising Star	85.3/14.7%	90.2/09.8%	89.5/10.5%	83.5/16.5%
French Lick	84.8/15.2%	86.9/13.1%	85.1/14.9%	85.4/14.6%
Hollywood	84.1/15.9%	86.9/13.1%	84.0/16.0%	88.4/11.6%
Tropicana	82.4/17.6%	83.2/16.8%	81.6/18.4%	83.4/16.6%
Belterra	81.6/18.4%	80.5/19.5%	82.5/17.5%	89.5/10.5%
Horseshoe SI	79.2/20.8%	76.9/23.1%	76.7/23.3%	77.4/22.6%
Majestic Star I	78.4/21.6%	77.6/22.4%	79.1/20.9%	76.3/23.7%
Ameristar	73.4/26.6%	74.7/25.3%	74.5/25.5%	76.5/23.5%
Horseshoe HD	69.6/30.4%	72.9/27.1%	72.1/27.9%	67.3/32.7%
STATEWIDE	83.6/16.4%	84.6/15.4%	84.2/15.8%	83.9/16.1%

STATE MARKET SHARE BY CORPORATE PARENT, past six months

CORP	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Caesars*	50.61%	49.59%	49.92%	50.41%	50.69%	49.51%
Penn National*	17.93%	18.22%	18.53%	17.47%	17.15%	18.02%
Boyd Gaming*	11.16%	11.91%	11.70%	11.89%	12.09%	12.69%
Majestic Star	6.82%	6.65%	6.64%	6.97%	6.56%	6.52%

* Assumes current combinations looking retrospectively

STATE MARKET SHARE, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe HD	17.98%	16.91%	16.91%	18.85%	17.39%	17.00%
Indiana Grand	13.02%	12.43%	12.55%	11.29%	12.70%	12.45%
Horseshoe SI	10.37%	10.68%	10.65%	10.34%	10.62%	10.71%
Ameristar	10.17%	10.19%	10.44%	10.20%	9.95%	10.39%
Hoosier Park	9.24%	9.57%	9.82%	9.94%	9.99%	9.34%
Hollywood	7.76%	8.03%	8.09%	7.27%	7.20%	7.63%
Tropicana	7.14%	6.76%	6.67%	6.44%	6.75%	6.70%
Blue Chip	6.48%	6.87%	6.91%	6.93%	7.03%	7.02%
Belterra	4.68%	5.04%	4.80%	4.95%	5.06%	5.68%
French Lick	4.31%	4.72%	4.27%	4.48%	4.36%	4.29%
Majestic Star I	4.12%	3.94%	3.94%	4.11%	3.83%	3.91%
Majestic Star II	2.70%	2.71%	2.70%	2.85%	2.73%	2.61%
Rising Star	2.05%	2.14%	2.26%	2.34%	2.39%	2.27%

STATE MARKET SHARE BY REGION, past six months

REGION	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Lake	41.45%	40.62%	40.90%	42.95%	40.94%	40.93%
Southern	36.29%	37.37%	36.74%	35.82%	36.38%	37.28%
Racinos	22.26%	22.01%	22.36%	21.22%	22.69%	21.79%

LAKE REGION MARKET SHARE, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe HD	43.37%	41.63%	41.34%	43.88%	42.48%	41.54%
Ameristar	24.54%	25.08%	25.53%	23.76%	24.31%	25.38%
Blue Chip	15.64%	16.92%	16.88%	16.14%	17.17%	17.14%
Majestic Star I	9.93%	9.69%	9.63%	9.58%	9.35%	9.56%
Majestic Star II	6.52%	6.68%	6.61%	6.64%	6.68%	6.38%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Horseshoe SI	28.58%	28.57%	28.98%	28.86%	29.19%	28.74%
Hollywood	21.37%	21.50%	22.03%	20.29%	19.78%	20.48%
Tropicana	19.66%	18.09%	18.15%	17.98%	18.55%	17.96%
Belterra	12.89%	13.48%	13.05%	13.83%	13.91%	15.23%
French Lick	11.86%	12.63%	11.63%	12.51%	12.00%	11.50%
Rising Star	5.64%	5.74%	6.16%	6.53%	6.57%	6.08%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Ameristar	Horseshoe HD	Indiana Grand
(3)	Horseshoe SI	Hoosier Park	Horseshoe SI
(4)	Tropicana	Horseshoe SI	Ameristar
(5)	Hollywood	Ameristar	Hoosier Park
(6)	Majestic Star I	Hollywood	Hollywood
(7)	Belterra	Tropicana	Tropicana
(8)	Blue Chip	Blue Chip	Blue Chip
(9)	French Lick	Belterra	Belterra
(10)	Rising Star	French Lick	French Lick
(11)	Majestic Star II	Majestic Star I	Majestic Star I
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Indiana	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34	\$ 189.81
IL Casinos	\$ 94.71	\$ 117.69	\$ 107.13	\$ 112.74	\$ 109.55	\$ 118.38
SPREAD	\$ 64.16	\$ 73.72	\$ 69.06	\$ 64.17	\$ 72.80	\$ 71.42
IL VGTs	\$ 120.47	\$ 133.51	\$ 125.14	\$ 127.89	\$ 121.74	\$ 127.24
IL Total	\$ 215.18	\$ 251.20	\$ 232.27	\$ 240.64	\$ 231.29	\$ 245.62
SPREAD	(\$ 56.32)	(\$ 62.45)	(\$ 56.08)	(\$ 63.72)	(\$ 48.95)	(\$ 55.81)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	01/2019	12/2018	11/2018	10/2018	09/2018	08/2018
Indiana	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34	\$ 189.81
OH Casinos	\$ 62.45	\$ 76.25	\$ 67.73	\$ 66.56	\$ 66.48	\$ 70.31
OH VLTs	\$ 78.29	\$ 89.69	\$ 80.41	\$ 83.42	\$ 85.73	\$ 87.44
OH Total	\$ 140.74	\$ 165.94	\$ 148.15	\$ 149.98	\$ 152.21	\$ 157.75
SPREAD	\$ 18.13	\$ 25.47	\$ 28.05	\$ 26.93	\$ 30.13	\$ 32.06

Hoosier Lottery

● The Hoosier Lottery was running ads in the last week of February on the Indianapolis broadcast of the latest season of NBC's *The Voice*. The Lottery's eponymous scratch-off tickets for the reality show have been on sale since September 4, and the closing date for the "second chance" promotion is March 3.

□ The spot that ran on the show's opening night February 25 did not mention the related \$5 scratch-off game (with its \$100,000 top prize, two of which were still available last week).

● The Hoosier Lotto jackpot for Saturday, March 9, rose to \$30.8 million, a \$500,000 jump over the previous jackpot, following a \$400,000 hike for the March 6 draw and a \$500,000 lift for March 2 - constituting the three largest consecutive additions to the jackpot pool since the trio of draws that spanned October 31, November 3, and November 7. The draw on Wednesday, March 6 marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million.

□ The Hoosier Lotto jackpot for March 9 ranks as the third highest offered in any jurisdiction in the country, behind only Powerball and Mega Millions. The jackpot was last hit on October 14, 2017, at \$25.5 million, which at the time was the largest jackpot up for grabs since the matrix was revised in May 2014. The March 9 drawing represents the 18th consecutive draw above that previous record level. This is also the largest jackpot available in more than seven years, since the \$34.50 million jackpot hit on February 18, 2012 (a similar-sized jackpot was also won October 30, 2010).

□ The current jackpot also still significantly lags the top two jackpots on record, \$54.5 million (won more than 10 years ago, on November 7, 2007) and \$42 million (won on June 5, 1999). The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for more than a full year, and has become the third-largest on record dating back at least 17 years.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000
SAT	11/24/18	\$22.3 Million	\$300,000
WED	11/21/18	\$22.0 Million	\$200,000
SAT	11/17/18	\$21.8 Million	\$300,000
WED	11/14/18	\$21.5 Million	\$300,000
SAT	11/10/18	\$21.3 Million	\$400,000
WED	11/07/18	\$20.9 Million	\$500,000
SAT	11/03/18	\$20.4 Million	\$600,000
WED	10/31/18	\$19.8 Million	\$500,000

□ The Hoosier Lotto jackpot reigned as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game (by a \$14.1 million margin) since January 24.

● March is Problem Gambling Awareness Month, and the Hoosier Lottery is partnering with the **Indiana Council on Problem Gambling (ICPG)** to remind consumers to check the odds of each game. In addition, the Hoosier Lottery will sponsor an addiction and recovery guest speaker at ICPG's Problem Gambling Training Event scheduled for March 28-29.

IN Horse Racing & Racinos

● The Indiana Horse Racing Commission will hold a public meeting on Tuesday, March 12, at 1:30 p.m. local time in the Indiana State Museum Conference Room at 650 Washington Street in Indianapolis.

● Joyse Banister has been named the Standardbred Breed Development Program coordinator for the Indiana Horse Racing Commission after three years as IHRC's breed development residency coordinator. Her father, Royse Waltz of Fairland, was a trainer and driver on the Indiana fair racing circuit for years. While in college at Purdue University, Banister obtained her fair driving license in an era in which few females were racing. Her first foray into managing the regulations of the program were from 1980-1985 when she was the secretary for the Indiana Standardbred Board of Regulations under then Lt. Governor John Mutz (R), and later for the Commission in working in the test barn at Indiana Grand Racing & Casino for 14 years.

□ As the program coordinator, Banister will be in charge of maintaining nominations and points for the lucrative Indiana Sire Stakes and Indiana-Sired Fair Circuit. She will also be working with IHRC Director of Racing and Breed Development Jessica Barnes in continuing to build the harness racing programs.

□ Taking over for Banister as breed development residency coordinator is Lorelei Masshardt, formerly the breed development accountant. Masshardt, a graduate of Purdue University-Calumet with a degree in equine business management, was initially hired by the Racing Commission as a full-time Summer intern for the fair circuit in 2015, following a stint as a part-time intern during Summer 2014. She moved into her full-time post in late 2015. As the residency coordinator, she'll be working closely with Inspector Randy Dever and accepting registrations for all Standardbred stallions, mares and foals. Masshardt will also oversee the administration of the inspections for both the Thoroughbred and Quarter Horse Breed Development Programs.

● As SB 552 left the Senate, a provision in the bill would remove the prohibition on horsemen's associations using their distribution from racino slot machine wagering adjusted gross receipts for lobbying.

● While Indiana has long been able to boost purses to the detriment of Kentucky thanks to racino slot wagering dollars, Churchill Downs is now in a position to offer record prize money for horsemen at its 145th Spring Meet thanks to early returns from the historical racing machines at its new Derby City Gaming facility in Louisville. Purses for the 189 offered races will total \$20.1 million – what Churchill boasts is “an unprecedented 46 percent increase from last spring’s \$13.7 million. The daily average is \$1,056,842 compared to \$722,579 in 2018, or \$106,243 per race versus \$72,640. All purses include prize money from the Kentucky Thoroughbred Development Fund.” The track says that Derby City performance allows it to boost “purses with more than an additional \$10 million as a result of handle generated by Derby City Gaming’s initial year of operation.”

□ You can bet that Hoosier horsemen and the Indiana Horse Racing Commission will be keeping a close eye on the impact of these larger purses on the quality of racing and field size at the two Indiana tracks, particularly Thoroughbred racing at Indiana Grand Racino & Casino.

● Daniel Politzer, a vice president at J.P. Morgan Securities LLC, takes a deep dive into the 2019 outlook for Caesars Entertainment Corporation, and estimates that the two Indiana racinos should add between \$80 million and \$85 million in cash flow to the parent after EBITDAR generated by the two properties during the 2018 fourth quarter was better than generally anticipated for the new acquisition.

□ Caesars CFO Eric Hession tells investment analysts on the company’s fourth quarter earnings conference call that “performance has been strong post-acquisition as we’ve realized operational and expense synergies from the integration. Post-acquisition, Centaur’s fourth quarter 2018 EBITDAR grew 21% year-over-year compared to five percent year-over-year in the second quarter of ’18 prior to the transaction.” Hession continues, “We are pleased with how Centaur is performing,” with EBITDAR “up significantly and a little bit faster in terms of realizing those synergies than we had anticipated. The revenues were generally flat because the marketing programs hadn’t yet kicked in and so that should happen in 2019 as we move forward. So we’re pleased with how it’s worked out. It’s very consistent with the model, consistent with what we’ve said before.”

□ As for “monetizing” the real estate Caesars owns in both Anderson and Shelbyville, Hession believes that “it’s still probably too early ... in an environment where we have some – the table games – potentially coming online, and an acceleration of our performance. We would either be selling the property at a very low coverage ratio and growing into it, or selling at a price that’s not necessarily optimal. So, I think at this point, we are still waiting until we see some more stability in the property, because we don’t want to sell it at a point where it’s growing so quickly.”

● HB 1196, a measure authored by Rep. Bob Cherry (R) of Greenfield that made some technical changes in authority sought by the Indiana Horse Racing Commission (the bill passed unanimously in both committee and the full Senate early in the session) has been referred to the Senate Committee on Public Policy for its second-half journey. The Senate sponsors are Public Policy Chair Ron Alting (R) of Lafayette, and Senate Democratic Leader Tim Lanane (D) of Anderson, who also serves on the panel.

● In a rare loss in the courts for the Indiana Horse Racing Commission, the Indiana Supreme Court unanimously declines to grant the Commission’s request for transfer in *Baliga v. Indiana Horse Racing Comm’n, et al.*, No. 17A-MI-3009.

□ Last October, a Court of Appeals three-judge panel reversed the Madison County Circuit Court’s dismissal of veterinarian Joseph Baliga’s petition for judicial review after the Commission, in a disciplinary proceeding, found him in default for allegedly administering a banned substance to a racehorse in a 2016 incident. The appellate panel unanimously found that the Commission and its administrative law judge abused their discretion by finding Dr. Baliga in default, and effectively remanded the matter to the Racing Commission for a hearing on the merits.

IN Bingo and Charitable Gaming

● SB 393, a bill authored by Sen. Erin Houchin (R) of Salem that would create an annual charity game night license for certain entities under certain conditions, was assigned to the House Committee on Public Policy, where you can expect Chair Ben Smaltz (R) of Auburn, who authored the stakeholder-backed comprehensive charity gaming law overhaul for the Indiana Gaming Commission, to take a potentially skeptical eye to the measure, which generated lots of raised eyebrows, if not negative votes, in the Senate.

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Republic- [Cummins joins leaders seeking comprehensive bias crimes legislation](#)
Times Herald- [Business leaders to lawmakers: Pass a meaningful hate crimes law](#)
WISHTV- [Indiana employers urge passage of comprehensive hate crime law](#)
WIBC- [Holcomb: "A Lot More Digging" to Be Done on Casino Bill](#)
ABC57- [Indiana Senate approves bill to allow sports betting](#)
IN Public Media- [Bill Would Create Fund For Exonerated Prisoners](#)
IN Public Media- [Could More Support For 'Whole Child' Learning Help Indiana Keep Teachers?](#)
IN Public Media- [Indiana Farm Bureau Pushes Legislators To Increase Rural School Funding](#)
Greensburg Daily News- [Legislation to note as general assembly wraps up](#)
Times Herald- [Referendum bill stalls in Senate](#)

Misc.

Journal Gazette- [Holcomb to lead trade mission to France, Belgium, Germany](#)
WTHR- [Veteran objects to Gov. Holcomb's stand against medicinal marijuana](#)

CBS Chicago- [Indiana Gov. Holcomb Says He Tried Pot In College, Opposes Legalization](#)
RTV6- [1 year ago today: Sunday alcohol sales legal in Indiana](#)

Sincerely,

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The Cheat Sheet, Vol. 8, Issue 6 – Feb 2019

Hill v. Westercamp?



Well, it looks like incumbent Indiana Attorney General **Curtis Hill** may be getting his first official challenger, Indianapolis area attorney **John Westercamp**. How do we know? Because apparently, Westercamp has been telling everyone who would listen that he has the party's backing and they've been telling us.

Westercamp is an attorney at Bose McKinney & Evans. He graduated from IU School of Law in 2014. His background, according to the website, is in real estate and economic development. With respect to politics, he was a delegate to the Republican state conventions in 2008 and 2014. He also volunteered on Governor **Eric Holcomb's** 2016 campaign and chaired the Young Professionals Coalition.

Westercamp was apparently making the rounds at the Johnson County Lincoln Day letting everyone know that he was running and the party was backing him against Hill. He's also been making

phone calls across the state as well, we are told. We know that Hill and the state party have had some issues, to put it mildly, but we haven't seen any evidence yet, either overt or covert, that Westercamp has their seal of approval.

We do know there have been a few other folks thinking about challenging Hill, should he choose to run again, however, the big question is whether they could get through the convention, seeing how Hill has been building and rebuilding a lot of relationships with folks outside of the donut counties who are likely to show up in 2020.

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The Cheat Sheet, Vol. 8, Issue 6 – Feb 2019



An S.O.S. for ES&S?



A story out of **Johnson County** regarding ES&S voting machines might have national implications. [Fox 59](#) reported earlier this month that the Johnson County Election Board cut ties with ES&S after its voting machines crashed in the last election which left voters having to wait in long lines.

Fox reported, "An investigation by Ball State's VSTOP team, for the Indiana Secretary of State, determined ES&S systems were not properly set up for the high voter turnout the county saw on election day. A system slow-down quickly brought voting to a standstill at multiple voting sites across the county. Thousands of voters were left waiting in line for several hours as election officials and technical advisors struggled to get e-poll books back up to speed."

Well, this may have more legs than Johnson County. TCS is told there are several counties across the state that use ES&S including Brown, Carroll, Elkhart, Hancock, Monroe, Porter, and White. And red flags are reportedly going up with officials asking if ES&S is ready to



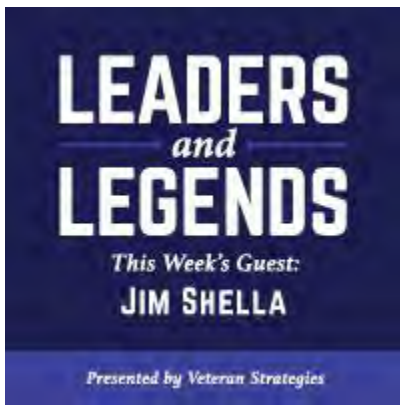
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The Cheat Sheet, Vol. 8, Issue 6 – Feb 2019

deal with the high turnout expected in 2020.

By the way, ES&S is a national company, so this story out of Johnson County has the potential to spread not only throughout the Midwest but across the entire country.

Keep an eye on this one.



A Few Things We're Keeping Our Eyes On



There's some chatter that the **omnibus gaming bill** that passed out of the Indiana Senate may get broken up when it gets to the house into separate issues as some lawmakers reportedly aren't comfortable with such a massive change in the state's gaming law.

Apparently, there has been some polling in the race for Mayor of Indianapolis. We're trying to get our hands on the results, but TCS hears the race is closer than either the **Joe Hogsett** or **Jim Merritt** camps expected. We can tell you that we plan to do our own polling this summer and fall in our LNG capacity.

And speaking of Marion County, there seems to be a growing chorus of voices that want Marion County Democratic County Chairwoman **Kate Sweeney Bell** to resign after keeping two African-Americans off the ballot. And it is also heightening tensions among black Democrats, a large number who are seriously thinking about sitting out the

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The Cheat Sheet, Vol. 8, Issue 6 – Feb 2019

Mayor's race which if you recall is part of what got former Mayor **Greg Ballard** elected back in 2007 and Republicans control of the Council.

Speaking of races, TCS is hearing a number of **Republican County chairmen** across the state are expressing concerns about 2020. While the GOP did well in the midterm taking back the U.S. Senate seat from the Democrats, they are worried that the Presidential election could bring out enough Democrats that could impact some down the ballot races.

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Some Final Items of Note



Governor **Eric Holcomb** unveiled a new portrait in his office this week, **first dog Henry**. It was painted by Marilyn Evans. The portrait will be displayed at the Holcomb residence.

Happy birthday to Indiana Lt. Governor **Suzanne Crouch**.

Congrats to State Auditor spokesman **Jared Bond** on his recent engagement.

Best of luck to Fox 59 political reporter **Matt Smith**. He is leaving the station to take a new position in Wisconsin.

Get well wishes to Indy City-County Council Independent candidate **Darris "Dee" Ross** who has been fighting pneumonia. He apparently got sick being out in the cold last week after organizing a community clean-up day on the east side. He was one of the individuals Democratic Chair Kate Sweeny Bell kept off the primary ballot.

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This weekend is the anniversary of **Sunday retail alcohol sales**. Does anyone know of any liquor store that has gone out of business because of Sunday sales? We didn't think so either.



The Usual Disclaimer Stuff:

The Cheat Sheet is a publication of *IndyPolitics.Org*. This is a compilation of pure gossip, rumor and blatant innuendo.

We assume no liability if it is wrong, we only take credit for it when it's right!

If you've got something you want to share, (good, bad or ugly) send it to Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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March 1, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, March 1, 2019 7:28 AM

HOLCOMB TO BUILD PUBLIC SUPPORT FOR HATE CRIME LAW: Indiana Gov. Eric Holcomb said Wednesday he will try to build public support for a hate crimes law, a week after the Republican-dominated state Senate stripped out a list of specific protected traits he had supported to get Indiana off a list of five states without such a law (Callahan, [AP](#)). The Republican governor told a Statehouse news conference that he might not have stressed strongly enough to the public how important it is for Indiana to adopt a hate crimes law with a list of protected traits, such as race, gender, age, religion and sexual orientation. Social conservatives oppose such a list and Republican senators voted last week to remove it, replacing it in the bill with the words "including bias" to current state code on factors a judge may consider in determining criminal sentences. That move immediately drew criticism from Holcomb, civil rights activists and business leaders. Holcomb said he will encourage Indiana residents to contact their legislators and appeal to them to pass a law with a specific list of protected traits as the House takes up the issue in the coming weeks. "They need to contact the legislators that vote — their legislator — and respectfully appeal to their hearts and minds why this is important not to just to them but to the life of our state and the future of our state," he said. "This is about now, but also where we're going to be in 5, 10, 15 years."

CEOs PUSH FOR HATE CRIME LAW WITH LIST: More than 20 CEOs from some of the biggest companies in Indiana sent a letter to top Republican lawmakers Wednesday urging them to restore a list of victim characteristics in bias-crimes legislation being considered by the Indiana General Assembly (Erdody, [IBJ](#)). Indiana Forward, a coalition of business and not-for-profit leaders throughout the state, has been lobbying lawmakers to pass a bill that includes such a list as it seeks to get Indiana off the roster of five states without a bias-crimes law. "Being on this list is damaging to the state's image, which in turn is harmful to our businesses and employees," the letter says. When talented people choose not to come to Indiana or remain in Indiana for work, it puts the future of the state at risk." The letter, sent by some of the members of the coalition, was sent to House Speaker Brian Bosma, Senate President Pro Tem Rodric Bray and Rep. Greg Steuerwald, R-Avon. Steuerwald is the author of another hate-crimes bill that also does not include a list of victim categories, and the language from that bill could be adopted into the Senate version. "The bill in its current form is unacceptable, unenforceable and harmful to the state's economy," the letter says. The letter is signed by leaders from Cummins Inc., Eli Lilly and Co., Salesforce, Old National Bank, Simon Property Group, Anthem Inc., IU Health, Emmis Communications Corp., Roche Diagnostics Corp., Elanco Animal Health, Hulman & Co., Hillenbrand, Corteva Agriscience, NCAA, AT&T Indiana, Pacers Sports & Entertainment, High Alpha, Butler University, Indiana Sports Corp., Indiana Chamber, Indy Chamber and United Way of Central Indiana.

FARM DELINQUENCIES RISE TO 9-YEAR HIGH: The nation's farmers are struggling to pay back loans after years of low crop prices and a backlash from foreign buyers over President Donald Trump's tariffs, with a key government program showing the highest default rate in at least nine years ([AP](#)). Many agricultural loans come due around Jan. 1, in part to give producers enough time to sell crops and livestock and to give them more flexibility in timing interest payments for tax filing purposes. "It is beginning to become a serious situation nationwide at least in the grain crops—those that produce corn, soybeans, wheat," said Allen Featherstone, head of the Department of Agricultural Economics at Kansas State University. While the federal government shutdown delayed reporting, January figures show an overall rise in delinquencies for those producers with direct loans from the Agriculture Department's Farm Service Agency. Nationwide, 19.4 percent of FSA direct loans were delinquent in January, compared to 16.5 percent for the same month a year ago, said David Schemm, executive director of the Farm Service Agency in Kansas. During the past nine years, the agency's January delinquency rate hit a high of 18.8 percent in 2011 and fell to a low of 16.1 percent when crop prices were significantly better in 2015.

U.S., NKOREA BLAME EACH OTHER FOR SUMMIT COLLAPSE: The U.S. and North Korea blamed each other for their failure to reach an agreement at their second summit aimed at curbing Pyongyang's nuclear-weapons program, leaving uncertain one of President Trump's signature foreign policy issues ([Wall Street Journal](#)). Mr. Trump said North Korea sought sanctions relief without offering enough in return while the North's Foreign Minister Ri Yong Ho said Pyongyang made reasonable proposals for partial sanctions relief that the U.S. rejected. The summit's unraveling demonstrated the perils of Mr. Trump's preferred top-down approach to diplomacy, which meant the two sides rolled into Vietnam's capital with fundamentally different expectations of the trade-offs that could lead to a deal—disagreements that would ordinarily be bridged during lower-level talks. "I am never afraid to walk from a deal," Mr. Trump told reporters after the summit ended abruptly on Thursday. But he didn't close the door to future negotiations between the two sides, saying that "eventually we'll get there." Mr. Trump said Mr. Kim was prepared to dismantle the North's Yongbyon nuclear complex, the site of a reactor and plutonium-reprocessing plant, if the U.S. would agree to ease sanctions. But Washington wanted any deal to include other parts of the North's nuclear program, Mr. Trump said, including undeclared sites for producing highly enriched uranium.

TRUMP'S HANOI DEBACLE: The problem with winging it on a nuclear deal is the inevitable disappointment that follows. Nuke talks are considerably more complex than a Manhattan real estate deal. We woke up Thursday morning to watch the

collapse of President Trump's second summit with North Korean despot Kim Jong Un ([Howey Politics Indiana](#)). To his credit, Trump opted for dialogue as opposed to the reckless saber rattling we witnessed in 2017, but he did so without the necessary staff and spade work needed for success. "Sometimes you just have to walk," Trump explained. He is correct on that, but he didn't do the proper lower level work that could have yielded some success, so this is a huge missed opportunity. So, now what? Park Hyung-joong, head researcher at the Korea Institute of National Unification in Seoul, told ABC News that this collapse of talks will be seen as a significant blow to the young tyrant. "In North Korea, Chairman Kim is like God. They would think that he has been humiliated by Trump," Park said. "On top of that, Trump left Vietnam right away by plane. But for Kim, he's got no plane to take off like Trump did. Besides, it took a very long time for him to be in Vietnam." One can imagine a brooding despot taking the long way home. President Trump's other blunder was his acceptance of Kim's explanation on the death of Otto Warmbier, the University of Virginia student who was imprisoned for stealing a poster and returned to Ohio brain dead in 2017, dying soon thereafter. Trump said Kim "felt badly about it. He felt very badly. He tells me that he didn't know about it and I will take him at his word." It is stunning how Trump places any value on the "word" of tyrants.

TRUMP MET WITH KIM ONE-ON-ONE: Only four other ears on the planet heard what President Donald Trump and North Korean leader Kim Jong Un said to each other Wednesday during a one-on-one chat that began their second nuclear summit ([Washington Post](#)). The two leaders' interpreters were the only others privy to their conversation, raising concerns about why Trump would risk meeting Kim, who has threatened the U.S. with nuclear strikes and has a dismal human rights record, without staff to take notes. Absent a detailed historical record and corroborating witnesses, the leaders could potentially leave a meeting and misrepresent what transpired, prompting a kind of he said-he said showdown of words. More one-on-one talks between Trump and Kim are scheduled for Thursday, when the two leaders dig into the meat of their nuclear talks.

GOP SENATORS TELL TRUMP TO BACK OFF EMERGENCY: Senate Republicans are offering a choice to President Donald Trump: Withdraw your national emergency declaration at the border or face a potential rebellion from the GOP ([Politico](#)). The message was delivered clearly on Thursday by Sen. Lamar Alexander (R-Tenn.), part of an effort by senior Republicans to avoid a direct confrontation with Trump on the Senate floor. In a much-anticipated floor speech, the retiring senator declined to state whether he will become the deciding vote to block the president's maneuver. But he signaled broad opposition to the emergency declaration and sought to convince Trump that he has other ways to collect \$5.7 billion for the border wall — the precise amount of money he demanded during the government shutdown fight. "He's got sufficient funding without a national emergency, he can build a wall and avoid a dangerous precedent," Alexander told reporters afterward, referring to billions from a drug forfeiture fund and anti-drug smuggling money at the Defense Department. In a contentious lunch meeting Tuesday, GOP senators demanded Vice President Mike Pence provide a list of military projects that would be cut to build a border wall ([Wall Street Journal](#)). Mr. Pence promised senators that would be provided before the vote. Mr. McConnell has said he isn't sure how his caucus will vote.

DANIELS MAKES PUSH FOR CIVICS EDUCATION: Purdue President Mitch Daniels' recent push for civic literacy education, had him explaining his reasoning behind mandating some kind of civics learning requirement for Boilermakers in his monthly email letter ([Purdue Exponent](#)). "My initial proposal to that group is that we simply hand each entering freshman the same 100-question manual given to immigrants reaching naturalization, with four years to pass a test abstracted from it," Daniels said. "The Senate has agreed to work quickly to consider this and other options, and we hope to have a 'civics certificate' option in place by fall. "There are numerous details to consider — Should this be required of all our students, including international students? What level of knowledge should we require as a passing grade? — and we're open to ideas and suggestions, from our faculty and from you."

COUNCILMAN CANNON ONLY CANDIDATE FOR PORTAGE MAYOR: The caucus of city Republican precinct committee members to elect a new mayor will be cut and dry Saturday morning (Russell, [NWI Times](#)). Councilman John Cannon, R-4th, was the only person to file the necessary paperwork by Wednesday's deadline, Mike Simpson, Porter County Republican Chairman, said. Cannon is set to replace convicted former mayor James Snyder. Snyder was found guilty in federal court on Feb. 14 of bribery and tax obstruction charges and is awaiting sentencing. His conviction removed him from office. Since Snyder's conviction, Councilwoman Sue Lynch, D-at-large, has been acting mayor due to her position as city council president. Lynch and Cannon have been working closely together for the last two weeks to run the city. Cannon will fill Snyder's term, which expires Dec. 31. He is also running for mayor in the November municipal elections. He is uncontested in the primary.

U.S. ECONOMY SLOWED TO 2.6% IN 4Q: The U.S. economy slowed in the final three months of last year to an annual growth rate of 2.6 percent, the slowest pace since the beginning of 2018, as the government shutdown and other factors took a toll on growth. Economists believe growth has slowed even more in the current quarter ([AP](#)). Growth in the gross domestic product in the October-December quarter was down from a 3.4 percent gain in the third quarter, the Commerce Department reported Thursday. The initial estimate, which is based on incomplete data, could be revised up or down. Updated estimates for the fourth quarter, based on more complete data, will be released March 28. The government cited slower consumer spending as the biggest factor in the slowdown. The 35-day government shutdown shaved an estimated

0.1 percentage point from growth in the fourth quarter. GDP growth for all of 2018 came in at 2.9 percent, the best showing in three years since 2015.

HPI DAILY ANALYSIS: Support appears to be draining away among Republicans in the U.S. Senate concerning President Trump's emergency declaration. At least four GOP senators have expressed concerns about the need for the declaration, and Vice President Pence's pitch at the weekly Tuesday lunch was met with significant skepticism. We still don't have definitive stances from Indiana Sens. Todd Young and Mike Braun. Stay tuned. - *Brian A. Howey*

Campaigns

CNN TO BROADCAST BUTTIGIEG TOWN HALL: CNN announced Thursday that it will feature South Bend Mayor Pete Buttigieg in a March 10 town hall, as the network has done with other Democratic 2020 presidential hopefuls ([South Bend Tribune](#)). Buttigieg will field questions from hosts Jake Tapper and Dana Bash before a live audience at the annual South by Southwest conference in Austin, Texas. Buttigieg will appear at 9 p.m., following candidates John Delaney at 7 p.m. and Tulsi Gabbard at 8 p.m. Buttigieg supporters on Twitter recently have increasingly tagged CNN and its journalists in tweets asking it to give him a town hall, as it's done for Bernie Sanders, Amy Klobuchar, Howard Schultz and Kamala Harris.

TRUMP'S AMERICA FIRST ACTION PAC IN DISARRAY: President Donald Trump wants to raise \$1 billion for his reelection. But his top advisers worry that the super PAC at the center of that effort is hurting, lacking a high-wattage leader who can cajole millionaire and billionaire donors to fork over huge sums ([Politico](#)). Trump political aides, members of the president's family, and top Republicans have been considering potential candidates to spearhead America First Action's 2020 fundraising efforts. They want someone with deep ties to the president and the clubby world of major GOP donors. A former White House official who is close to many top Republican givers said Nick Ayres had been widely expected to take a senior advisory role with the super PAC after departing the administration late last year. But the 36-year-old Ayers, who's spent the last few months with his family and quail hunting in Georgia, has yet to sign on. Ayers, along with Trump campaign manager Brad Parscale and America First Action President Brian O. Walsh, met recently with attorneys at the Jones Day law firm in Washington.

MUNCIE MAYORAL CANDIDATE BOOTED FROM BALLOT: The Delaware County Election Board heard 17 challenges during Tuesday's meeting, and three candidates were removed from the primary ballot (Ohlenkamp, [Muncie Star Press](#)). The meeting Tuesday afternoon saw 40 candidates, party members and other concerned parties crowded into a small room at the county government center to hear the election board's results and state their defense against the challenges. Three people make up the election board, including county clerk Rick Spangler, Republican Party appointee Peter Drumm and Democratic Party appointee Ashley Nichols. Here's a look at what happened: Tony Cox, a Republican mayoral candidate, was removed from the ballot. According to the challenge filed by Republican party chairman Victor Whitehead, Cox had no Indiana Republican primary affiliation. Terry Whitt Bailey: The election board upheld the mayoral candidacy of Bailey after facing a challenge by current city council member Linda Gregory. Gregory's challenge cited that Bailey was in violation of the Federal Hatch Act of 1939.

HOWARD COUNTY ELECTION BOARD DISMISSES HAYES CHALLENGE: The Howard County Election Board voted unanimously Thursday to dismiss a challenge to the candidacy of Kokomo Common Council President Bob Hayes (Myers, [Kokomo Tribune](#)). The challenge, filed on Feb. 14 by a city resident, called into question Hayes' primary residence, saying it "may not be Howard County." But board members ruled the challenge did not meet the factual requirements needed to merit an official hearing, finding it "deficient on its face" and "invalid."

BOOKER BILL WOULD LEGALIZE MARIJUANA: With the support of several of his rivals for the 2020 Democratic presidential nomination, New Jersey Sen. Cory Booker reintroduced a bill Thursday to legalize marijuana nationwide and expunge federal convictions for possession or use of the drug ([CBS News](#)). Four of Booker's opponents for the nomination are among the co-sponsors of his Marijuana Justice Act: Sens. Kirsten Gillibrand, Kamala Harris, Bernie Sanders and Elizabeth Warren. Two more co-sponsors, Sens. Michael Bennet and Jeff Merkley, are openly considering runs of their own. Sen. Amy Klobuchar is the only Democratic senator running for president who did not sign on as a co-sponsor. The bill, which Booker first introduced in 2017, is the latest in a series of splashy proposals by the early field of 2020 candidates who are hoping to capitalize on the energy and enthusiasm of an increasingly progressive base. A CBS News poll in 2018 found 68 percent of Democrats support marijuana legalization, and the party added support for a "pathway to legalization" to its 2016 platform.

General Assembly

BILL WOULD CREATE FUND FOR EXONERATED PRISONERS: State lawmakers want to give exonerated prisoners money for their wrongful incarceration (Smith, [Indiana Public Media](#)). The legislation is now in the Senate after its unanimous passage by the House. Rep. Greg Steuerwald (R-Danville) says Indiana should provide exonerated prisoners an option: they can sue the state (as they can now) or take a payout from a fund created by his legislation. "They cannot do both," Steuerwald says. "If they take from the fund and are eligible, they receive \$50,000 for each year that they have been wrongfully incarcerated." Steuerwald says working with the Innocence Project - a national group that seeks to overturn wrongful convictions - current Indiana exonerees who are already suing the state will get the same option: continue with their suits or take the money, paid out over five years.

FARM BUREAU PUSHES FOR RURAL SCHOOL FUNDING: The Indiana Farm Bureau says the state needs to increase funding for rural schools, but there are no proposals at the statehouse to address the issue (Turner, [Indiana Public Media](#)). The Farm Bureau says getting schools in rural communities the funding they need is difficult, because state funding follows the student. With declining enrollments, many schools are getting fewer state dollars. Some turn to referendums to keep their districts afloat. Justin Schneider is the Director of State Government Relations for the Indiana Farm Bureau. He says they'll continue to push for a solution beyond this session. "Education funding is something that is on the legislative calendar every year. I think it's one of those issues that I think we're going to continue to work on," Schneider says.

CASINO BILL WOULD PROVIDE FUNDS FOR TERRE HAUTE CONVENTION CENTER: A gambling bill that passed the Indiana Senate this week would send an estimated \$900,000 per year in tax receipts from a Terre Haute casino toward operations of the city's new convention center (Taylor, [Terre Haute Tribune-Star](#)). But state Sen. Jon Ford has twice said that provision was included in error and will be removed. The language was copied into Senate Bill 552 from a 2017 casino bill that died in committee, Ford, R-Terre Haute, explained in a Feb. 22 phone message. That language would be deleted from SB 552, he said. After it was pointed out that aspect of the bill had not been changed, Ford said Thursday, "It won't be in there" in any final legislation allowing one of two Gary casinos to relocate to Terre Haute. "It's very frustrating to me," he said. "This [Legislative Services Agency] attorney who's writing this bill ... I don't know how many times we've told him to take it out." The bill is now before the House, where other changes are likely and Ford said the error can still be addressed. The 2017 bill was drafted prior to implementation of a 1 percent food and beverage tax that is expected to provide \$1.2 million to \$2.1 million in annual revenue for convention center operations.

MICHIGAN CITY, LONG BEACH OBJECTS TO SHORELINE BILL: Just days after the Indiana Senate approved a bill to spell out the rights of public recreational use of the Lake Michigan shore, environmental groups and municipalities are warning of another bill that could undermine those efforts and take away local control of the shoreline (Mayes, [Michigan City News-Dispatch](#)). "Michigan City Mayor Ron Meer has joined with the Long Beach Community Alliance and Save the Dunes to warn that Indiana Senate Bill 581 poses a grave danger for the Indiana public's rights on the shoreline, as well as the management of upland dunes, affecting more than just Lake Michigan's coastal communities," a statement from the two non-profits said.

Congress

SENATE VOTES TO CONFIRM WHEELER AT EPA: The Senate on Thursday confirmed former coal industry lobbyist Andrew Wheeler to lead the Environmental Protection Agency, despite concerns by Democrats and one Republican about regulatory rollbacks he's made in eight months as the agency's acting chief ([AP](#)). Senators voted 52-47 to confirm Wheeler, who was nominated by President Donald Trump after former administrator Scott Pruitt resigned last year amid a series of ethics allegations. Sen. John Barrasso, R-Wyo., chairman of the Senate environment committee, called Wheeler "uniquely qualified" to lead EPA and said that under Wheeler the agency is putting forward proposals that "both protect our environment and allow the country's economy to flourish."

YOUNG VOTES TO CONFIRM WHEELER EPA ADMINISTRATOR: U.S. Sen. Todd Young (R-Ind.) today issued the following statement after voting to confirm Andrew Wheeler as Administrator of the U.S. Environmental Protection Agency (*Howey Politics Indiana*): "Mr. Wheeler has demonstrated an ability to find reasonable solutions to difficult environmental issues. I look forward to collaborating with Administrator Wheeler to put forward sound policies that not only protect Indiana's environment but allow the Hoosier economy to flourish."

YOUNG SIGNS LETTER ON SAUDI, UAE ARMS TRANSFERS: Sen. Todd Young is joining a group of bipartisan senators in signing a letter to Secretary of State Mike Pompeo, urging him to put pressure on both Saudi Arabia and the UAE to stop giving U.S. weapons to militia groups in Yemen (Darling, [WIBC](#)). The small country that borders Saudi Arabia is locked in a civil war, which Young has referred to the worst international humanitarian crisis today. "A lot of problems persist," Young

said on the Senate floor last year. "The longer the civil war persists in Yemen, the worse the humanitarian crisis will grow." In the letter, Young said the some of the weapons the Saudi's and Emiratis are giving away could be ending up in the hands of militias that are aligned with terrorist groups, such as Al-Qaeda. "We expect vital security partners like Saudi Arabia and the UAE to show due care with respect to protecting transfers of sensitive U.S. military technology," the senators said in the letter. "Negligent treatment of sensitive U.S. military technology, including the possible violation of important restrictions on third party use, could further destabilize the region."

CARSON COMMENTS ON COHEN: U.S. Sen. André Carson, a senior member of the House Permanent Select Committee on Intelligence, released this statement following the committee's closed door hearing with former Trump lawyer Michael Cohen (*Howey Politics Indiana*): "Going into today's hearing, my objective was to learn more about alleged compromising engagements between President Trump, his associates, and the Russian government, including Trump Tower Moscow and the coordinated distribution of hacked documents by Wikileaks. Some of these issues have been addressed by numerous other witnesses, both publicly and privately. However, Michael Cohen's conviction for lying to Congress, as well as serious allegations leveled in his public hearing yesterday before the House Oversight Committee, raise critical concerns, as well as new lines of inquiry that must be fully pursued. While I cannot disclose the details of his testimony today, the aforementioned developments make clear that the House Russia investigation must continue and that my colleagues on both side of the aisle should participate fully in the interest of protecting our democracy and its institutions."

WALORSKI SEEKS DELAY IN HEALTH TAX: U.S. Reps. Jackie Walorski (R-Ind.), Ami Bera (D-Calif.), Kenny Marchant (R-Texas), and Josh Gottheimer (D-N.J.) this week introduced H.R. 1398, the Health Insurance Tax Relief Act. This bill would stop the Affordable Care Act's Health Insurance Tax (HIT) from going into effect until after 2021 and save consumers hundreds of dollars (*Howey Politics Indiana*). According to America's Health Insurance Plans, the HIT could increase premiums by over \$470 per family in 2020 if not stopped. The tax would also hit seniors and those with disabilities particularly hard. "When it comes to health care, Americans are facing rising costs and fewer options," Congresswoman Walorski said. "Raising taxes on health coverage would only make matters worse for families, small businesses, and Medicare Advantage enrollees. As we continue working to lower premiums for families and seniors, we need to pass this bipartisan bill to provide relief from the burdensome Health Insurance Tax."

BUCHSHON ON DEMOCRAT'S MEDICARE FOR ALL: U.S. Rep. Larry Bucshon, M.D. (IN-08) released the following statement after House Democrats introduced their Medicare for All legislation (H.R. 1384) (*Howey Politics Indiana*): "House Democrats have taken a massive step towards turning America into a socialist nation by introducing their government-run, one-size-fits-all, single-payer health care bill. This bill is a complete takeover of the health care system that will cost American taxpayers \$32 trillion over ten years, would eliminate employer health care plans for 158 million Americans, would end Medicare for seniors as we know it, and by some estimates would eliminate up to two million American jobs. If House Democrats get their way, your health decisions will no longer be yours to make but rather that of a Washington bureaucrat deciding if your life fits within the bottom line. At the end of the day, one-size-fits-all health care fits no one."

BANKS ON CPAC PANEL: U.S. Rep. Jim Banks (IN-03) announced that he will be attending the Conservative Political Action Conference (CPAC) and speaking on a panel during a Breakout Session regarding the threats posed by cyber warfare and psychological operations (*Howey Politics Indiana*). The panel will be Friday, March 1st, 2019 at 6:00pm.

DONNELLY SAYS KIM IS A 'DESPOT': [NewsCenter 16](#) caught up with former U.S. senator-turned University of Notre Dame professor Joe Donnelly. The former Democratic senator representing Indiana said he wasn't surprised that President Donald Trump and Kim Jong Un did not reach a deal. In fact, Donnelly said he believes it was unrealistic to believe Kim and North Korea would ever give up their nuclear weapons. This comes as Trump faces some backlash after saying he did not believe Kim was responsible for the death of American student Otto Warmbier. "Kim Jong Un is a murderer, he's a despot," Donnelly said. "Despite the warm and fuzzy comments that are made, he just killed an American citizen, Otto Warmbier, and he killed his own half-brother. He is extraordinarily dangerous, and we need to realistically look at who he is."

HOUSE PANEL TO INTERVIEW TRUMP ORGANIZATION OFFICIALS: House Democrats signaled Thursday they would seek testimony from Trump Organization officials who Michael Cohen alleged were involved in hush-money payments to a porn star, while Mr. Trump challenged his former lawyer's credibility, saying he "lied a lot" to Congress ([Wall Street Journal](#)). In his testimony to a House committee Wednesday, Mr. Cohen alleged that Mr. Trump and his company's chief financial officer, Allen Weisselberg, coordinated with him to pay for the silence of the porn star, Stephanie Clifford, and conceal Mr. Trump's role in the deal, using sham invoices to cover it up. Mr. Cohen showed lawmakers an Aug. 1, 2017, check to him signed by President Trump, and another signed by his son Donald Trump Jr. and Mr. Weisselberg. He said they were portions of the reimbursement for the \$130,000 payment he made to conceal an alleged sexual encounter between Mr. Trump and Ms. Clifford, known as Stormy Daniels.

COHEN TO RETURN TO CAPITOL HILL NEXT WEEK: President Trump's former lawyer Michael Cohen is due back to Capitol Hill next week to continue what has been a dramatic series of public and private hearings, as he apologizes for lying to lawmakers and divulges what he says Trump knew about financial infractions and Russia's interference in the 2016

election ([Washington Post](#)). Cohen on Thursday spent almost eight hours behind closed doors with members of the House Intelligence Committee. One point of interest was the subject of pardons, according to people familiar with the interview. They were not authorized to disclose their knowledge of the meeting and spoke on the condition of anonymity.

State

GOVERNOR: HOLCOMB WANTS 'A LOT MORE DIGGING' ON CASINO BILL – Gov. Holcomb says he needs to "do a lot more digging" into the details of the casino bill which passed the Senate this week (Berman, [WIBC](#)). Holcomb has said previously he won't stand in the way of legalizing sports betting in Indiana. And he says he wants to support Gary's plans for a Lake Michigan shipping hub in the space now blocked by two casinos. But he says he's mindful that any action on one casino has repercussions for all the others. And he says the scope of the bill has expanded dramatically. It now legalizes sports betting, moves one Gary casino to Terre Haute, moves the other Gary casino to downtown Gary instead of the lakefront, and allows live table games in Anderson and Shelbyville. The bill still has to get through the House before it reaches Holcomb, and is likely to face changes. Speaker Brian Bosma has said he has reservations about expanding gambling, and says the Senate has assembled a bill where every provision does exactly that.

FSSA: HIP 2.0 WORK REQUIREMENT PROGRAM BEGINS - Indiana launched a new work requirement program through Medicaid on the first of the year. It's called "Gateway to Work" and is billed as a community engagement opportunity to help connect people with better employment opportunities (Sheridan, [Indiana Public Media](#)). But some worry the changes will result in Hoosiers losing health insurance. Indiana was one of the first states to apply for a waiver to implement work requirements for the statewide Medicaid expansion program: HIP 2.0. The Centers for Medicaid and Medicare, CMS, in Washington now supports many new state-led Medicaid changes. Indiana's Gateway to Work launched the first of the year. Jennifer Walthall is the state's Family and Social Services administration, FSSA, secretary. She says the program is about meeting unmet needs. "It's actually more about connecting people with things they haven't been connected with before," says Walthall.

STATEHOUSE: VW COMMITTEE TO MEET - The Indiana Volkswagen Environmental Mitigation Trust Fund Committee will hold a public meeting at 8:30 a.m. Monday, March 4, Indiana Government Center South, Conference Room C.

USDA: \$10M FOR INDIANA REMC - Assistant to the Secretary for Rural Development Joel Baxley today announced that the USDA is funding \$122 million to upgrade rural electric systems in Arkansas, Florida, Indiana, Oklahoma and South Dakota. Southern Indiana Rural Electric Cooperative Inc. will use a \$10.5 million loan to expand 92 miles of line to enhance system operations for 600 rural users (McLaughlin, [Inside Indiana Business](#)). The funding also includes more than \$7 million to finance smart grid technologies to improve system operations and monitor grid security. "Modern and reliable electric infrastructure is foundational to building prosperity in rural America," Baxley said in a news release. "Under the leadership of Agriculture Secretary Sonny Perdue, USDA is committed to being a strong partner in improving this essential infrastructure."

FBI: ARTIFACTS RECOVERED IN STATE GOING BACK TO CHINA - The FBI is returning more than 300 cultural artifacts to China years after they were part of a vast collection discovered at a central Indiana farm ([WTHR-TV](#)). Chinese Ambassador Cui Tiankai is expected to attend Thursday's repatriation ceremony at the Eiteljorg Museum in Indianapolis when the 361 artifacts are returned to Chinese officials. The artifacts were among thousands ranging from arrowheads to shrunken heads that federal agents removed in 2014 from a man's Shelby County farm. That man, Don Miller, amassed the collection over several decades. He died in 2015 at age 91. The FBI says artifacts have been returned to several countries, including Colombia, New Zealand and Spain, but it continues working with Native American tribes and foreign governments to determine their claims to any of the objects.

DOC: INMATE MURDERED AT PENDLETON - An Indianapolis man serving a 60-year sentence for murder has been charged with killing a fellow inmate at a central Indiana prison. The [Herald Bulletin](#) reports 34-year-old Devon L. Sterling is charged with murder and possession of a deadly weapon by a prisoner in the death of Ezekiel Jones of Fort Wayne. Authorities say Jones died at an Indianapolis hospital after being stabbed in the neck July 11, 2018 at Pendleton Correctional Facility. The attack was captured on video surveillance. An affidavit says investigators believe Sterling stabbed Jones "in retaliation for Jones stabbing Sterling over an incident at the shower" in 2017. Sterling was imprisoned for a 2007 fatal shooting at a near-northeast side block party.

ISP: AGGRESSIVE DRIVING TO BE TARGETED - It may still be pretty cold, but spring is just around the corner - meaning temperatures will rise and drivers may be tempted to increase speeds and take risks when hitting the roads ([WRTV](#)). To combat this, roughly 230 law enforcement agencies across the Hoosier state are increasing patrols beginning

March 1 through March 24. Officers will be targeting aggressive driving. Officials tell RTV6 that patrols will be looking for speeding, tailgating, unsafe lane movement, disregarding traffic signals or signs, improper passing and more.

EDUCATION: UofE PRESIDENT TALKS OF METHODIST LGBT DECISION - The University of Evansville is speaking out on the United Methodist Church's rejection of a call to lift the denomination's ban on LGBTQ clergy and same-sex weddings ([Evansville Courier & Press](#)). UE has a United Methodist affiliation. President Chris Pietruszkiewicz, in an email addressed to the "campus community," said the university is committed to an "inclusive environment." He said the campus is not impacted by the national church's decision. "As you may have read, the United Methodist General Conference voted Tuesday to retain its restrictions on performing marriages and ordaining LGBTQ individuals. Given the University of Evansville's affiliation with the United Methodist Church, I want to reaffirm our commitment to creating an inclusive environment in which all members of the campus community, whatever their backgrounds or beliefs, feel safe, valued and welcome."

EDUCATION: BSU STUDY CITES INNOVATION - A new Ball State University study suggests companies that place a higher emphasis on their employees may be more innovative and entrepreneurial ([Inside Indiana Business](#)). The study, "Social reactivity and innovation: The impact of stakeholder salience on corporate entrepreneurship," examined 200 senior-level managers and developed a social proactiveness scale which measured a manager's priorities toward internal and external issues. Mike Goldsby, executive director for the Institute for Entrepreneurship and Free Enterprise at Ball State, led the study and says companies that were more proactive on internal social issues saw greater innovation. The study was done in conjunction with researchers from Indiana University, New Mexico State University, Iowa State University and the University of Missouri-Kansas City. In an interview with Inside INdiana Business, Goldsby said the results of the study were surprising. "What drove innovation was socially-proactive, ethically-driven companies on the way they treat their people, on their HR practices," said Goldsby. "Essentially, the key finding is that if you want to drive innovation, be people oriented and as the people are taken care of, if you've got a progressive, inclusive and supportive internal culture, then people are going to be more engaged and there's going to be more innovations coming."

EDUCATION: MISUNDERSTANDING AT CORE OF PURDUE GLOBAL CONTROVERSY - The latest controversy over Purdue University Global all revolves around a misunderstanding, according to PUG Chancellor Betty Vandenbosch (Slater, [Purdue Exponent](#)). It was reported to University Senate last Monday that the University's former understanding that Purdue Global would not allow students to enroll as guests — students that are enrolled in single courses while also enrolled full-time at other universities — was false. The discrepancies in the University's understanding of Global's admissions practices and how the online university actually runs were brought to the committee's attention by Linda Prokopy, professor of forestry and natural resources, who spoke to Purdue Global recruiters while posing as a student. "I said, 'Hey, I'm interested in just taking one class, can I do it?'" Prokopy said, "and the answer was yes." This is in line with Purdue Global's recruitment procedures, which focus on immediate positivity about a student's prospects at the university, followed by further investigation into whether they would fit the school's admissions policies, according to Deborah Nichols, co-chair of the Purdue Global Select Committee. "Their position is to be open and welcoming," Nichols said in a phone interview.

MEDIA: JUDGE QUASHES ELKHART QUEST FOR TRIBUNE RECORDS - A federal judge this week rejected the city of Elkhart's attempt to force the South Bend Tribune to turn over records of its reporting on Keith Cooper, the Illinois man who is suing the city over his wrongful conviction in a 1996 robbery and shooting (Sheckler, [South Bend Tribune](#)). Lawyers for the city issued the subpoena in June, amid an investigation by The Tribune and ProPublica, a nonprofit news agency, into the flawed investigation that led to the convictions of Cooper and another man, Christopher Parish. The subpoena sought records of communications between Tribune journalists, Cooper and his lawyer. In subsequent filings, the city alleged The Tribune was conspiring with Cooper to write stories that advanced his lawsuit against the city. In his order quashing the subpoena, however, U.S. District Court Magistrate Judge Michael Gotsch said Elkhart's "suspicions about a conspiracy...are not supported by the evidence currently before the Court."

MEDIA: NEW PRESIDENT FOR FORT WAYNE NEWSPAPERS - Ogden Newspapers has named Scott Stanford president and CEO of Fort Wayne Newspapers, company officials announced Wednesday ([Fort Wayne Journal Gazette](#)). Stanford, 53, will replace former CEO Michael Christman, who is now Ogden's regional publisher, based in Wheeling, West Virginia. Stanford is the former publisher of the Lawrence Journal-World, an Ogden-owned newspaper in Lawrence, Kansas. Fort Wayne Newspapers is the business agent for The Journal Gazette, which is locally owned and independently operated, and The News-Sentinel, which is owned by Ogden Newspapers. Both The Journal Gazette and The News-Sentinel have offices at 600 W. Main St.

Nation

WHITE HOUSE: TRUMP ORDERED KUSHNER SECURITY CLEARANCE - President Trump ordered his chief of staff to grant his son-in-law and senior adviser, Jared Kushner, a top-secret security clearance last year, overruling concerns flagged by intelligence officials and the White House's top lawyer, four people briefed on the matter said ([Washington Post](#)). Mr. Trump's decision in May so troubled senior administration officials that at least one, the White House chief of staff at the time, John F. Kelly, wrote a contemporaneous internal memo about how he had been "ordered" to give Mr. Kushner the top-

secret clearance. The White House counsel at the time, Donald F. McGahn II, also wrote an internal memo outlining the concerns that had been raised about Mr. Kushner — including by the C.I.A. — and how Mr. McGahn had recommended that he not be given a top-secret clearance. The disclosure of the memos contradicts statements made by the president, who told The New York Times in January in an Oval Office interview that he had no role in his son-in-law receiving his clearance.

WHITE HOUSE: TRUMP RESPONDS TO COHEN TESTIMONY - Michael Cohen's scathing congressional testimony Wednesday amounted to a "fake hearing," President Donald Trump said at a press conference following his nuclear summit here ([NBC News](#)). Trump said he watched as much as he could of the explosive House Oversight and Reform Committee hearing, in which Cohen, his former fixer and personal lawyer, accused him of being a "con man," a "cheat" and a "racist." Cohen also told lawmakers that Trump pushed to build a tower in Russia during the 2016 election and knew in advance that WikiLeaks was going to release emails that were stolen from the Democratic National Committee. "Having a fake hearing like that and having it in the middle of this very important summit is really a terrible thing," Trump said.

WHITE HOUSE: WEISSELMAN SCRUTINY TO INTENSIFY - In testimony before Congress this week, Michael Cohen cast himself as a central figure in schemes that could threaten the presidency of Donald J. Trump ([New York Times](#)). But Mr. Cohen said he didn't work alone, unexpectedly mentioning by name the involvement of another member of Mr. Trump's inner circle, Allen Weisselberg, more than 20 times. The revelations are set to intensify the scrutiny on Mr. Weisselberg, Mr. Trump's unassuming 71-year-old chief financial officer, who already is a focus for federal prosecutors in New York. On Wednesday, Mr. Cohen specifically identified Mr. Weisselberg as helping mastermind a strategy to mask reimbursements to Mr. Cohen for his payment to Stormy Daniels, the pornographic film actress who said she had an affair with Mr. Trump.

WHITE HOUSE: GROUND TROOPS DISPUTE TRUMP'S CLAIMS ON ISIS - President Trump declared on Thursday that "we just took over 100 percent" of territory controlled by the Islamic State in Syria — a claim that reports from the battle front suggested was 100 percent untrue ([New York Times](#)). "You kept hearing it was 90 percent, 92 percent, the caliphate in Syria. Now it's 100 percent, we just took over," Mr. Trump said in remarks to American troops in Alaska. "Now it's 100 percent, we just took over 100 percent caliphate. The battle was continuing on Thursday when officials with the Syrian Democratic Forces, an American-backed militia of Kurdish and Arab fighters, were told of Mr. Trump's announcement. "It's 100 percent not true," one senior official with the group said on Thursday afternoon. "The fighting continues."

WHITE HOUSE: TRUMP, PENCE AT CPAC - The Conservative Political Action Conference began Thursday, featuring appearances by Reps. Mark Meadows, R-N.C., and Jim Jordan, R-Ohio, Sen. Lindsey Graham, R-S.C., and Cabinet officials ([UPI](#)). The conference, or CPAC, is being held in National Harbor, Md., and the general session began Thursday. It's an annual event attended by conservative officials and activists. The opening session Wednesday was called "activism boot camp." President Donald Trump is scheduled to address the conference at 11:30 a.m. Saturday. It will be his third consecutive appearance at the event since taking office. Trump will be fresh off his trip to Vietnam, where he walked away from negotiations with North Korean leader Kim Jong Un Thursday after failing to reach an agreement on sanctions relief and nuclear disarmament. Other Cabinet officials set to speak at the conference are Vice President Mike Pence (Friday), Labor Secretary Alex Acosta (Thursday), White House economic adviser Larry Kudlow (Thursday), Commerce Secretary Wilbur Ross (Friday), British conservative Nigel Farage (Friday) and White House adviser Kellyanne Conway (Friday).

WHITE HOUSE: TRUMP SCHEDULE - President Trump returned from Hanoi around 8 p.m. Thursday. The president has no public events today.

MEDIA: SUNDAY TALK - CBS "Face the Nation": John Bolton, Sen. Doug Jones (D-Ala.), Rep. Adam Schiff (D-Calif.). Panel: Jeff Goldberg, David Nakamura, Paula Reid and David Sanger. **ABC "This Week":** Rep. Jerry Nadler (D-N.Y.), Washington Gov. Jay Inslee (D), House Minority Leader Kevin McCarthy (R-Calif.). Panel: Matthew Dowd, Sara Fagen, Maggie Haberman and Michael Tomasky. **"FOX News Sunday":** John Bolton. Panel: Ben Domenech, Jane Harman, Gillian Turner and Marie Harf. **NBC "Meet the Press":** New NBC News/WSJ poll. Panel: Matt Bai, Helene Cooper, John Podhoretz and Heidi Przybyla. **CNN "State of the Union":** Sen. Mark Warner (D-Va.), Sen. John Kennedy (R-La.). Panel: Bakari Sellers, Amanda Carpenter, Jennifer Granholm and David Urban. **CNN "Inside Politics":** Panel: Julie Pace, Lisa Lerer, Toluse Olorunnipa and Phil Mattingly.

ILLINOIS: CHICAGO COMMUTERS STRANDED DUE TO AMTRAK SIGNALS - Tens of thousands of downtown Chicago workers could be without a way home this evening because of an ongoing Amtrak signal problem ([Chicago Tribune](#)). Metra is advising people who leave out of Union Station to consider alternate commutes, since an Amtrak signal problem that disrupted morning travel was still not fixed early this afternoon.

ILLINOIS: MIDWAY PASSENGERS EXPOSED TO MEASLES - Health officials are warning of a possible measles exposure at a Chicago airport and hospital ([AP](#)). The Illinois Department of Public Health said a passenger who was diagnosed with the disease was believed to be infectious while traveling through Midway Airport, then later seeking treatment at Delnor Hospital, NBC Chicago reported. People who were at the airport between 9 p.m. and midnight on February 22 may have been exposed. Also, those who were at Northwestern Medicine Delnor Hospital from 4-6:15 p.m. on

February 24 and 10 a.m.-1 p.m. on February 25 could have been exposed to the measles. The health department said the biggest concern was with people who have not been vaccinated.

Local

CITIES: NEW DETAILS IN MARTINSVILLE PD CHIEF ARREST - New documents released Thursday are shedding light into why Martinsville's police chief is facing two felony charges for official misconduct and theft ([WRTV](#)). Chief Matthew Long received \$8,316.20 in excess overtime and sick time to which he was not entitled, according to an audit released Wednesday by the Indiana State Board of Accounts. Indiana State Police Det. Craig Starr found in May 2016 Long made adjustments in the pay system to add 70 hours to his "sick bank" and in November added 72 hours to his "sick bank." According to court documents, at the end of 2016, Long submitted a pay voucher to pay himself for the 9 sick days allegedly accrued during 2016. The payouts resulted in Long receiving \$1,530 in sick pay to which he was not entitled, prosecutors allege in a probable cause affidavit unsealed Thursday. An audit just released Thursday by the Indiana State Board of Accounts says Long also received \$6,786 in excess overtime pay he didn't earn.

CITIES: EVANSVILLE FIREFIGHTER WAS SHOT TO DEATH - An autopsy has confirmed that Evansville firefighter Robert F. Doerr died as a result of a gunshot wound from a shooting Tuesday night on Evansville's North Side (Stubbs, [Evansville Courier & Press](#)). Doerr's autopsy was released by the Vanderburgh County Coroner's Office Thursday morning. His death was ruled a homicide. No arrests have been made yet in the killing of Doerr, 51. The shooting occurred in the 2700 block of Oakley Street, near the Walmart Neighborhood Market on First Avenue. Police said they received several calls from residents of the neighborhood about hearing gunshots around 7:05 p.m. One of the callers reported seeing a person laying on the ground in front of a home on Oakley Street.

CITIES: SERVICES SET FOR EVANSVILLE FIREFIGHTER - Memorial arrangements have been announced for an Evansville firefighter fatally shot outside his home earlier this week ([Evansville Courier & Press](#)). Robbie Doerr, 51, will be buried in St. Joseph Catholic Cemetery on Mesker Park Drive, according to Evansville Fire Department. Visitation will take place from 2-8 p.m. Sunday and 11 a.m. to 1 p.m. Monday at Christian Fellowship Church, 4100 Millersburg Road in Evansville. The funeral service will begin at 1 p.m. at Christian Fellowship Church.

CITIES: GARY ALARMED BY SPIKE IN HOMICIDES - Alarmed by a homicide spike since Jan. 1, city leaders are urging people to come forward with tips as the Police Department crafts an action plan to curb violence. Those efforts include emergency hires (Cross, [NWI Times](#)). Twelve people have been murdered within the city limits since the start of the year — mostly by gunfire. That's up from nine homicides reported around the same time last year, according to police. Officials say 18 people have been wounded by gunfire since Jan. 1, compared to 12 at the same time last year. Police Chief Richard Allen is urging the public come forward with information to aid investigators. "If something happened to you, I know you would want someone with information to contact the police and assist with holding the perpetrator accountable," Allen said. The city's 12th homicide was reported Wednesday when authorities found 42-year-old Pamela Crider shot in the face and lying unresponsive in the roadway in the city's Tolleston section.

CITIES: CLARKSVILLE HOSPITAL TO CLOSE - A southern Indiana hospital that's struggled financially will close this spring after a decade of operation ([AP](#)). A required state notice sent this week to the Kentuckiana Medical Center's employees says the Clarksville hospital will close April 27, at which time its employees' benefits will end. WorkOne Southern Indiana's director of operations, Jacqueline James, tells the News and Tribune the hospital's closure will have "a big impact" on the Ohio River city that's just north of Louisville, Kentucky, because about 200 people will lose their jobs.

CITIES: LAFAYETTE TO BUY THEATER - Lafayette Mayor Tony Roswarski calls the the center of Lafayette's entertainment opportunities the three L's: Loeb Stadium, the Long Center, and now the Lafayette Theater ([WLFI-TV](#)). The city got the go-ahead to buy the property at the Lafayette Redevelopment Commission on Thursday. Mayor Roswarski said he has consistently heard that Lafayette lacks in the nightlife and entertainment areas. So he proposed that the city buy the old Lafayette Theater for \$290,000. He said that's a steal of a price; the property was appraised in the five to \$600,000 range. He hopes the three L's will help improve quality of life for Lafayette residents, as well as bring new visitors to the city. "Aquiring the Lafayette theater is going to give us that option, we're working with the the Long Center, working with the new baseball stadium and the events we'll have there to really be able to coordinate what types of entertainment we bring to the community," he said.

CITIES: 'REVOLUTIONARY' LOW INCOME HOUSING APPROVED IN LAFAYETTE - Construction, and the city, are making headway on the new H38 East apartments in Lafayette. The Lafayette Redevelopment Commission approved a tax abatement for the low incoming housing complex on Thursday ([WLFI-TV](#)). Tax abatements are generally reserved for industrial or commercial business. However, Lafayette's Economic Development Commissioner Dennis Carson said in the meeting that abatements can be used for other purposes. The 10 year abatement will help the complex get local families out of generational poverty. "It's not our usual affordable housing project, it really isn't," said Elva James, Executive Director of Agency IV Housing. "You do not just come there to live, you come there to make a difference in your life and your future."

As News 18 previously reported, the complex will have a variety of resources to help low income families. That includes transportation options, career connections, community gardens, a learning kitchen and a tech center. They broke ground on the site in December. The complex will also be net zero, meaning the solar panels it has will generate enough energy as the complex will use. Mayor Tony Roswarski spoke on behalf of the project at the LRC meeting, saying that opportunities like this complex are what the city needs. He did not hide the fact that previously, he has vocalized his disapproval for other low-income complexes being built in Lafayette.

CITIES: ALLISON TO BUILD TEST FACILITY AT SPEEDWAY - Allison Transmission Holdings Inc. announced Thursday that it plans to build a multimillion-dollar vehicle-testing facility in Speedway that will be the only one of its kind in the Midwest ([IBJ](#)). The Vehicle Environmental Test facility is expected to open in 2020 on the campus of Allison's global headquarters, south of Indianapolis Motor Speedway. "Industries around the globe depend on Allison Automatics to power highly specialized vehicles that must perform under all kinds of extreme conditions," Allison CEO David Graziosi said in written comments. "The Vehicle Environmental Test facility will provide Allison engineers with enhanced capabilities to conduct testing replicating vehicle environments and duty cycles."

CITIES: IPS BEGINS SUPT SEARCH - Indianapolis Public Schools has begun the search for a new permanent superintendent. The search comes nearly two months after former Superintendent Lewis Ferebee resigned in order to become chancellor of the District of Columbia Public Schools (Brown, [Inside Indiana Business](#)). The IPS Board of School Commissioners held the first of three community meetings Wednesday to gather public feedback as part of the search process. The next two will take place March 7 at Arsenal Technical High School and March 13 at George Washington Carver School 87. Both meetings are scheduled for 6:00 p.m. to 8:00 p.m. The board will also hold three additional board meetings, the first of which takes place tonight, followed by meetings on March 19 and March 21. All are being held at the John Morton-Finney Center for Educational Services in downtown Indianapolis and begin at 6:00 p.m.

CITIES: STUTZMAN BUYS KRUSE AUCTION - About a month from now, new owners of the giant Kruse museum building south of Auburn plan to share their vision for its future (Kurtz, [Auburn Evening Star](#)). The property "can be a huge future growth and impact area for Auburn and DeKalb County," said John Kruse of Auburn, one of three new owners who bought the building at 5634 C.R. 11-A in December 2018. Former U.S. Rep. Marlin Stutzman of Middlebury and entrepreneur Jason Bontrager of Elkhart joined with Kruse to buy the museum from Kruse's uncle, Dean V. Kruse, who opened it in 2003. In preparation for a late-March news conference, the owners are conducting a public-opinion survey and asking permission of the Auburn Plan Commission to split the property into three parcels.

CITIES: ALBION GETS TELEPHARMACY - Albion, which hasn't had a pharmacy in more than a decade, is stepping into 21st-century health care with a new kind of pharmacy – one based on telemedicine ([AP](#)). It's believed by its owner to be among the first in the state. The Pill Box pharmacy at 903 Northridge Road is designed to serve customers with the chance to talk to a pharmacist via video chat – even though there's no pharmacist in the store. Prescriptions are dispensed by a nationally certified pharmacy technician and double-checked via photos and computer messages by one of three pharmacists at a companion Pill Box pharmacy in Warsaw, said Greg Winn, an engineer who has been working about five years to have telepharmacy legally approved in Indiana.

CITIES: PENDLETON PD CHIEF WANTS COUNCILMAN DISQUALIFIED - Embattled Pendleton Police Chief Marc Farrer is seeking the to have Town Council President Jessica Smith from voting on upholding Farrer's dismissal ([Anderson Herald-Bulletin](#)).

CITIES: PERU LOSING PD, FD OFFICERS - Peru will be down one police officer and one firefighter the rest of the year to make up for a budget shortfall after city officials miscalculated how much pay raises, approved last year, would cost the city (Gerber, [Kokomo Tribune](#)). Officers and firefighters received a 1.5-percent increase in their longevity pay as part of across-the-board raises approved for city workers that took effect this year. Peru Clerk-Treasurer Tish Soldi said the longevity pay, combined with the base salary of an officer or firefighter, determines how much the city pays towards that employee's retirement fund. The initial combined salaries certified to the state understated how much the longevity pay increased, which led officials to underestimate how much the city would pay towards retirement funds. Soldi said they realized the mistake, which was approved last year by Peru City Council as part of the budget, after an officer came to ask about retirement policies.

CITIES: HAMMOND SAYS PARASITES KILLED SWANS - Parasites were behind the deaths of several swans found around Lake George since October — and not lead poisoning as once suspected, according to the mayor's office (Cross, [NWI Times](#)). Indiana Department of Environmental Management officials informed Mayor Thomas McDermott Feb. 22 that the parasites not only impacted the body organs, but also reached the swans' brains, according to a news release. Six of the more than a dozen mute swans reportedly also had elevated lead levels in their kidneys, some to toxic levels. Tests for avian influenza, botulism and other toxins were negative. The discovery sparked public outcry, with environmental activists, city officials and others quick to point the finger at the nearby former Federated Metals facility. The company, Whiting Metals, now operates a metals reclamation facility at the former 36-acre Federated Metals property on the lake's northeast shore and

has a permit to emit lead. McDermott and his environmental management director, Ron Novak, previously said they believed the mute swans might have ingested lead released during a baghouse fire Sept. 20. The company vehemently denied the allegations.

COUNTIES: TIPPECANOE SHERIFF REACTS TO 3 DEATHS IN JAIL - A sheriff says a review of the deaths of two inmates who fell ill in their cells at the same northern Indiana jail and a man who died after fighting with jail officers found the response from staff was adequate ([AP](#)). Tippecanoe County Sheriff Bob Goldsmith says state police also determined jail procedures were adequate. The sheriff has said 42-year-old Isaiah Powe and 56-year-old Bonny Ahlrich were in separate parts of the jail's holding area in Lafayette when they were stricken hours apart Jan. 12. The Tippecanoe County coroner's office says Powe died accidentally from drug intoxication and Ahlrich died of natural causes. Also that day, 40-year-old Salvador Perez-Rivera collapsed while fighting with jail officers before booking was completed. He died Jan. 18 at a hospital of accidental acute methamphetamine toxicity.

COUNTIES: VIGO JAIL GETS RULING FROM JUDGE - A federal judge today issued a judgment ruling "conditions in the Vigo County Jail violate both the Eighth and Fourteenth Amendments to the United States Constitution" (Greninger, [Terre Haute Tribune-Star](#)) The ruling was not unexpected, as lawyers for the inmates and the county agreed to such a judgment following a settlement conference Monday. The county has, in essence, conceded the existence of unconstitutional conditions, and it and the inmates' attorneys have agreed on how that will be remedied. The order signed today by U.S. Chief District Judge Jane Magnus-Stinson -- a "final judgment as to all claims for injunctive and declaratory relief" -- establishes what the county must continue to do. Among the conditions: • The county must appear at least every three months before the court and provide de iled updates on site selection, planning, and construction of a new jail. Dates will be set by the judge. • The county must "commit sufficient staff and take all other steps necessary to ensure that all prisoners are offered, at a minimum, at least three hours per week of recreation outside of their cell areas and (to) ... commit sufficient staff to make sure that the health and safety of prisoners is safeguarded." • The county must continue to file reports on how it is fulfilling staffing requirements set by the court.



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INDIANA EDUCATION INSIGHT

Guide to House GOP budget

GOP retort to Demos on lack of teacher base salary cash: local control

Our handy cheat sheet for the education spending plan designed by the House Republican majority and approved by the House on a party line vote shows that total state investment in K-12 education would increase by \$611 million over the biennium . . . which Republicans are happy to inform you equates to more than three percent in new money per year – and amount exceeding the inflation rate.

Here is your breakdown of where the education funding items stand as HB 1001 moves across the Rotunda to the Senate:

K-12 Formula Funding

- Formula dollars grow by \$461 million over the biennium – up by 2.1% in 2020 and 2.2% in 2021. That's a shade better than the 2.0% increase proposed by the Governor.
- The foundation amount rises from \$5,273 per pupil in 2017 and \$5,352 in 2018 to \$5,442 in 2020 and \$5,549 in 2021 – equating to a 1.7% bump for 2020 and a 2.0% gain in 2021.
- The complexity grant holds steady in both years at \$3,539 per student, after several biennia of declines.
- Preschool special education funding increases from \$2,750 in 2019 to \$2,875 in 2020 and \$3,000 in 2021 – the first increases since 1991.
- The ADM cut-off date for kindergarten students who are at least five-years-old moves from August 1 to September 1 in 2020 and then from September 1 to October 1 in 2021 – capturing an additional 2,000+ students each year.
- Per-pupil funding for traditional public school corporations for students who receive more than 50% of their instruction virtually will decline to 90% of the foundation amount – bringing into conformity the funding for traditional virtual students and charter virtual students.
- English Language Learner (ELL) funding in the Non-English Speaking program increases by \$2.6 million per year. Per-student grant amount grows from \$300 in 2019 to \$325. Additional funding tiers for districts with the highest concentration of ELL students are eliminated.
- Beginning in the second year of the biennium, the Career and Technical Education (CTE) funding formula would be standardized across program credit hours, and reimbursement for the highest-value CTE programs would nearly double to \$1,020. Funding for apprenticeship and work-based learning program would rebound from the current \$150 (!) to \$500.

Teacher Compensation

- Teacher Appreciation Grants that the Governor had proposed for elimination would be sustained at \$30 million per year. However, the teacher tax credit that the Governor wants to increase to \$500 would remain unchanged at \$100.
- Teacher career ladder programs per House Bill 1008 are funded at \$5 million and the teacher residency training pilot program in House Bill 1009 would receive \$1 million.

For more, please see the following page . . .

Do dropouts need more?

Bill welcomes Graduation Alliance to IN

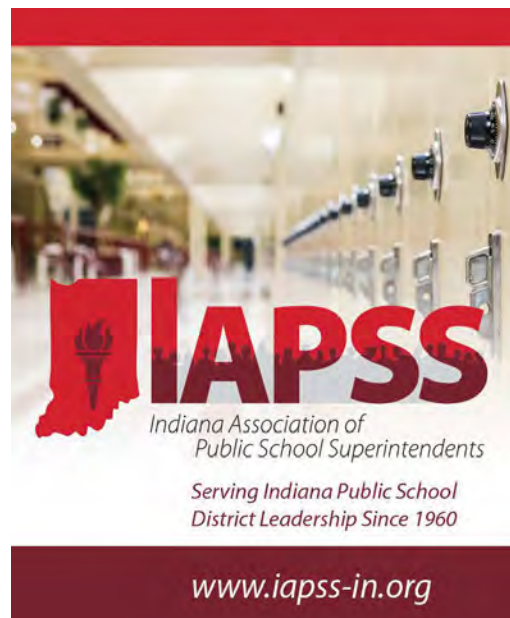
The Senate votes 47-2 to approve a new pay-for-performance statewide adult workforce diploma program. SB 607 was authored by Senate Committee on Education and Career Development Chair Jeff Raatz (R) of Centerville on behalf of Graduation Alliance.

Advocates contend that even though the state's existing providers of adult dropout recovery services are performing well, Indiana has so many underskilled Hoosiers that need to be reached that there's ample room for an alternative approach to operate alongside the adult basic education system and adult charter schools such as the Excel Center.

Graduation Alliance would offer a free high school diploma pathway, free career-specific credentials, and direct connections to employers for job placement opportunities.

Adults over the age of 22 would be eligible to enroll in the online curriculum. Graduation Alliance would be reimbursed by the State of Indiana for each credit completed, diploma conferred, and credential attained.

As introduced, the program would have been funded out of the same pot of money that pays for high school equivalency, but references to funding have since been taken out. The bill will be sponsored in the House by Rep. Holli Sullivan (R) of Evansville.



- The budget bill as it passed the House includes the ingenious proposal announced by Governor Eric Holcomb (R) in his State of the State address that would transfer \$150 million from state reserves to the 1996 account of the Teachers' Retirement Fund, which should result in \$70 million in annual local savings by reducing the contribution rate paid by school employers from 7.5% to 5.5%. Cost savings would likely increase through 2023 and then decrease in subsequent years.

- No money was appropriated directly to teacher base salary increases, which House Committee on Ways and Means Co-Chair Tim Brown (R) of Crawfordsville said is a decision best made locally. "For us to become the deciding influence and body for teacher contracts is the wrong approach," declared Rep. Brown in a policy position roundly endorsed by his entire caucus.

Student and Parent Choices

- The Charter and Innovation School grant would double from \$500 per student in 2019 to \$1,000 per student in 2020. Starting with the second year of the biennium, FY 2021, the grant is scheduled to increase annually by the assessed value growth quotient.

- The annual cap on the Scholarship Granting Organization (SGO) Tax Credit rises from \$14 million in 2019 to \$15 million in 2020 and up to \$19.2 million in 2021. An escalator has been added so that anytime the cap is hit, the amount of tax credits available in the following year would automatically increase by 20 percent.

- An additional tier has been added to the Choice Scholarship formula so families with an income between 100% and 125% of the free- and reduced-price lunch threshold would qualify for a voucher worth 70% of state tuition support, up from 50% currently, a change that would cost about \$4 million.

- The cap on adult charter school funding increases by 250 students.

STEM, Safety, Summer

- Perkins authority would transfer from the State Board of Education to the Governor's Workforce Cabinet.

- The Indiana Department of Education would see \$700,000 annually for STEM program alignment. IDOE and the STEM council requested \$10 million.

- Professional development and technical assistance to pilot the new high school-to-postsecondary transitions math course is slated to receive \$300,000 annually.

- The Governor's Next Level Computer Science program would be appropriated \$3 million per year.

- School resource officers are in line for a boost as funding for the Secured School Safety Grant would increase by \$5 million per year. Grants would also be allowed for student mental health services.

- School corporations would be allowed to keep the 3.0% share of Medicaid reimbursement they are currently required to deposit in the state General Fund.

- Why did you not increase funding for summer school when we know at-risk kids are highly vulnerable to a Summer learning slide?, inquired Rep. Vernon Smith (D) of Gary on the House floor. House Committee on Ways and Means Co-Chair Todd Huston (R) of Fishers replied, "It has been our philosophy to put as much money as possible into the formula amount, and we let the local schools decide how they want to use that money for their students. If they want to use that on Summer School, they have every right to do that, and I think it would be appropriate."

Talent and Workforce

- The Office of Work-Based Learning and Apprenticeship that the Governor created via executive order is in line to snag \$1.8 million over the biennium. The Governor's Workforce Cabinet will be expected to operate on \$385,000 per year.

- Money committed to Workforce Ready Grants and Next Level Employer Training Grants is set to double.

- The Governor's Workforce Cabinet would have \$2 million in new dollars annually at its disposal to spend on a new model for Career Navigation and Coaching.

Postsecondary

- Funding for higher education operations is expected to grow by \$27 million across the biennium – about 1.0% more per year, which is right in line with the Governor's recommendations. The Indiana Commission for Higher Education had proposed 2.5% new funding in FY 2020 and 4.0% in new dollars in FY 2021.

- State financial aid obligations would be fully funded.

- Each institution's top capital project priority has been endorsed under the budget bill as it now stands, as has the Purdue University Veterinary Teaching Hospital. Total bonding authority for all higher education projects now comes in at \$359.1 million.

- Dual credit has been flat-lined – a big surprise, especially given that the Indiana Commission for Higher Education just reported earlier this year that dual credit saved Hoosier students approximately \$69 million (and dual credit is sometimes referred to as a "middle class tax cut").

- Medical residency graduate education grants are projected to grow by \$1 million per year. The maximum amount of a primary care scholarship awarded at the Marian University College of Osteopathic Medicine in the first class year is also granted an increase from \$10,000 per year to \$15,000 per year.

IN Elementary & Secondary Ed

IN General . . .

- The procurement process is underway by the Indiana Department of Education via the Indiana Department of Administration for a new early childhood assessment. Responses are due March 12, a contract award is expected by mid- to late-April, and IDOE hopes to be ready to deploy the exam in August.

□ The current assessment instrument, ISTAR-KR (Indiana Standards Tool for Alternate Reporting of Kindergarten Readiness), is mandatory for the state's approximately 15,000 special education preschool students, as well as On My Way Pre-K, and is also available on an optional basis for local administration. IDOE estimating an opt-in population of as much as 215,000 students. But ISTAR-KR is not aligned to the Indiana Early Learning Development Framework and Foundations, which this procurement will fix.

● An Indiana Department of Education procurement for a new teacher licensing exam requested that prospective vendors propose an Indiana-specific, custom-designed solution and a national off-the-shelf product. The procurement has now resulted in a separate recommendation for each option. Pearson would be the winning vendor if the state chooses the Indiana-specific option. But if IDOE opts for the off-the-shelf route, the procurement recommends Educational Testing Services and its Praxis exams. Praxis comprises over 90 different assessments, and ETS has produced crosswalks for all of the Praxis titles confirming substantial alignment to the Indiana teaching standards. Indiana is one of only seven states that does not rely on Praxis for some part of its education licensure exam requirements. IDOE aims to fully implement the new testing system by September 1, 2021.

● On *Indiana Lawmakers*, the statewide television and radio show airing on Indiana's Public Broadcasting Stations on the first weekend of March, K-12 education funding, teacher pay, testing, and virtual schools take center stage as host **Jon Schwantes** is joined by House Committee on Education Chair **Bob Behning** (R) of Indianapolis; Rep. **Greg Porter** (D) of Indianapolis, the ranking Democrat of the House Committee on Ways and Means; **Teresa Meredith**, president of the Indiana State Teachers Association; and Dr. **Chris Himsel**, superintendent of Northwest Allen County Schools. Contributing commentary on this week's topic, as always, is Hannah News Service's **Ed Feigenbaum**.

□ Check local listings statewide for airings; you can also watch online: <https://www.wfyi.org/programs/indiana-lawmakers>

● The Governor's Workforce Cabinet spent most of its first eight months hunkered down in action teams to produce legislatively mandated reports with recommendations for workforce coordination that Governor **Eric Holcomb** (R) adopted for his 2019 legislative agenda.

□ The Cabinet is still evolving as it takes a more holistic approach to making recommendations on an ongoing basis to streamline and align the workforce system, says Executive Director **Danny Lopez**.

□ Cabinet responsibilities will be parceled out through a committee structure:

- An executive committee to drive the overall strategic vision
- An industry committee focused on industry insight into current and future skills needs
- A constituent support committee to identify barriers to knock down
- A Workforce Innovation and Opportunity Act (WIOA) committee to develop the WIOA combined plan
- A policy committee.

● The Indiana Department of Education is seeking a vendor to provide Cultural Competency Training and Support to the lowest-performing five percent of schools. The vendor will develop and deliver cultural competency training to schools to identify how the systems, structures, policies, and practices affect specific student groups and will create resources aligned to the training to support schools as they address issues of equity and the root causes of student group achievement gaps. Responses to the Request for Services are due March 28.

● The Division of Mental Health and Addiction of the Family and Social Services Administration intends to award \$1.2 million in grants to establish or expand programs in substance use prevention and mental health promotion that serve public school students, parents, teachers, and the community at varying levels of risk. Indiana public schools, school corporations, local education agencies, community mental health centers, and other social service agencies are eligible to apply and must demonstrate partnerships with the local System of Care. Up to seven proposals will be awarded, and the maximum award will be \$200,000. Proposals are due March 15.

● The Mississinewa Community Schools receives school board approval to install walk-through metal detectors at the high school and middle school. "We'll probably have it set up to be at the middle school one or two times a week and 2-3 times week at the high school on a random basis," said Superintendent **Tab McKenzie**, reported the *Marion Chronicle-Tribune*.



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- New school buses purchased by the Vigo County School Corporation will be outfitted with a quintuplet of cameras – two facing the interior and two facing out to catch stop arm violations.

IN Administration . . .

- The Ripley-Ohio-Dearborn Special Education Cooperative will lose its largest member, the Sunman-Dearborn Community School Corporation, as well as the Batesville Community School Corporation. Both districts have indicated their intent to withdraw at the conclusion of the 2019-2020 school year.

- Thanks to a Managed Security Services grant from the Indiana Department of Education, the Plainfield Community School Corporation selects Five Star to provide 24/7 active, real-time threat monitoring for the district's network environment.

- The Metropolitan School District of Wabash County school board approves the addition of two student resource officer positions, one at Northfield Junior-Senior High School, and one at Southwood Junior-Senior High School.

- The Indiana State Police has concluded the departmental investigation into the fatal shooting at Dennis Intermediate School in Richmond on December 13. The results have not been publicly released, but the findings have been forwarded to the Wayne County Prosecutor's Office for review and potential charges.

- Expect the Board of Trustees of the Smith-Green Community School Corporation in Churubusco to switch to a self-funded insurance plan after it selected an insurance consultant to help district officials navigate the process.

IN Budgets & Finance . . .

- Administrators with the Union County College Corner Joint School District (UCCJSD) notify the Indiana Department of Education that the school corporation has been erroneously "receiving more funding per student than they are supposed to. Typically, they are supposed to be paid per student minus Ohio students, however, since November they have been getting paid for all 1,295 kids instead of the 1,185 Indiana students," reported the *Liberty Herald*.

- The Lakeland School Corporation Board of Trustees tabled a vote on the proposed closure of two elementary schools until at least March 25. School board members want to give stakeholders another 30 days to review the deficit-reduction plan and consider alternative options to closing Lima-Brighton and Wolcott Mills elementary schools. Shuttering the underutilized buildings and reducing staff accordingly would save approximately \$1 million.

- The South Knox School Corporation had to cut more than \$260,000 from its 2019 operating budget after learning from the Department of Local Government Finance that overall assessed valuation declined by five percent, or more than \$27 million, largely due to falling farmland values, reports the *Vincennes Sun-Commercial*. South Knox will make up the difference with reserves. The AV decline translated into a 9.0% increase in the tax rate.

- West Vigo High School in West Terre Haute was home Wednesday to a dodge ball tournament fundraiser for its ninth year. There were 22 teams with six people per team registered for the event, which provides \$500 scholarships for seniors through the Linc program, which helps freshmen get acclimated to high school with the assistance of upper class mentors – many of whom return to West Vigo to participate in the annual event as college students.

IN Compensation . . .

- About one-third of school buildings in the Evansville Vanderburgh School Corporation have an "excess" of teachers due to declining enrollments, reports the *Evansville Courier & Press*. Excess teachers will be relocated before the start of the next school year to buildings where enrollment is growing. The district says this is an annual process and that no teachers are being laid off.

- The Indiana Education Employment Relations Board receives a petition from the Indianapolis Teachers Society seeking a local election to replace the Indianapolis Education Association, which is an affiliate of the Indiana State Teachers Association and the National Education Association.

- The Triton School Corporation increases the daily pay to \$75 for substitutes with a high school diploma, \$80 for substitutes with at least 60 hours of college credit, and \$85 for substitutes with a teaching license.

IN Non-Public Schools . . .

- Steve Hesse, principal of Shawe Memorial Jr./Sr. High School in Madison, resigns to move to Kentucky.

IN Charter Schools . . .

- The Daleville Community Schools board of trustees votes to initiate the charter revocation process for the Indiana Virtual School and the Indiana Virtual Pathways Academy.

□ Data released by Daleville shows that 504 of the 851 students who attended Indiana Virtual for the entire 2017-2018 school year were reported as earning zero credits that year. Not a single one of the more than 2,000 students who attended Indiana Virtual for the entire 2016-2017 school year earned at least five credits during semester one . . . and only 144 students earned at least five credits during semester two. In addition, 499 students were reported as having zero course assignments in 2016-2017.

□ Daleville Assistant Superintendent Dave Stashevsky told the *Anderson Herald-Bulletin* that the operator of the sister schools had stonewalled the district's requests for data over the past year. "Our supposition is they went into the data, saw it was awful and didn't want to give it to us," he said. The newspaper went on to write, "That changed last year, however, when the Indiana General Assembly passed a law allowing authorizers to have direct access to reporting data. But it took till August 1 for Daleville to receive the relevant data and until recently to go through it to determine the progress of the charter schools, Stashevsky said." Daleville Superintendent Paul Garrison said the sister schools appear to have engaged in a practice of transferring students between schools to exploit the provision that students must be enrolled in a school for a minimum of 120 days for their standardized test scores to count in A-F school accountability determinations.

□ Daleville's notice of revocation also cites the schools' noncompliance with Indiana State Board of Accounts annual audit requirements; violations of Indiana Department of Education ISTEP testing protocol; testing security concerns; and noncompliance with special education statutes.

□ State Board of Education member **Gordon Hendry**, who led a committee in 2018 to review virtual schools, told **Shaina Cavazos** of Chalkbeat, "If this isn't a scandal, I don't know what is." The school will have an opportunity to respond at a public meeting on April 1.

● **Natalie Wenzler**, director of workforce education at the Indiana Department of Workforce Development, joins the board of directors for the Invent Learning Hub.

IN Programs & Curriculum . . .

● The Huntington Community School Corporation will divide its preschool program currently located at Flint Springs Elementary School into two buildings. Two of the four preschool teachers will stay at Flint Springs and two will move to Lincoln Elementary School.

● The Plainfield Community School Corporation intends to participate in the Indiana Bond Bank's HELP Program to fund the purchase of approximately 3,400 laptop computers to be used for four years at the middle school and high school level.

● Southmont High School would open its advanced manufacturing wing to Ivy Tech Community College students training to be welders, according to the *Crawfordsville Journal Review*. Ivy Tech students currently have to drive to Lafayette for courses to earn welding or industrial maintenance certifications.

● Discussion rights at Bon Air Elementary School and Bon Air Middle School have been eliminated as part of the transformation zone implemented by the Kokomo School Corporation with the approval of the State Board of Education, reports the *Kokomo Tribune*. Superintendent **Jeff Hauswald** explained to the paper that KSC committed to the state board of education to do things differently to drive academic improvement at the low-performing schools, and "One of those commitments was that we would have not only meetings with professional development but meaningful discussions and dialogue with all stakeholders. The KTA had expressed to us that they only wanted us working and communicating with union members, specifically their words. So when we looked at Bon Air Elementary, for example, we looked at a school where the membership was under 50 percent. So they had eight union members out of the entire school out of between 20 and 25. Our concern was to meet the requirements of the grant as we submitted it, and in order to truly get participation from all teachers and input from all teachers, we wanted a process for councils and meetings where all teachers were able to participate."

□ But Indiana State Teachers Association UniServ Director **Heidi Miller** is concerned that without a requirement for mandatory discussion, there won't be any discussion at all, with either union or non-union teachers.

● The Health and Wellness initiative at New Albany High School is in line for a significant boost courtesy of a \$100,000 grant from the New Albany Redevelopment Commission.

● The Maconaquah School Corporation received state grant funding for an ultrasound machine so students can "watch the gestation process of goats as part of an initiative to grow the state's livestock sector," reports the *Kokomo Tribune*. Maconaquah also recently purchased its first set of Polled Hereford heifers.

● After a few stops and starts, the South Bend Community School Corporation receives approval from the school board to create a transformation zone for Navarre Middle School and four elementary feeder schools. Navarre earned a sixth consecutive F on the state accountability scale for 2017-2018 after missing a D by only one point.

IN Policy . . .

● The Westfield Washington Schools Board of Trustees will meet March 5 to consider shifting the high school and middle school start time from 8:00 a.m. to between 8:30 a.m. and 9:00 a.m. and moving the elementary bell from 9:10 a.m. to around 7:50 or 8:00 a.m.

□ Pointing to research from the American Academy of Pediatrics and the American Psychological Association, WWS officials believe the changes could lead to attendance increases, higher student grade point averages, fewer students sleeping during class, and an increase in the quality of student-family interactions. The adjustments would also generate transportation efficiencies by allowing for the elimination of shuttle bus routes and should also help alleviate traffic congestion at the beginning of the school day.

□ You may recall that the Zionsville Community Schools recently implemented a similar change, and the Noblesville Schools adopted new start times to take effect with the 2019-2020 school year.

● School board members in the Duneland School Corporation didn't realize that the 100 pages of policy updates they adopted in August included closing the district to non-resident transfers, reports the *Chesterton Tribune*.

□ The school board held a special meeting on February 28 to gather public input on whether the policy should be rescinded and open enrollment restored.

● The Madison Grant United School District approves a school calendar for 2019-2020 that includes parent-teacher conferences as e-learning days and e-learning days on Dr. Martin Luther King, Jr. Day and President's Day.

□ The M.S.D. of Bluffton-Harrison amends its policy on e-learning days to allow up to three e-learning days in a row.

□ The 2019-2020 school calendar for the Duneland School Corporation has e-learning days slated on both election days.

● The school board and the superintendent of the Eastern Greene School Corporation weren't on the same page about a recent personnel decision.



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□ The EGSC school board voted not to renew the teaching contracts of the head football coach and athletic director and apparently did not provide context or explanation for the decision. Some parents and residents were incensed that the school board made the decision unilaterally and without a recommendation from the school superintendent.

- The Hamilton Southeastern Schools Board of Trustees directed a committee to take another look at the wording of a proposed nondiscrimination policy after some board members advocated for a list of specific classes of protected groups.

□ The committee previously recommended a policy that reads: "The school corporation will not discriminate in its educational or employment activities on any basis prohibited by applicable federal or state laws."

IN Referenda . . .

- The Hanover Community School Corporation proposes a referendum levy of 56 cents to finance improvements to Hanover Central middle school and high school, construction of a new facility for upper-grade elementary students, and assorted other efficiency and security upgrades. The total cost is estimated at \$44 million.

- The River Forest Community School Corporation in Lake County seeks a referendum levy increasing the property tax rate by \$1.19 to fund teacher and staff pay and educational programs.

- The Elkhart Community Schools beseeches voters to approve the property tax referendum on May 7 to ensure adequate funding for teacher and staff compensation, competitive starting teacher salaries, reasonable class sizes, safety and security measures, mental health counselors and social workers, and new programming.

□ ECS contends that its state funding has gone up by only 1.67% over the past nine years. The request for \$0.5800 rate would replace the 2014 referendum rate of \$0.1315, resulting in an incremental increase of about \$15.7 million.

□ If approved, more affordable insurance benefits would be a top priority. Only about one-half of ECS employees even choose coverage through the ECS medical plan because of the high cost, and of those who do, the majority select the single plan even if they have family due to the family plan's high premiums. During staff exit interviews, insurance is often cited as a reason for leaving, according to the district.

□ Hourly wages also need to rise for food service, nurses, social workers, and clerical staff to be competitive with the private sector, the district asserts.

- Three of the hardest-to-bear cuts if voters fail to renew the referendum levy for the M.S.D. of Wayne Township: the much-lauded Wayne Township Preschool; the pioneering Ben Davis University, where 100% of students in 2018 graduated on time with a Core 40 diploma for the eighth year in a row and more than 100 students also earned an associate degree from Vincennes University; and the Wayne Preparatory Academy alternative school.

IN Construction & Facilities . . .

- The Westfield Washington Schools rejects bids for door security after they came in at about \$400,000 over the \$1 million budget. The district will reevaluate the scope and plans to re-bid the project at a future date.

- Summer capital projects in the Plainfield Community School Corporation include \$1 million for playground upgrades, \$1 million for high school site improvements, \$500,000 for security camera replacement, and \$300,000 for exterior lighting.

- The Plainfield Community School Corporation selects The Skillman Corporation as construction manager for the Guilford Elementary School project and Hagerman Group as construction manager for the Plainfield Community Middle School project.

- The M.S.D. of Washington Township is in the middle of the design process for additions to Eastwood Middle School, with site plans expected before Spring break or shortly thereafter. An analysis is also currently underway by a professional arborist on the health and viability of a prized, 200-year-old tree . . . and alternative options that might allow construction to occur around the tree.

□ The district recently received 60 bids across 21 bid packages for the Eastwood Middle School work, but even so, the project scope had to be reduced after the low bids exceeded the \$29 million budget by more than \$3 million. That means no entry canopies, bleacher replacements, large gathering stair case, expanded wrestling room, or additional stage lighting.

- The Southwest Allen County Schools held a hearing on the construction of a replacement for Homestead High School. Due to the retirement of existing debt, the project will be accomplished without a tax increase.

- The Greater Jasper Consolidated School District plans a March 25 board meeting to vote on \$11 million in bonding authority to pay for school security, updates to Jerry Brewer Alumni Stadium and Ruxer Field, and a bevy of other projects.

- The New Castle Community Schools Board of Trustees schedules a March 4 work session to delve into the recommendations from its Long-Term Planning Task Force to pursue a referendum to renovate New Castle Middle School to accommodate all sixth-, seventh- and eighth graders . . . and to add preschool classrooms at each elementary school.

- The MSD of Wabash County works with the Fort Wayne architectural and engineering firm Barton-Coe-Vilamaa on an approximately \$1.6 million project for new paint, new flooring, and collaborative media rooms in the libraries at Northfield and Southwood high schools.

- The M.S.D. of Martinsville contemplates a bond issue to finance a new STEM laboratory and an athletics fieldhouse at Martinsville High School.

- The Garrett-Keyser-Butler Community School District receives school board approval to advertise a hearing for energy-efficiency projects provided by EMCOR Group.

- The Community School Corporation of Southern Hancock County is mulling major renovations to New Palestine High School and intends to make a recommendation later this Spring. Feedback has focused on redesigning the main entrance, increased hallway width, bringing more natural light into the building, and adding collaborative spaces. The district has been working with The Skillman Corporation.

- The Monroe County Community School Corporation plans to sell real estate to its Building Corporation for up to \$58.9 million and to use the proceeds for the construction of a new Tri-North Middle School, renovation and demolition of the existing Tri-North Middle School, renovation of and improvements to Bloomington North High School, and districtwide safety, security, and efficiency projects.

- The Clark-Pleasant Community School Corporation moves ahead with a \$35 million bond issue for construction of a new elementary school.

- As we were heading to press with this issue on Thursday night, the School Town of Munster School Board was slated to review competing proposals from two Indianapolis firms (design-build team Performances Services, as well as architects Lancer and Beebe working locally with CORE Construction) for what should be about a \$4 million project housing technology, special education, and maintenance facilities on land behind the STM's Wilbur Wright Middle School. The new construction will be funded via dollars derive from the district's May 2017 construction referendum.

□ Look for construction to occur through the Summer, with the facilities expected to be operational for the opening of the 2019-2020 school year.

IN Transition . . .

- Ty Mungle has been named interim superintendent of the North Lawrence Community Schools. He's formerly served as superintendent of the Eastern Greene School Corporation.

- The Indiana Afterschool Network has hired Derrick Carnes as communications and engagement coordinator and Keith Monfreda as training and development manager.

- The Muncie Community Schools hires Charles Reynolds as associate superintendent. The Muncie native and Ball State University alum is currently the assistant superintendent of Richmond Community Schools and is the former decorated band director of Muncie's Southside High School.

- The Indiana State Department of Agriculture hires Kimberly Barkman as ISDA's first Agricultural Education program manager. In that role, Barkman will serve as a liaison between ISDA and the Indiana Department of Education, and schools with an agriculture program. She grew up on a tobacco farm in Switzerland County, participated in 4-H, and served as the 2003 District 12 FFA president.

□ Barkman earned her undergrad degree from Purdue University in Agricultural Education before working as an agricultural education teacher at Triton Central for two years and then teaching at Beech Grove City Schools for six years.

IN Government . . .

- House Bill 1052, legislation authored by former math teacher Rep. Jeff Thompson (R) of Lizton, chair of the House Committee on Ways and Means House K-12 Subcommittee, includes a provision requiring that the Department of Local Government Finance prepare a report by January 1, 2020, with revenue estimates for each school corporation if a school corporation were allowed to enact an income tax. The bill passed out the Indiana House by a vote of 73-23.

- As anti-Semitic incidents seem to be on the rise and teenage boys nonchalantly make Nazi salutes, the Senate did not move legislation authored by Sen. Jon Ford (R) of Terre Haute to expand mandatory Holocaust education into all middle schools. Sen. Ford worked on the legislation with the Jewish Federation of Greater Indianapolis and celebrated Holocaust survivor Eva Mozes Kor of Terre Haute.

- The House approved HB 1089, a bill authored by Rep. Jeff Thompson (R) of Lizton that would establish employee training requirements for treating seizure disorder and require the State Board of Education to adopt rules to implement a seizure preparedness program.

- Six days after the House voted to make it easier for work-based learning opportunities to count toward a high school diploma, the Senate approved a bill permitting schools to grant academic credit toward graduation for off-campus religious instruction.

□ Senate Bill 373, authored by Sen., Dennis Kruse (R) of Auburn, would allow students to receive up to two elective credits for release time religious instruction imparted off campus - but during school hours - by organizations such as Child Evangelism Fellowship. Students who partake in released time religious instruction would be permitted to receive academic credit only as long as the local school board evaluated the instruction solely on the basis of secular criteria and without consideration of religious content or denomination.

□ Language in the Kruse bill as introduced on Bible literacy education that attracted the support (via tweet) of President Donald Trump (R) is no longer a part of the bill.

- "Golden parachutes" would be prohibited for assistant superintendents, principals, and assistant principals under Senate Bill 281 approved by the Senate.

□ The bill is a follow-up to Senate Enrolled Act 182 -2017, which addressed excessive contract buyouts for departing superintendents, but left a loophole for other administrators. The author of both is Sen. Erin Houchin (R) of Salem. The House sponsor of SB 281 will be House Committee on Education Chair Bob Behning (R) of Indianapolis, who also sponsored the 2017 version.

- The Senate voted to allow the Indiana Education Employment Relations Board to assess a civil penalty on an exclusive representative that commits an unfair labor practice. Senate Bill 390 is a follow-up to Senate Enrolled Act 407-2017, which provided that teachers must be notified when membership in the bargaining unit drops below 50 percent.

- The chair of the Senate Committee on Education and Career Development, Sen. Jeff Raatz (R) of Centerville, read from a statement on behalf of the bill's author Sen. Erin Houchin (R) of Salem. "Teachers should not be afraid to influence who represents them in collective bargaining with the school district," read Raatz, moments before the committee sent the bill to the full Senate. "The bill gives teachers a way to seek damages against powerful interests. There are also numerous school districts across the state where teachers unions represent only a small percentage of the actual teachers in the district. There is an incentive for these unions to only look out for teachers who are members and pay dues. Oftentimes unions are led by long-term teachers resulting in stagnant pay and salary increases for new teachers and middle earning teachers. This bill coupled with IEERB's new fairness rules will discourage unfair practices and intimidation by powerful union interests."

- Brent Wilson, superintendent of the M.S.D. of Steuben County, testified in support during committee after discussing the aborted attempt by district teachers to change their exclusive representative in Fall 2017. Sen. Jim Tomes (R) of Wadesville offered an amendment on Second Reading that would have allowed IEERB to fine a school corporation employer, but the amendment was defeated. Sen. Houchin said on the Senate floor that allowing civil penalties to be assessed against school corporation employers would be inappropriate because the fines would be paid out of taxpayer dollars that would not be going to teacher pay or into the classroom. "I wanted protections for individual teachers, so if they did feel they wanted to be forming their own unit, others would be deterred from intimidating practices," said Sen. Houchin. The bill, which passed 33-16, will be sponsored by Reps. Chuck Goodrich (R) of Noblesville and Todd Huston (R) of Fishers.

- The House voted 72-25 to fund handgun training for teachers, bus drivers, cafeteria workers, and other school staff who have been authorized by the local school board to carry a firearm in or on school property. Grants for firearms training would be administered by the Indiana Criminal Justice Institute. Prospective grant recipients would need to provide proof of having completed a psychological test. The author of House Bill 1253 is Rep. Jim Lucas (R) of Seymour. Senate sponsors are Sens. Jim Tomes (R) of Wadesville, Travis Holdman (R) of Markle, and Jeff Raatz (R) of Centerville.

- The House voted 67-33 to require future Core 40 college preparation curriculum models adopted by State Board of Education to include a requirement that each graduating high school senior complete the FAFSA (Free Application for Federal Student Aid) unless a principal, parent, or emancipated student provides a waiver.

- House Bill 1629 also would allow school corporations to charge a fee for a search of electronic records if the search exceeds five hours – similar language has twice before passed the General Assembly only to be vetoed by the Governor.

- The bill would require schools to give suspended students the opportunity to complete any school assignments missed during the period of suspension. The bill also proposes to expand the EARN Indiana work-study scholarship program to secondary students. EARN Indiana provides employers with half of the federal minimum wage for each hour of the student's work-study. School corporations would be required to provide equal access to career and technical education programs to students from a charter or nonpublic school. Language that special education advocates assailed for impacting parent due process rights was dropped from the bill. Language requiring completion of a career and technical education course was also stricken. The bill was authored by House Committee on Education Chair Rep. Bob Behning (R) of Indianapolis and will be sponsored by Senate Committee on Education and Career Development Chair Sen. Jeff Raatz (R) of Centerville.

- The Indiana House voted 58-38 to approve House Bill 1404 that would allow high schools to count work-based learning courses, career and technical education courses, and internships toward high school diploma requirements. The bill also would require the State Board of Education to establish new A-F school accountability rules for high schools based on the percentage of students who complete graduation pathways. SBOE would also have to consider calculating high school letter grades on the basis of postsecondary outcomes like student employment and earnings. The bill mandates that SBOE "shall consider" "how to account for adverse life experiences or other unique circumstances that occur after graduation." High school accountability grades are currently based on graduation rate; the percentage of students who earn AP, IB, dual credit, or industry-recognized credentials; and performance on the state assessment. The bill would also voids 511 IAC 6.2-10 – the A-F rules for both elementary and high schools – even though the bill's focus is high school accountability. The bill does not specify that high school graduation rate be a metric in the high school accountability model, although language in the bill is sufficiently generic to give SBOE the discretion to do so. High schools would no longer be graded on whether students pass end-of-course assessments or the 10th grade ILEARN test. Last year's HB 1426 eliminated the high school graduation exam effective with the 2023 graduating cohort. To meet the federal requirement that students be tested at least once in high school in math and English, last year's HB 1426 provided that beginning with the 2020-2021 school year high school students will take a nationally recognized college entrance exam aligned to national college-ready benchmarks. Whether this assessment would be the PSAT, SAT, ACT, or some other exam has yet to be determined by the State Board of Education.

- Arguably, earning an A or a B isn't much of an accomplishment for high schools these days. Last year, 87.4% of all Indiana high schools received an A or B – largely because the bar is so low for the percentage of seniors earning AP, dual credit, IB, and industry recognized credentials.

- The House votes to approve House Bill 1628, legislation that would expand the On My Way Pre-K program from 20 counties today to every county in the state, with a hold harmless provision so existing counties will not receive fewer funded seats unless they have less demand.

□ The bill would also allow up to 20% of the funding to be awarded to children who do not qualify for the federal CCDF program. About \$15.2 million appropriated to the pilot program has gone unspent and would be carried forward into the next biennium.

□ On Third Reading for HB 1628, Rep. Jim Lucas (R) of Seymour passionately explained why he would be a no vote: “Government runs education in this state and across other states, so instead of public education I refer to it as government run education. We have to take a step back and take a look at what we are getting on return on investment. I keep hearing this ROI, ROI, not just in education but in everything. Since government has run education throughout the decades, where we are at right now as a society. Last year Medicaid paid for over half of our births. The generation ahead of that: Over half of our kids are on free and reduced meals. The generation above that, the kids that go to college were \$1.5 trillion dollars in higher education debt. Now, the State of Indiana devotes over half of our state budget to government run education, K-12. They get over 40% of our property tax dollars, over a billion more in federal dollars We devote another 12% towards higher education. So two-thirds of our state budget goes into education What we are getting, our tenth graders, two thirds are flunking our own state test in math. Two-thirds. So, this system is not working, by any way, shape, or form. Our current system is not working. Now, we have a federal PreK program known as Head Start. Health and Human Services has a report out. Fifty years and \$180 billion dollars spent on Head Start. By third grade those students had no appreciable gains. They were all gone by third grade. So, when I look at that as a whole I cannot personally justify taking a system by all measuring, statistics, anything, is a complete and total failure. I cannot justify expanding it. Ladies and gentlemen, we have a house, roofs leaking, pipes are leaking, windows are broken out. We shouldn’t be adding on rooms to that house. We need to be fixing that house before we go adding on to it. That’s the reason I am voting no for this.”

● The House voted to enhance the sharing of investigatory and student discipline records between law enforcement and schools. House Bill 1398 is authored by Rep. **Tony Cook (R)** of Cicero and will be sponsored in the Senate by Sen. **Mike Crider (R)** of Greenfield.

● The House votes 97-2 to prohibit growth-only calculations of school letter grades. About 50 public, charter, innovation, and private schools received an A-F letter grade based on growth only last year. Moving forward, if requested by a charter school during its first three years of operation, the Indiana Department of Education may issue no grade. The bill also would require the Indiana Department of Education to obtain approval from the State Board of Education prior to assigning a school a new identification number.

□ House Bill 1630 also includes language requiring formative assessment providers to have their testing instruments reviewed by a third party for alignment with the state’s standards in order to participate in the state’s formative assessment grant program.

□ This bill was authored by House Committee on Education Chair **Bob Behning (R)** of Indianapolis and will be sponsored in the Senate by Senate Committee on Education and Career Development Chair **Jeff Raatz (R)** of Centerville.

● The Senate voted to approve Senate Bill 632. This bill would require the Indiana State Department of Health to include recommendations on radon testing in schools in its manual of best practices for managing indoor air quality in schools.

● The Indiana Senate voted to require the drinking water in every school building located in East Chicago or Hammond to be tested annually for lead and copper. “Right now, schools are not required to carry out lead testing of the drinking water,” proclaimed Sen. **Lonnie Randolph (D)** of East Chicago, the author of Senate Bill 297. “In 2017, there was a one-time voluntary program that schools could enroll in to undergo lead testing, and only eight of East Chicago and Hammond’s 31 schools participated. That is not enough. My SB 297 will mandate that all of these schools get their drinking water tested each year. Our kids deserve that.”

● The Senate approved Senate Bill 421, a measure regulating school district annexation, but only after approving a Second Reading amendment that narrowed the scope of the bill to the dispute in Greene Township of St. Joseph County. Township residents disillusioned with the closure of their only remaining public school building are seeking to secede from the South Bend Community School Corporation and attach to the John Glenn School Corporation.

● The public school community notched a victory when Sen. **Blake Doriot (R)** of Syracuse declared on the Senate floor that he didn’t have enough votes to pass his Senate Bill 246, a measure limiting school referenda to the general election (there was a straw vote in the Republican caucus), and therefore he would not be calling it down for a Third Reading vote.

□ An immense grassroots response over the preceding weekend helped turn the tide, and lobbyists with the Indiana School Boards Association, Indiana Association of School Business Officials, and Indiana State Teachers Association worked senators throughout the day Monday to secure commitments against the bill.

□ In an email to supporters, the Indiana School Boards Association expressed special appreciation for the work of IASBO’s **Denny Costerison**, **Roni Embry** from ISTA, Republican Sens. **Ron Alting**, **Vaneta Becker**, and **Randy Head**, and IUSA, ISRSA, IDOE, AIA Indiana, IAPSS, and the Coalition of Growing and Suburban Schools.

● The Senate Majority Caucus says that Republicans in that body are supporting teachers this session by increasing the school-supply tax credit, streamlining training requirements, requiring the State Board of Education to replace the current teacher licensing exams, and giving school corporations more flexibility in setting teacher pay by removing the current cap on how much teachers’ years of experience and academic degrees can impact potential raises.

- By a vote of 29-20 - narrowly by Senate standards - senators approved the chamber's major school safety bill, despite conservative objections to the children's social, emotional, and behavioral health plan and what they saw as the collection of data on children from the time they are born. Sen. **Mike Young (R)** of Indianapolis derisively referred to the bill as "SB 1984."

IN Courts & Conduct . . .

- The Portage Township Schools says it terminated former high school assistant diving coach **Jatwone London** immediately upon learning about allegations that he had inappropriate sexual relationships with female students on the swim team during 2017 and 2018, including with one girl beginning when she was 14, reports the *Times of Northwest Indiana*. The district has been hit with a lawsuit claiming that administrators were negligent in not taking adequate steps to respond when they were warned by the father of one of the girls months before the coach was arrested.

- The Elkhart Community Schools is on the receiving end of a lawsuit alleging that female administrators and staff are underpaid compared to men in violation of the federal Equal Pay Act. Filed by two former assistant principals and one current administrator, the complaint seeks up to three years of back pay and a court order forcing ECS to adopt policies "on equal employment opportunities and standards for evaluating performance and determining pay and promotions," reports the *Elkhart Truth*. Women are "marginalized, under-valued, and often passed over for promotions," according to the complaint, and are held to higher standards that force them to work twice as hard without equal pay. "Despite the fact that women are far over-represented among the administrative and/or professional jobs that ECS has, even a brief review shows that over-representation does not equate to an equal distribution of the high-paying positions within ECS," the filing states. "In fact, the high paying jobs massively and disproportionately are filled by male employees, while an inversely small amount of men make up the lowest paying positions."

- A 12-year-old girl and former student of Highland Hills Middle School was arrested for what the Floyd County sheriff said were threats on Instagram and SnapChat that put three separate school districts on heightened alert.

- A teen who attends Indian Creek High School was taken into custody by Trafalgar Police after allegedly posting on social media: "Can I get a RIP because the school's probably gonna get shot up. LOL"

- An 18-year-old female student was arrested at Crown Point High School and charged with felony possession of a firearm on school property after a handgun was discovered in the center console of her vehicle. She had aroused the suspicion of police with a social media post.

- A Kekionga Middle School student in the Fort Wayne Community Schools allegedly pulled out a knife in front of another student in class on Tuesday . . . and FWCS is also reviewing security procedures after a Northrop High School student is accused of shooting a gun at a bus stop after disembarking from a school bus last week.

IN Higher Education

IN General . . .

- As of February 25, 43% of the enrolled class of 21st Century Scholars in the graduating class of 2019 are on track to complete all 12 Scholar Success steps and earn scholarships. Of the 14,418 Scholars in the 2019 graduating cohort, 21% haven't completed activities they were supposed to complete when they were freshmen. Students who fail to complete the required Scholar Success activities before June 30 of their senior year will lose up to four years of paid college tuition.

- From the new website HowCollegesSpendMoney.com:

	Administrative Cost Per Student	Instructional Cost Per Student
Notre Dame	\$ 16,496	\$ 33,949
Earlham	\$ 10,677	\$ 25,763
Wabash	\$ 8,345	\$ 17,715
Marian	\$ 6,185	\$ 14,545
Goshen	\$ 6,100	\$ 13,802
DePauw	\$ 5,923	\$ 21,642
Manchester	\$ 5,692	\$ 10,563
Butler	\$ 5,407	\$ 15,747
Hanover	\$ 4,112	\$ 12,605
Bethel	\$ 4,036	\$ 8,674
Franklin	\$ 4,027	\$ 10,739
Grace	\$ 3,611	\$ 7,282
Purdue WL	\$ 3,355	\$ 20,051
UIndy	\$ 3,337	\$ 11,376
Valparaiso	\$ 3,277	\$ 13,899
UE	\$ 3,133	\$ 12,102
BSU	\$ 2,909	\$ 12,956
IUB	\$ 2,576	\$ 17,999
ISU	\$ 2,508	\$ 8,447
USI	\$ 2,232	\$ 7,460

IN Administration . . .

- Purdue University President **Mitch Daniels** announces tuition for the 2020-2021 academic year will stay frozen at 2012 levels, the eighth consecutive year without an increase. Today's freshmen were in elementary school the last time Purdue announced a tuition hike. Total Purdue student borrowing is down by 31% since 2011-12.

- Purdue University will provide a one-time \$500 "appreciation payment" this Spring to all West Lafayette campus staff who earn \$75,000 or less and who were employed as of December 31, 2018. Eighty-three percent of all non-faculty Purdue associates will receive the one-time payment. In addition, Purdue will offer a 2.5% merit raise pool for West Lafayette faculty and staff for FY 2020, representing the fifth consecutive year for a merit increase.

- Indiana State University establishes an annual address in honor of slain *Washington Post* journalist **Jamal Khashoggi**, a 1983 ISU alumnus. The **Jamal Khashoggi Annual Address on Journalism and the Media** will examine current and critical issues related to journalism, the first amendment, and freedom of the press.

- Indiana State University students should expect the rate for a traditional residence hall room with a standard meal plan - the plan serving the majority of on-campus rooms - to increase by 2.0% for the next school year.

□ ISU administrators also anticipate that enrollment will dip by some four percent during the Fall 2019 semester.

- Ball State University is considering enrolling all new employees into a university-owned defined contribution retirement plan and withdrawing from the Indiana Public Retirement System. BSU and Indiana State University are the only remaining public institutions that continue to allow new employees to enroll in INPRS.

□ BSU is also looking into discontinuing its retiree health care plan. A benefits benchmarking analysis found BSU in the minority among public peer institutions in offering a subsidized retiree health care plan. No other Indiana public post-secondary institution apparently offers subsidized retiree health care for new employees. By 2046 Ball State's actuarial liability in the retiree health care plan is projected to grow to nearly \$1 billion. Ball State will ask the Board of Trustees to consider both changes later this year.

- DePauw University seeks to get a handle on its finances by laying off 56 current employees (41 full-time and 15 part-time), and will not fill 14 currently vacant full-time and two part-time positions. DePauw hopes to save \$4.3 million alone by cutting jobs. The university also offers a voluntary retirement incentive plan to some 100 full-time faculty.

IN Programs & Policy . . .

- The University of Saint Francis Kinesiology and Nutrition Department inks an affiliation agreement with Manchester University for athletic training. USF students who meet Manchester University's Master in Athletic Training program entry requirements will be guaranteed a seat.

- Ivy Tech Community College's Lawrenceburg Campus enters into a new dual-admission agreement with Northern Kentucky University that officials promise will promote and simplify transfer from Ivy Tech to NKU. The agreement expands the "2NKU" program, an effort designed for students to transfer to NKU after earning an associate degree.

□ Ivy Tech 2 NKU will offer dual-admission at Ivy Tech and NKU. While earning an associate degree at Ivy Tech, students also have access to a NKU advisor, campus resources, and student activities.

- The University of Saint Francis enters into a collaboration agreement to allow Indiana Tech's elementary and special education majors to complete their remaining education coursework and licensure requirements through the University of Saint Francis. They will finish their remaining non-major specific coursework at Indiana Tech and will earn an Indiana Tech degree upon completion. The Indiana Tech education program was recently informed that its application for accreditation was denied.

- Indiana University opens the IU ASEAN Gateway in an office suite in central Bangkok to serve as a hub for IU in the Association of Southeast Asian Nations region. This is IU's fifth global gateway. IU ASEAN is officially registered in Thailand as a branch of IU International Consulting and Research, LLC, an IU-affiliated entity. IU has approximately 1,020 cumulative international alumni from Thailand (but only 18 from neighboring Laos).

- The Manchester University Board of Trustees votes unanimously to approve the development of a Bachelor of Science in Nursing degree program. Manchester has hired **Lea A. Johnson** as vice president for health and science initiatives to develop and launch the new nursing program and other health profession degrees.

IN Gifts and Fundraising . . .

- The Vincennes University Foundation received its largest individual donation in history - a \$4.5 million bequest from the late Alexandra Page Clark. The Alexandra Clark and Oscar Dunn Scholarships will benefit students in the Practical Nursing and Music programs at Vincennes University. The gift will be divided into a \$3.5 million permanent scholarship endowment for students studying music and performing in the band or other music ensembles and a \$1 million endowment for students pursuing the one-year certificate to become a licensed practical nurse.

IN Construction & Facilities . . .

- The Indiana Commission for Higher Education approved Ball State University's request to spend \$4 million on a new multicultural center, but as Indiana Public Radio reported, the vote wasn't unanimous. Commission member **John Popp** objected, saying "We spent 50 years making sure that we integrate the minorities in our schools. And it seems to me counterproductive to set up a \$4 million facility to segregate." In an interview with the *Muncie Star Press*, Popp elaborated on his vote, saying a more cost effective approach would be to locate the space within the existing student center. "If we want to try to have our various nationalities and races work together, it seems like they ought to be together ... I just thought that seemed more logical than ... galvanizing ourselves over here and not socializing with the rest of the crowd It's kind of creating their own fraternity to themselves."

IN Government . . .

- The Indiana Commission for Higher Education heard during its February meeting from each of the public colleges and universities on how they work to help their at-risk student populations succeed. At some point, if students aren't succeeding, how do we pivot them to a different pathway?, asks ICHE Commissioner **Teresa Lubbers**.

- The House voted 55-41 to approve House Bill 1596, legislation intended to ensure that TIF funds are spent by redevelopment commissions in the right way, explains the bill's author, Rep. **Ed Clere** (R) of New Albany. TIF-funded programs entered into after June 30, 2019, must be open to all individuals who reside within the redevelopment commission boundaries; must include any public or private, accredited or nonaccredited secondary or postsecondary school; must apply to training for occupations that pay above-average wages; and must require participants to maintain a minimum grade point average. The Senate sponsor will be Sen. **Ron Grooms** (R) of Jeffersonville.

- Despite surpassing 35,000 online inquiries, fewer than 250 Workforce Ready Grants were doled out by the Indiana Commission for Higher Education during Fiscal Year 2018. The House Republican state budget plan sets aside money to expand marketing to convince Hoosiers to return to school to acquire the skills they need for the 21st century, even as a recent report indicates that Indiana is the state most likely to be impacted by automation.

- Senate Bill 374, which would have undone reforms that limited fee remission for children of certain veterans and public safety officers based on the percentage of the veteran's disability rating, never received a hearing in the Senate Committee on Appropriations, despite garnering strong support from veterans groups.

- The Senate voted 45-5 to approve SB 563, which would establish the Small Business Innovation Voucher Program providing vouchers to small businesses toward the purchase of research and development services or technical assistance from an Indiana institution of higher education. The program, advocated by the Governor, would be administered by the Indiana Economic Development Corporation.

- The Indiana House votes 85-13 to approve anti-hazing legislation despite some unanswered questions about which of the bill's provisions apply to private colleges. House Bill 1526 authored by Rep. Terri Austin (D) of Anderson would mandate that higher education institutions report hazing incidents on their websites, develop and implement a hazing education program for all new students and certain staff members, report serious hazing allegations to law enforcement, and investigate hazing allegations through the standard campus disciplinary process. The bill also aims to require national fraternity and sorority organizations to provide anti-hazing education to Indiana affiliate chapters. Ivy Tech Community College is specifically exempted from the bill. HB 1526 also would enhance criminal penalties for hazing and create a Class A misdemeanor crime of contributory hazing for anyone, including officials of national organizations, who fail to report hazing.

- The Senate voted 48-0 to approve SB 93, which would establish the Let Indiana Work for You program. The Indiana Commission for Higher Education would furnish marketing materials and information to colleges and universities for distribution to students regarding benefits and opportunities of residing and working in Indiana after graduation. SB 93 was authored by Sen. John Ruckelshaus (R) of Indianapolis and is sponsored by Rep. Tony Cook (R) of Cicero.

- The Senate advanced Senate Bill 158 directing Ivy Tech Community College to establish and administer the Indiana Youth Service Program providing high school seniors with "the skills that will enable them to successfully make the transition from high school" to college or the workforce. Ivy Tech would recruit an array of private, public, and non-profit employers to serve as youth service program host sites. The youth service program established by Ivy Tech must encourage young people to remain in Indiana, provide a model of social engagement, encourage relationships across diverse communities, and foster a culture of civic participation and respect for democracy. The bill was authored by Sen. John Ruckelshaus (R) of Indianapolis and will be sponsored by Rep. Mike Karickhoff (R) of Kokomo, who serves as executive director of facilities for the Kokomo campus of Ivy Tech Community College.

- The House votes to approve House Bill 1613, which would remove restrictions that prevent the sale of 41 acres of land owned by the University of Evansville. UE and the State traded parcels in 1979, and as part of the swap, a restriction was placed on the acreage requiring it to be used for UE purposes. This land no longer fits UE's strategic plan, and the private school would like to sell it.

- U.S. Rep. Jim Banks (R) teams with U.S. Rep. Emmanuel Cleaver II (D-MO) to reintroduce the "Student Loan Disclosure Modernization Act." Their measure would require the U.S. Department of Education to simplify the legal and financial information provided to student borrowers so they better understand the terms, conditions, and debt they are incurring before they sign for a federal loan.

IN Transition . . .

- Indiana University names four finalists to be the next executive dean of the College of Arts and Sciences: **Norma Bouchard**, dean of the College of Humanities and Social Sciences at San Diego State University; **Christopher Long**, dean of the College of Arts and Letters at Michigan State University; **Susan Roberts**, associate provost for internationalization at University of Kentucky; and **Rick Van Kooten**, vice provost for research at IU Bloomington.

- **Carol Anne Murdoch-Kinch** will be the next dean of the Indiana University School of Dentistry at IUPUI. She will be the 10th person and first female to serve as dean in the school's 140-year history. Murdoch-Kinch previously served as associate dean for academic affairs at the University of Michigan School of Dentistry.

- The Kenzie Academy coding apprenticeship school appoints **Kathy Hubbard** to its inaugural Board of Trustees.

- **Joshua Powers** has been appointed provost and senior vice president for academic affairs at William Paterson University. He currently serves as an administrative fellow for the Vermont State Colleges System and previously held multiple positions at Indiana State University, including associate vice president for academic affairs.

- Ivy Tech Community College taps **Stephanie Amos** as the new vice chancellor for its Franklin Campus. Amos had been serving as executive director of finance and operations at Ivy Tech's Shelbyville campus.

- Saint Mary's College names **Robert Post** as director of campus safety. Post, whose career in law enforcement spans 25+ years, spent the last two as a Saint Mary's on-call officer.

- Manchester University names **Abby Van Vlerah** as vice president for student affairs. She was most recently at Long Island University as dean and chief operating officer for the Suffolk County regional campuses.

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INDIANA LEGISLATIVE INSIGHT

Halfway there; full speed ahead

At session midpoint, no flashpoints; would bias vagueness impel veto?

We're halfway through the session and no lasting damage has seemingly been inflicted, and signs point toward the ability of the Republican supermajority to finish the 2019 session with action on all of the key items – many of which weren't on the agendas of the respective caucuses before the session started.

House Speaker Brian Bosma (R) checked off a litany of objectives his caucus had successfully pursued from the start of the year, albeit a rather limited agenda and less bold than in recent years. With a supermajority, it would have been a surprise if any of the goals had failed to progress. The biggest deal was the budget sent to the Senate for an overhaul there, with the education components looking good on paper, but tougher to tout in context. Because the Senate will certainly offer its own significant refinements – particularly as both chambers jockey for primacy in budget matters under new fiscal leadership – there's no reason to get excited now. Teacher pay will be a big Senate focus, but still through the prism of local control.

The major issues to be resolved largely didn't show up on the pre-session priority lists of the players, save perhaps, a desire by the Governor and legislative Democrats to pass a bias crimes bill that addressed certain groups by explicit reference. That comprehensive measure sailed through a substantive Senate committee with only one vote against it, but didn't pass muster with the Senate Majority Caucus. A version without the list was the subject of hot speeches by several Senate Democrats, but was largely devoid of floor debate as few Republicans rose to defend the bill as it passed in committee.

The stripped-down measure, satisfying virtually no one, is now in the House, where Speaker Bosma has made it clear that his caucus is not comfortable with enumerated classes – “The List.” As the bills were preparing to cross the Rotunda, business leaders started to ramp up direct pressure on Speaker Bosma, and the Governor said Wednesday that he will become directly involved in advocating the more explicit measure, despite the reluctance of his party in the legislature to stand with him . . . and he reiterated that he doesn't like “vagueness” in the bill, would be happy to see the list in the sentencing section of the bill (since the federal hate crimes law applies to states), and believes that “This is not a heavy lift.”

While some are trying to elevate the stripping of the list in the Senate to RFRA levels, we're certainly not there yet, and Speaker Bosma rejects the comparison, noting that RFRA was an affirmative action and this was not doing something.

And while business community, public, and gubernatorial pressure will come to bear on lawmakers, Senate Majority Floor Leader Mark Messmer (R) doesn't sense the urgency to pass something, even after three previous tries. He tells his constituents in a local television interview, “If we don't deal with it this year, we'll deal with it next year or the year after, or the year after,” because “sometimes those things take a while.”

Meanwhile, Senate President Pro Tem Rodric Bray (R) has been a cipher of sorts on this, paving the way for the list by allowing it to exit his Committee on Rules in a vehicle bill. But after it passed overwhelmingly (9-1) in the Committee on Public Policy, he was one of the 33 Republicans who voted for the amendment by Sen. Aaron Freeman (R) to delete the list from the bill on the floor.

For more, please see the following page . . .

More Electoral Dysfunction

Additional local troubling details emerge

Hoosiers continue to learn even more troubling information about just how some county election systems almost caused a disaster on Election Day. In a state where one statewide recount in a U.S. Senate race (1970) went to the Supreme Court of the United States; a congressional election recount (1984) was effectively decided by the U.S. House of Representatives; and the outcome of a state Senate race was reversed by the Senate (1994), even races involving a significant amount of territory (and votes) can be decided by a literal handful of votes.

That's why the latest news about the discovery of approximately 1,100 valid absentee ballots turning up uncounted in the Howard County Clerk's Office was so disturbing. Errors by representatives of both parties (how deliberate they might have been is being debated) led to the ballots stashed uncounted, and though no races were at risk of being changed by the new count, the positions in some multi-candidate races did change.

After an Election Day meltdown in Johnson County, a vote-counting fiasco in Porter County that delayed final results in two legislative races, other issues with election equipment and software, and now this, don't be surprised to see an interim or “blue-ribbon” study organized.



The public and private interplay between the legislative leaders (and Governor) will be fascinating . . . as will be just how delicate a touch the Gov takes in urging the public to lobby lawmakers.

Several other “non-agenda” issues will dominate the proceedings ahead.

Casinos and Sports Betting. The public debate thus far on the two big gaming bills, SB 66 and SB 552, has focused on the feel-good Gary economic development elements that would convert the Buffington Harbor area into a new port and transmodal facility – after the Gary casinos are moved off the site.

There has been little substantive discussion about just how practical the proposal is, and how much state and local money would be needed, given that there has not been any real public indication of private investors eager to sink in the kind of dollars that would be required. Watch to see if House members are more inquisitive of (or skeptical about) just how this project could come to fruition.

On the casino side, there will be lots of tweaking of the hold-harmless formulas for communities and casinos (in Hammond, East Chicago, and Michigan City) affected by a land-based Gary move . . . and those who would be impacted by a new “casino-lite” in Terre Haute (although a minimum \$150 million investment would be about triple that just spent by Tropicana Evansville for its new land-based facility, and is just under one-half the \$85 million being spent now by Horseshoe Casino Southern Indiana to move to land in Harrison County).

French Lick and Evansville want compensation (note that some senators from those areas voted against the bill on Third Reading because of the revenue changes anticipated), and assorted versions to date have also directed a tithe toward the historic hotel preservation fund in Orange County.

There will also be changes to the competitive process quickly cobbled together toward the end of Senate deliberations that would allow operators other than Spectacle Entertainment, LLC to seek the Terre Haute license (and how to compensate Spectacle if it is not the successful bidder).

Speaker Bosma says that he and many of his members perceive a Terre Haute casino as an “expansion” of gaming. While this used to be an effective tool against a given concept, he concedes that it doesn’t seem to have the same negative cachet that it once had.

While the assorted provisions governing tax changes and expenditures, loosening the ownership limits, and the like seem to be largely noncontroversial, Speaker Bosma is concerned about the impact of moving up the date of live dealers at the racinos, and he frames it not only in the impact to French Lick, but more generally to the number of moving parts in the bill that can blow things up. Expect, however, that the industry will work out its concerns in a final bill.

Perhaps most interesting – the lack of any substantive discussion of the sports wagering provisions in the Senate. Indeed, there has been little legislative attention publicly directed to sports wagering – which had originally seemed to be the *raison d’être* for the entire gaming package this year – since interim study committee members were educated on the topic.

This will be a key focus of House Committee on Public Policy Chair Ben Smaltz (R), who will work through the types of activities on which wagers will be accepted, the types of bets allowed, how bettors must register and how they can bet outside a casino, and how the sports wagering “partnerships” will operate.

There may also be a discussion of regulating “parlors” which might operate like sports books, but with bettors wagering on their own mobile devices through whichever sports wagering vendor they have chosen (can operators sign up such bettors at in-person kiosks at such facilities, even if they do not operate them?).

In the end, a major package will pass – even if it takes the same kind of (wink, wink) subterfuge employed in the past in denying that something constituted an expansion of gaming. This time it would be the fact that we are cracking down on illegal gambling and overseas operators . . . and perhaps also that the state is not actually increasing the number of gaming “games” or positions.

Indianapolis CIB and Sports Facilities. As is typical with sports facility funding ventures in the past three decades, the longer the process drags out, the more “skin in the game” we seem to see from operators. That phrase was a favorite demand from then-Sen. Luke Kenley (R) when he chaired the Senate Committee on Appropriations, and now that he’s advocating for the Pacers, he seems to have convinced them to do the same as they seek additional dollars and authority for what is now Bankers Life Fieldhouse.

So too for the Indy Eleven soccer team and its ambitious proposal for a mega-multi-use development at a site to be named later that would rely upon TIF assistance. After less ambitious proposals in recent years (albeit with bigger public dollar “asks”) have been rebuffed, this deal seems to be more palatable to most, particularly as it is lumped into the larger Pacers and Capital Improvement Board package.

The CIB portion has seemed to be the least controversial component of the package, as members from out-state seem to believe that there is benefit to the state as a whole, and local legislators are more convinced of the tangible return from the convention and tourism business than they might have been in the past (and there is less talk about developers and hotels having “skin in the game” than before). The high-profile NFL Combine seemed to have come to Indianapolis at fortuitous time.

There are still lots of moving parts here, and while there seems to be symmetry in the inclusion of the three elements, there may not be a symbiotic relationship between the soccer deal and the other two components . . . and the Indy Eleven aid could be most easily excised from the package without damaging the remaining parts (bear in mind that most of the soccer team support comes from the same natural backers of the Pacers and CIB assistance).

Abortion. The dismemberment measure authored by Rep. Peggy Mayfield (R) wasn’t as publicly debated on its Third Reading as it will be if it comes up for final passage, but you can expect Democrats in the Senate to remind Hoosiers of the long litany of (expensive) federal court rulings against recent Hoosier abortion restrictions.



What to watch for this time: Will *Democrats* seek to further embroil Attorney General Curtis Hill (R) in this – his office has been zealous in its defense of the challenged laws – by calling upon him to issue a pre-passage opinion on the constitutionality of the Mayfield bill?

That could potentially force him to either label the bill unconstitutional under current law and derail it, or put him on record as finding it permissible, and embarrassing him if it passes, is challenged, and found to be unconstitutional.

Consumer Lending. This issue wasn't on the public radar screen at the opening of session, though community action and social interest groups were pushing hard to cap payday lending rates, even as the lending industry was seeking to expand their ability to offer high-interest or high-fee short-term loans.

There was some early hope that Senate Committee on Insurance and Financial Institutions Chair Eric Bassler (R) could bring the two sides together in a compromise, but that proved impossible.

Further complicating matters in the Senate was that the two competing bills, the consumer measure advocated by Sen. Greg Walker (R) and the industry bill authored by Sen. Andy Zay (R), were heard in different committees.

The close defeat of the Walker bill on Third Reading Tuesday and the subsequent complicated and emotional debate on the Zay measure a few hours later underscored the fact that there is no easy solution, and few areas for finding potential common ground.

This is decidedly not a partisan issue, and Speaker Bosma and Sen. Bray may also feel differently than each other about the subject.

Whether there will be a groundswell on this topic beyond the social services and financial communities that will motivate more people is uncertain, but there appears to be more passion on both sides of this debate – and there was real debate over this issue, and not just competing speeches – portends the prospect for this transforming into an issue that could cause some hard feelings.

The Governor also acknowledged Wednesday that the version which emerged from the Senate “just didn’t sit well.” His one word description: “heartburn,” and he even hinted more broadly about a veto of this measure than any other he was asked about.

The Budget and Education. The budget is the key priority for everyone this session, and almost two-thirds of it is devoted to K-12 and higher education, but there is still debate over many of the education components in particular (principally the size of the increase each year; how much will be directed to public vs. charter and private schools; what specifically will be done about teacher pay increases; and how dollars will be directed within the public school milieu) . . . and you can expect the higher education institutions to be a bit more public engaged in the Senate and conference.

You will also see continued discussion of teacher grants and related tax expenditures going forward, and we are certainly not done with a debate over school safety. This will come both in terms of policy – such as allowing employees to carry firearms in schools and firearms training for school employees – and spending for “hard” safety measures as well as student mental health. The student mental health issue is not an easy one to grapple with, and Sen. Jim Tomes (R) raised some lingering doubts about possible policy changes when he used Third Reading debate Tuesday to rattle off a list of potential future consequences of early identification of student problems “in the birthing room.” This was reinforced by one off-hand comment on the Senate floor by Sen. Mike Young (R) a few minutes later, who blithely labeled the bill in question as “SB 1984.”

Keep Your Eyes Open. In general, there may be some public – and lots of private – jockeying for control of the process going forward as a new Senate Republican leader feels his way forward with a fiscal team involved in its first budget process as leaders themselves . . . and as the

most-experienced House speaker in state history protects his turf even as his fiscal team was shaken up just before the session, and he faces his third Democratic leader in three years.

You may not see much outwardly from internal squabbles, but lots of insiders will be parsing the public comments of Speaker Bosma for clues, because any inter-chamber power struggles can impact output.

So too for any tug-of-war between 206 and the Third Floor. The House budget bill made some significant changes to the Governor’s education preferences – while leaving intact his big ask for the Department of Child Services – and the more global question of how lawmakers (perhaps egged on by leadership) might decide to treat the Governor’s Indiana Toll Road amendment pact and attendant spending priorities has yet to be resolved.

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And will the date of adjournment *sine die* be bumped up by a day or two to make way for the NRA Annual Meeting? Lobby exhibits are open and the National NRA Foundation Banquet and Auction will be held on Thursday, April 25 . . .

IN Politics

Federal Office Races . . .

● Indiana Democratic Party Chairman John Zody called on U.S. Sen. Mike Braun (R) to donate \$5,400 in campaign contributions he has received from “a billionaire donor caught up in a Florida prostitution sting.” Private equity firm owner John Childs is accused of soliciting prostitution in a Florida spa tied to an international human trafficking ring, according to Zody. “Mike Braun should stand with the victims and reject any connection to this odious activity. That starts with donating every dime tied to Mr. Childs.” The Braun campaign is in the process of donating the \$5,400 to the Julian Center.

● U.S. Rep. Greg Pence (R) is raising money from supporters at the end of February saying that “the obstructionist Democrats have made it clear they’ll stand in the way of EVERY goal President Trump has for America. That’s why he needs every conservative to stand with him. Not just this month – but for all of 2019 – if we want to get things done in this political climate.”

IN Legislative Races . . .

● K. Jasen Lave (D) opens a campaign committee for a 2020 HD 42 race against Rep. Alan Morrison (R). Lave, of Covington, is a progressive Democrat who ran unsuccessfully in the 2018 CD 06 Democratic primary across the state from his home. He describes himself as “a musician/writer - turned politician.”

IN Mayoral Races . . .

● Cordelia Lewis Burks, the campaign chair for Indianapolis Mayor Joe Hogsett (D), sends an email to Hogsett supporters blasting Senate Majority Caucus Chair Jim Merritt (R) for his vote to move the now-diluted bias crime bill to the House. “Despite these calls to action, broad consensus that a watered-down bill would do more harm than good, and protests from the business, academic, and legal communities, Jim Merritt proudly cast a vote to move forward legislation opposed by the Indianapolis corporate and civic community,” writes Burks, who spent many years on the State House Third Floor. While Democrats signal that this will be an issue in the mayoral race, Burks did not point out that Sen. Merritt was one of only seven Republicans to vote – and speak – against the Second Reading Amendment that she found offensive.

□ The Burks email also includes a quote from Indiana Democratic Party Chair John Zody saying that “For nearly three decades, Senator Jim Merritt opposed and killed hate crimes legislation. And in 2015, Merritt linked arms with Governor Mike Pence and supported RFRA legislation – the same legislation that did significant damage to the state and to Indianapolis. Four years later, it’s clear Merritt is still more interested in being all things to all people, rather than fighting for equal protections for all Hoosiers.”

● U.S. Rep. Susan Brooks (R) endorses Noblesville Common Councilmember Chris Jensen (R) for mayor in a multi-candidate race that includes one other elected official.

● Former Rep. John Aguilera (D) successfully rebuffs a residency challenge to his East Chicago mayoral candidacy filed by the campaign of his primary opponent, Mayor Anthony Copeland (D), but Team Copeland may appeal the Lake County Election Board ruling to court.

● Portage City Councilmember John Cannon (R) will fill the city’s mayoral vacancy, and he’s running for a full term as well.

IN Political News . . .

● Expect to learn soon that Brooks Kochvar will be named campaign manager for the Howard Schultz (I) presidential campaign and Brendon DeToro will be his deputy. The team has quite the North Central Indiana flavor, given that the duo ran campaigns and congressional offices for former U.S. Reps. Chris Chocola (R) and Marlin Stutzman (R), as well as U.S. Rep. Jackie Walorski (D). They also have other GOP campaign and private sector experience.

● South Bend Mayor Pete Buttigieg (D) – now edging into the one percent range and registering on some bigger polls – will be sharing a CNN town hall stage at SXSW in Austin, Texas (no better forum for a millennial hopeful), on March 10 with two U.S. House members who also opened presidential exploratory committees – but each will receive an hour of their own, with Mayor Pete slated for the 9:00 p.m. ET Sunday slot.

● California-based multinational biopharmaceutical company Amgen Inc. registers its federal Amgen Inc. Political Action Committee with the Indiana Election Division to make “Contributions to candidates for state and local office” . . . the Communications Workers for America registers its federal PAC, Communications Workers of America COPE Political Contributions Committee, in Indiana. “CWA COPE-PCC is a federal pac whose primary purpose is to support federal and non federal candidates.”

IN Brief

IN Federal Circles . . .

● Former U.S. Sen. Richard Lugar (R), is one of 23 former Republican House and Senate members who sign an open letter to Republicans serving in the current Congress urging them to rebuff the President in his emergency declaration paving the way for building a wall on our border with Mexico, effectively answering the President’s Monday tweet, “Why on earth would any Republican vote not to put up a Wall or against Border Security. Please explain that to me?”

□ The former Senate Committee on Foreign Relations chair joins his colleagues, who include former ambassadors and Cabinet secretaries, in the two-page letter. The ex-lawmakers contend the declaration would “circumvent congressional authority” under the Constitution to make appropriations. They also ask current congressional Republicans how they would react if the shoe were on the other foot: “[W]hat will you do when a president of another party uses the precedent you are establishing to impose policies to which you are unalterably opposed? There is no way around this difficulty: what powers are ceded to a president whose policies you support may also be used by presidents whose policies you abhor.” The retired solons ask current members, “how much are you willing to undermine both the Constitution and the Congress in order to advance a policy outcome that by all other legitimate means is not achievable?”



□ Some former Hoosier Republicans notably not signing on (although we're not sure they were asked): former U.S. Reps. **John Hiler** (R) (a former Reagan department head and fiscal expert); **Steve Buyer** (R) (steeped in military experience); **Dan Burton** (R) (a foreign affairs panel chair); **John Hostettler** (R) (a limited-government advocate); and **Chris Chocola** (R) and **David McIntosh** (R) (Club for Growth presidents who are concerned with fiscal austerity). While we understand why former U.S. Sen. **Dan Coats** (R) isn't giving such advice publicly, this could have been an interesting opportunity by which former U.S. Sen. **Dan Quayle** (R), a VP in an administration frequently discredited by the current president, to weigh back in on national (and international) issues.

● Former U.S. Rep. **Tim Roemer** (D), a U.S. ambassador to India during the Obama Administration, tells the *Wall Street Journal* that the escalating tension between Pakistan and India "is something that the Trump administration and the world needs to keep a very careful eye on, to urge full restraint and to try to come up with a creative solution." Former 9/11 Commission member Roemer, "now executive director and strategic counselor at APCO Worldwide LLC, a public-relations firm, said the U.S. needs 'all hands on deck' to help resolve the conflict, engaging in conversations with India and Pakistan on multiple levels of government. 'You can't be distracted from something like this, because a miscalculation, an error, a mistake on one side could quickly escalate up the chain to catastrophe,' he said."

● U.S. Sen. **Todd Young** (R) sees the President sign into law his National FFA Organizations Federal Charter Amendments Act. He says that this package will update and modernize the charter for the Future Farmers of America to better reflect agriculture education in the 21st Century . . . Sen. Young applauds new U.S. Department of Health and Human Services regulations that will prevent Title X family planning funds from being used for referral to facilities where "abortion activities" are performed. Sen. Young was among 41 senators and 153 House members who sent a letter asking the Trump Administration to take this action. "As cruel abortion practices are being pushed in states like New York and Virginia, we at the federal level are moving away from such atrocities," Sen. Young said. "This rule will ensure family planning funds are not being used to subsidize abortion procedures." He adds that "In light of the barbaric and widely condemned state-level efforts in New York and Virginia to legalize abortion up until the moment of delivery, we need to ensure that all newborns receive appropriate care and medical treatment." The "Born-Alive Abortion Survivors Protection Act," for which he voted early last week, "bans the horrific act of infanticide by ensuring that babies who survive attempted abortions have the chance at life that they deserve," Sen Young added . . . Sen. Young teams up with U.S. Sen. **Ed Markey** (D-MA), a fellow member of the Senate Committee on Commerce, Science, and Transportation, to introduce the "Blockchain Promotion Act of 2019." This bipartisan legislation would establish a working group of stakeholders across the federal government and private industry charged with establishing a consensus-based common definition of blockchain technology – the bedrock of modern cryptocurrencies and a technology that could also have a tremendous impact in nonfinancial industries including supply chain management, cybersecurity, artificial intelligence development, or healthcare. The Young-Markey measure would also consider recommendations for the Federal Communications Commission and the National Telecommunications and Information Administration to

undertake a study that would examine the potential impact of blockchain on spectrum policy and opportunities for the adoption of blockchain to promote efficiencies within the federal government. "Blockchain has the potential to be a catalyst for sustained economic growth across all industries in America. If America leads in its development, we can ensure that it's benefits will be shared far and wide. Blockchain has the potential to not only provide financial and economic benefits at home, but humanitarian and social support in developing countries will benefit from American leadership," says Sen. Young, who believes that passage would "ensure the U.S. is at the forefront of this revolutionary technology" . . . the Senate passes a resolution recognizing February 2019 as Career and Technical Education (CTE) Month, a measure authored by Sen. Young and his fellow co-chairs of the Senate CTE Caucus: U.S. Sens. **Tim Kaine** (D-VA), **Rob Portman** (R-OH), and **Tammy Baldwin** (D-WI). Their resolution was cosponsored by a total of 50 senators representing both parties . . . Sen. Young joined U.S. Sen. **Bob Menendez** (D-NJ), the top Democrat on the Senate Committee on Foreign Relations, and other members of the panel on a letter to Secretary of State **Mike Pompeo** and Acting Secretary of Defense **Patrick Shanahan** calling for answers regarding recent media reports that Saudi Arabia and the United Arab Emirates (UAE) transferred U.S. origin weapons to dangerous Yemeni militias, including groups aligned with al Qaeda. If accurate, the senators note, Saudi Arabia and the UAE could be in violation of U.S. law and be endangering the lives of American service members. The senators requested an immediate briefing by senior Trump Administration officials. Citing recent confirmation by UAE officials to congressional staff that at least some of the reported transfers did in fact occur, the senators laid out the serious implications of the allegations and expressed alarm that such actions would be taken by American allies. "We expect vital security partners like Saudi Arabia and the UAE to show due care with respect to protecting transfers of sensitive U.S. military technology," wrote the senators, who concluded their letter with a list of specific questions intended to shed light on the startling accusations in the media reports. "Negligent treatment of sensitive U.S. military technology, including the possible violation of important restrictions on third party use, could further destabilize the region, endanger U.S. personnel and worsen the suffering of ordinary Yemenis by intensifying the fighting and making a peaceful political solution for Yemen more difficult to reach," they added.



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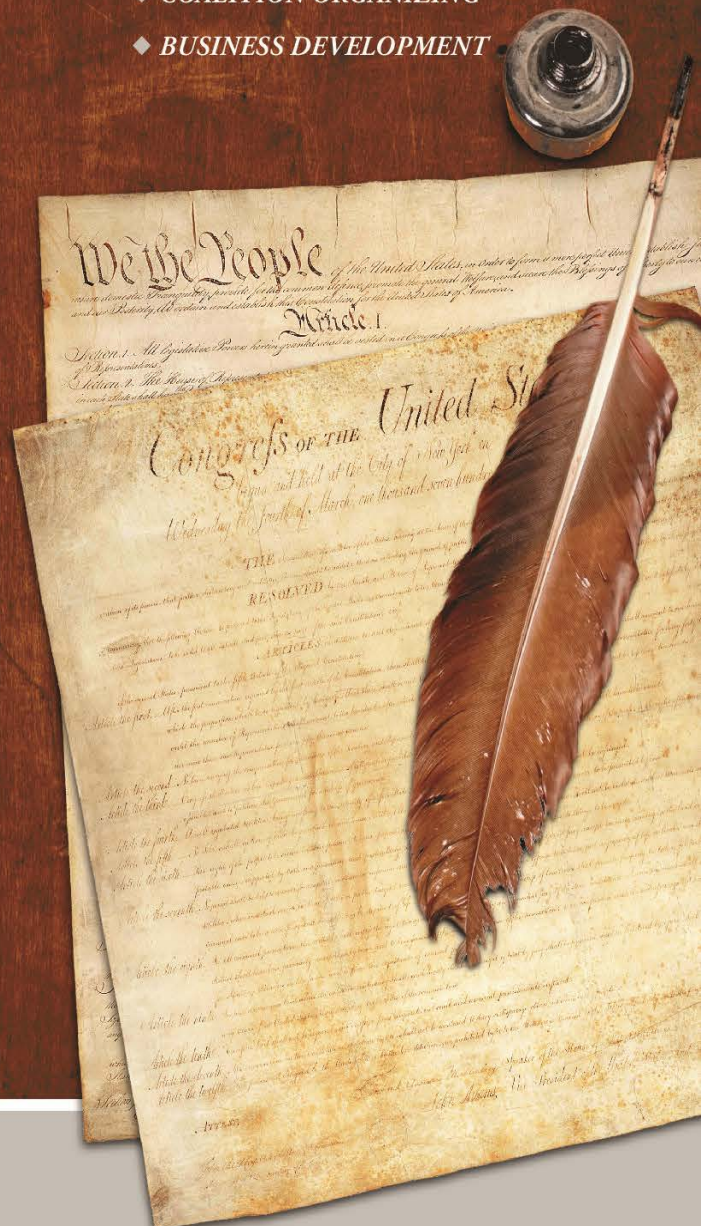
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● U.S. Sen. Mike Braun (R) writes in an op-ed for *The Hill* that although he recognizes “a centuries-long tradition that freshman senators abstain from speaking on the Senate floor for months to several years before delivering their so-called ‘maiden speech[.]’ After watching Democrats propose or pass laws to legalize abortion up to the moment of birth,” and hearing Virginia’s Democratic governor, a physician, discussing “denying life-saving medical care to children born alive after failed late-term abortions, my core convictions moved me to speak up for the unborn.” On his 33rd day of service, Sen. Braun used his maiden speech to support a bill “to protect born-alive abortion survivors and conveying my outrage that the highest legislative body in the greatest country in the world was debating not just protecting the unborn, but protecting children after they are delivered.” He adds, “this shouldn’t be up for debate: it’s a simple up-or-down vote on whether a child who has been born has rights, including the right to not be left to die. I truly hope that the Democratic Party has not moved so far ... that whether or not a born infant deserves medical care has become a contentious issue. I implore my Democratic colleagues to disregard the extreme voices of the abortion industry and radical pro-choice activists in favor of the loud, clear voice of the American people: Late-term abortion is a step too far, and post-birth abortion is horrifying.”

● U.S. Sen. Todd Young (R) rides tandem with U.S. Sen. Jon Tester (D-MT) to reintroduce the “Developing Responsible Individuals for a Vibrant Economy (DRIVE-Safe) Act,” a measure that seeks to address the driver shortage in the trucking and logistics industry, and enhance safety training and job opportunities for young truckers. U.S. Sens. Tom Cotton (R-AR), Jim Inhofe (R-OK), Angus King (I-ME), Joe Manchin (D-WV), and Jerry Moran (R-KS) joined as cosponsors of the tri-partisan bill. Though many states allow individuals to obtain a commercial driver’s license at the age 18, federal law currently prohibits those operators from moving goods from state to state until they are 21. The DRIVE-Safe Act would establish an apprenticeship program allowing operation of a commercial motor vehicle in interstate commerce by CDL holders under the age of 21. The program would help ensure these drivers are trained beyond current standards while instituting rigorous safety standards and performance benchmarks. The program established by the DRIVE-Safe Act would require young drivers to complete at least 400 hours of on-duty time and 240 hours of driving time with an experienced driver accompanying them. All trucks used for training must be equipped with special safety devices including a video event capture system, and a speed governor set at 65 MPH or below. Sen. Young says that Hoosiers “understand more than anyone the need to develop a responsible pathway to safely train more drivers. This apprenticeship program will address the driver shortage, create new career opportunities for young Hoosiers, and substantially raise training standards to ensure safety on the roads.”

□ U.S. Rep. Trey Hollingsworth (R), whose CD 09 relies upon commerce across the I-64 and I-65 interstate bridges to Kentucky, authors a companion House bill. “Indiana is the ‘Crossroads of America’ and a national hub of transportation and logistics that keeps our economy going,” he says. “The current driver shortage puts our dynamic economy at risk and closes off high-paying trucking careers to young Americans. The DRIVE-Safe Act is an opportunity to improve the lives of many young Americans, give them opportunities for advancement, increase safety and skills training, and enhance the economy by eliminating the obstacles currently preventing the trucking industry from alleviating its workforce shortage.”

● The League of Conservation Voters issues its congressional vote scorecard for 2018:

CD	Lawmaker/Party	2018 Score	Lifetime Score
01	Visclosky (D)	94%	82%
02	Walorski (R)	3%	1%
03	Banks (R)	0%	0%
04	Rokita (R)	0%	4%
05	Brooks (R)	6%	4%
06	Messer (R)	0%	1%
07	Carson (D)	94%	93%
08	Bucshon (R)	3%	5%
09	Hollingsworth (R)	11%	9%
USS	Donnelly (D)	71%	60%
USS	Young (R)	7%	3%

● U.S. Rep. Larry Bucshon (R) released this statement after being one of 182 House members voting against H.J. Res 46, the resolution to cancel the emergency declaration by the President to secure the border: “Democrats held a show vote to cancel President Trump’s recently issued emergency declaration, which he declared only after Washington Democrats blocked Republican efforts in Congress to provide much-needed funding to secure our southern border. This is just more political theater showing that Washington Democrats are seemingly more concerned about opposing President Trump than supporting policies that put the safety and security of our communities first and address the humanitarian crisis taking place along our southern border” . . . after he voted against what his office describes as “two attempts by House Democrats to keep law-abiding Americans from being able to purchase guns,” the Bipartisan Background Checks Act of 2019, and the Enhanced Background Checks Act of 2019, Rep. Bucshon said, “While well-intended, neither of these bills would solve the problem Washington Democrats are claiming – an end to gun violence. Instead of working on common sense solutions that will actually make our communities safer, Washington Democrats have made this a partisan show. In fact, the changes made to background checks in these two pieces of legislation will not stop criminals from acquiring guns – criminals do not follow the law and they do not go through background checks. These bills are nothing but a ploy to make it more difficult for law-abiding citizens to purchase firearms and protect themselves and their families” . . . Dr. Bucshon on Thursday castigated the “Medicare for All” legislation, saying that with H.R. 1384, “House Democrats have taken a massive step towards turning America into a socialist nation by introducing their government-run, one-size-fits-all, single-payer health care bill. This bill is a complete takeover of the health care system that will cost American taxpayers \$32 trillion over 10 years, would eliminate employer health care plans for 158 million Americans, would end Medicare for seniors as we know it, and by some estimates would eliminate up to two million American jobs. If House Democrats get their way, your health decisions will no longer be yours to make but rather that of a Washington bureaucrat deciding if your life fits within the bottom line. At the end of the day, one-size-fits-all health care fits no one.”

● U.S. Rep. Jim Banks (R) took to the House floor Thursday afternoon to speak against H.R. 8 and H.R. 1112, a pair of firearms background check bills. Rep. Banks expressed his “strong opposition to the majority party’s attempts to take away Americans’ Second Amendment rights,” explaining that “The legislation before the House this week is a Constitutional overreach that would limit the rights of law-abiding citizens and does not address the serious issue of illegal gun transfers.”

● U.S. Rep. André Carson (D) tweets on Wednesday that “Something is wrong when nearly 30 million people are uninsured in the richest country on Earth, and millions more struggle to afford their co-pays and deductibles. That’s why I’m proud to cosponsor the #MedicareForAll Act to help ensure every American’s right to health care,” one of more than 100 House Democrats to sign on . . . Rep. Carson a member of the House Permanent Select Committee on Intelligence, said this Thursday following the panel’s closed-door hearing with former Trump lawyer Michael Cohen: “[M]y objective was to learn more about alleged compromising engagements between President Trump, his associates, and the Russian government, including Trump Tower Moscow and the coordinated distribution of hacked documents by Wikileaks. Some of these issues have been addressed by numerous other witnesses, both publicly and privately. However, Michael Cohen’s conviction for lying to Congress, as well as serious allegations leveled in his public hearing [Wednes]day before the House Oversight Committee, raise critical concerns, as well as new lines of inquiry that must be fully pursued. While I cannot disclose the details of his testimony . . . developments make clear that the House Russia investigation must continue and that my colleagues on both side of the aisle should participate fully in the interest of protecting our democracy and its institutions.”

● U.S. Rep. Jackie Walorski (R) joins U.S. Rep. Judy Chu (D-CA) to re-introduce bipartisan legislation to ensure breast cancer survivors who have undergone mastectomies are able to access custom breast prosthetics under Medicare. Their “Breast Cancer Patient Equity Act” would provide coverage for custom fabricated breast prostheses, the only human body part not currently covered by Medicare. “Breast cancer patients and survivors should have access to the latest in custom breast prostheses to help improve their quality of life,” Rep. Walorski asserts. “As we continue working toward a cure, this bipartisan bill will ensure Medicare beneficiaries battling breast cancer have the option to choose the prosthetics that work best for them.” Companion Senate legislation is authored by U.S. Sens. Tammy Duckworth (D-IL) and Lisa Murkowski (R-AK).

● U.S. Rep. Susan Brooks (R) voted late Tuesday to support the President’s national emergency declaration that he says addresses the immigration crisis at our southern border. She explains, “Congress gave the President statutory authority to declare national emergencies. When Congress did so, they did not specifically define what can be designated as a ‘national emergency’ or not. The resolution the House passed today to end the President’s national emergency declaration undermines the statutory powers granted by Congress to the President to declare national emergencies. As I witnessed during my trip to the Texas border last year, we are seeing floods of families and unaccompanied children reaching our southern border in an attempt to illegally enter the United States. While this is a humanitarian crisis that must be handled with compassion, this ongoing problem is overwhelming our resources to adequately address thousands upon thousands of people, particularly of children, who are coming to our border. Strong borders must be in place in order to keep the American people safe and the situation at our southern border can no longer be ignored. There are already over 650 miles of barriers in place at the southern border. Apprehensions of people trying to illegally enter our country at these barrier locations have gone down dramatically. I support the President’s national emergency declaration designed to strengthen our borders with additional border barrier systems as quickly and efficiently as possible.”

IN State Circles . . .

● In the first Indiana civil forfeiture case considered by the federal courts since the Supreme Court of the United States issued its ruling in the “excessive fines” forfeiture case earlier this month, the U.S. Court of Appeals for the Seventh Circuit rejects an attempt by the Marion County Prosecutor’s Office to dismiss a class action constitutional challenge to Indiana’s vehicle forfeiture statute. *Washington, et al., v. Marion Co., Prosecutor*, No. 17-2933. Writing for the appellate panel, Circuit Judge Daniel Manion, a former Indiana state senator, explains that “After the judgment, and while this appeal pending, Indiana amended its vehicle forfeiture statute.” Marion County Prosecutor Terry Curry (D) “argues the amendments fix any constitutional problems, but Washington disagrees [and] argues the amendments are superficial, the same or similar problems exist, and the statute as amended remains unconstitutional.” The appellate panel remands the matter to district court to Chief Judge Jane Magnus-Stinson of the U.S. District Court for the Southern District of Indiana “to address the amendments.”

● U.S. Attorney for the Western District of Virginia Thomas T. Cullen authored a *New York Times* opinion piece last week explaining that federal law enforcement believes “white supremacy and far-right extremism are among the greatest domestic-security threats facing the United States,” but “law enforcement, at both the federal and state levels, has been slow to respond. This is in part because of the limited number of enforcement tools available to prosecutors. But there are steps that can be taken to help the police and prosecutors address this growing threat – including, on the federal level, a domestic terrorism law.” He proceeds to detail how the growth in hate crimes generally as well as “Killings committed by individuals and groups associated with far-right extremist groups have risen significantly,” and acts have become more heinous.

□ Cullen, a Trump Administration appointee, calls not only for strengthening federal hate crime provisions, but for greater state-level activity. “State officials can update and strengthen existing hate-crime laws, many of which do not include protections for some of the categories of people listed in the federal hate crimes law.” Then he directly calls out Hoosiers: “Although many states have expanded these protections, the Indiana State Senate this week moved to weaken a proposed hate crime bill. In addition, states can authorize localities to place reasonable time, place, and manner restrictions on demonstrations that will likely result in widespread violence and other criminal activity, like the rally in Charlottesville. At both the federal and state levels, immediate steps are required to curtail the alarming rise of hate crimes and extremist violence in this country.”

● The Governor’s Next Level Trails grant program receives 82 applications from 42 counties requesting a total of almost \$144 million in funding for more than 240 potential miles of hiking, biking, and riding trails.

● The Governor’s \$100 million program to expand broadband internet services across rural parts of the state is attracting positive public attention, even though lawmakers of all stripes continue to question the chief executive’s derivation and direction of the funds: cash from the payout from an amendment of the Indiana Toll Road lease. Lawmakers continue to insist appropriations are a legislative prerogative.

□ Regardless of the source and controversy, the Governor believes that his Next Level Broadband effort will further serve to bridge the state's growing digital divide, allowing rural Hoosiers to access the internet more efficiently for business, educational, or personal use in greater numbers. He calls the internet "just as essential to Indiana's prosperity today as highways were a century ago." Under the new gubernatorial initiative, broadband providers may apply for funding of as much as \$5 million to expand service to unserved areas if the provider posts a match of at least 20 percent.

□ Only because of the high level of personal popularity that the Guv enjoys among both Republicans and Democrats has he been able to avoid the kind of situation that the President faced last week in the congressional vote on his emergency declaration for The Wall. Both parties were concerned about the Governor bypassing the legislature on the Toll Road amendment and appropriation of resulting revenues, but lawmakers didn't make a huge public fuss over separation of powers and "rule of law" issues (can a governor bypass the General Assembly and spend dollars as he or she pleases?). While similar issues at the federal level impacted the U.S. House vote last week, that exercise also served as a test vote of sorts on the number of Repubs willing to break away from the President on an extreme issue in which it wasn't that difficult for GOP lawmakers to justify opposition . . . but there is no similar anti-Eric sentiment among Republican legislators in Indiana, even as some extreme grassroots groups (the far end of the old tea party-types) are more than ready to make that break.

● In its new ranking of the nation's Top 1000 Retirement Funds, *Pensions & Investments* slots the Indiana Public Retirement System in 62nd for the 12 months ended September 30, 2018, the same place it landed on the previous year's list. The fund is home to \$54.578 billion in assets, up by 6.2% over the year from \$29.127 billion. The asset mix:

Stocks	Bonds	Cash	Other
23.0%	26.7%	1.6%	48.7%

□ Only one other fund with more assets (or even among the top 125) has a larger percentage of assets in "Other" than INPRS. Only seven other funds have more Direct Benefit assets invested in direct hedge funds than the \$868 million Indiana's public retirement system has directed in that manner.

● As many users in communities hit hardest by the opioid epidemic shift to meth - either in tandem with opioids or as a less expensive and more accessible alternative - the Centers for Disease Control finds a sharp increase in syphilis rates, particularly among newborns. In Indiana, the situation is particularly pronounced, given our general proclivity for neglecting prenatal care complicated by addicted pregnant women skipping such care to avoid drug testing and thus child custody issues.

□ A CDC review of reported cases and rates of congenital syphilis from 2013 to 2017 finds that Indiana, which was one of 25 states with no congenital syphilis cases in 2013, has progressively increased to eight such cases in 2017, a rate of 9.6 per 100,000 births, lower than Illinois and Ohio, but higher than Kentucky and Michigan. CDC reports that as many as 40% of babies born to mothers with untreated syphilis may be stillborn or die as a newborn.

● Seniority has privileges. Sen. Vaneta Becker (R), who had longer legislative tenure than anyone present in the Senate chamber Tuesday when you add her 24 years of House service to her 14 years in the Senate (all consecutive), was a bit free with her thoughts on some Third Reading measures authored by Republican colleagues. She called key elements of a virtual charter law "ridiculous" in questions of the author before being prompted by the presiding officer, Lieutenant Governor Suzanne Crouch (R) (who succeeded Becker when she left the House in 2005 to fill a Senate vacancy), that if she were to want to comment on it, she should ask to be recognized to speak on the bill. Later, speaking on the second payday loan bill of the day, SB 613, she took aim at the huge amendment unveiled the night before the hearing that changed everything, and put committee members in an uncomfortable position. "Yes, payday loans were studied," she allowed, "but the rest of this crap wasn't studied. Sorry about that - the rest of the *bill* wasn't studied."

● Almost two-dozen CEOs of some of Indiana's leading employers and high-profile not-for profits and educational institutions - including Cummins, Eli Lilly and Company, Salesforce, Old National Bank, Simon Property Group, Anthem, IU Health, Hillenbrand, Indiana Sports Corp, Butler University, United Way of Central Indiana, and the NCAA - pen an open letter to Republican legislative leaders under the Indiana Forward imprimatur, urging legislators to consider the economic and workforce impact that the failure to pass a comprehensive bias crimes law with a list of characteristics would have on the ability of Hoosier employers to attract and retain the talented workers they need.

● The Supreme Court of the United States again holds off - for what is now a fifth time (despite the participation of Justice Ruth Bader Ginsburg) - on a decision on whether to review the State of Indiana's October petition for a *writ of certiorari* in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483.

□ The Court relisted the Indiana case for consideration at its March 1 conference after not deciding in its February 22 conference. This is the case addressing provisions of HEA 1337-2016 asking the Court to determine: (1) whether a state may require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) whether a state may prohibit abortions motivated solely by the race, sex or disability of the fetus and require physicians to inform patients of the prohibition.

□ Another Indiana case that was on the February 22 conference agenda also was relisted - for a ninth time - on March 1 after having been rescheduled twice as well. *Newton v. Indiana*, No. 17-1511, case involving the 1995 decision of a juvenile offender who, in exchange for the State's agreement to no longer seek the death penalty, pleaded guilty to a sentence of life without the possibility of parole for a murder he committed at age 17 with two older co-defendants. This case has been on the conference agenda more times than any other case up for consideration this week.

● Hoosier Democrats are privately grumbling about how being in the legislative minority right now prevents them from doing what legislative Republicans in Virginia are doing: taking steps toward holding a public hearing featuring the women who accused the commonwealth's lieutenant governor of sexual assault - even as a potential criminal investigation looms.

□ Indiana Democrats were rebuffed in their bid to pursue impeachment charges against Attorney General Curtis Hill (R) over sexual harassment allegations which have been investigated to a conclusion by a criminal prosecutor (but if they grumble too loudly now about the Virginia situation, they only emphasize publicly that the top three Virginia officials who are all now tarnished happen to be Democrats).

● Even as Johnson County looks to extract itself from a deal with Election Systems & Software (ES&S) after a disastrous November general election (and the county election board and board of commissioners in a joint session Wednesday voted 5-1 to part ways with ES&S and bring aboard MicroVote), four Indiana counties recently designated ES&S as their election management vendor of choice. ES&S reports that more than 930,000 registered voters in Marion, Porter, Elkhart, and Dearborn counties will soon cast their ballots on ES&S voting systems. These counties join at least five other Indiana counties already using the ExpressVote Universal Voting System.

● While pedestrian deaths nationally soared to what was almost a 30-year high in 2018, according to the nonprofit Governors Highway Safety Association, (which blames to smartphone distraction and the growth of SUVs in the vehicle mix as potential factors), Indiana was one of only six states to post a double-digit decline in both the number and percentage of pedestrian deaths during the first half of 2018 compared with the same six months in 2017.

□ This news comes even as a spate of stories on Indianapolis television news made pedestrian deaths in the Circle City seem like an almost routine occurrence (due to the lack of sidewalks along busy southside streets or unshoveled sidewalks forcing pedestrians into roadways).

IN the Economy

● The Governor will lead an economic development mission to Europe this week, visiting France, Belgium, and Germany. He will be accompanied by Secretary of Commerce Jim Schellinger, Indiana Economic Development Corporation Board of Directors members John Thompson (chairman and CEO of Thompson Distribution) and Mark Neal (principal of Bradley Company), as well as IEDC staff. The delegation will depart for Europe on March 6, and return to Indiana on March 14.

● One quiet indicator of just where discretionary spending and the Hoosier economy may be headed continues to trend south. The RV Industry Association's January survey of manufacturers finds that total RV shipments ended the month with only 25,540 wholesale shipments, a decrease of almost 40% (- 39.8%) from the 42,441 units shipped in January 2018. Towable RVs, led by conventional travel trailers, totaled 21,623 units for the month, a decrease of 41.0% compared to the prior January's total of 36,622 units. Motorhomes finished the first month of the year with just 3,917 units, down by almost one-third (- 32.7%) compared to the January 2018 total of 5,819 units.

□ Total RV shipments have now lagged the prior-year numbers in each month beginning in August 2018 (after the first four months of 2018 showed gains over shipments in the corresponding months of 2017).

● Midwest municipal bond debt sold during 2018 totaled \$59.9 billion 2018, according to data from Refinitiv, down by 28.1% from 2017, with refunding activity plummeting and "new money borrowing was barely better than flat," writes *Bond Buyer*.

□ The Midwest volume decline was the most of any of the nation's five regions, with only 3,145 deals last year, compared to 3,882 transactions in 2017, according to the trade publication. "In Indiana, municipal bond volume decreased by more than 26% to \$3.5 billion from 2017 volume of \$4.8 billion, but new money increased by 38%."

● Following three consecutive months of decline in the adjustable Indiana gas tax, the rate will rise to 11.4¢ per gallon for March. While this is an increase, you should also note that the tax in each month of the first quarter of 2019 is lower than it was during *any* month in 2018. A close look at the numbers, however, also suggest that first quarter taxes are typically a shade lower than they tend to be throughout the final three quarters of a given calendar year.

Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April		13.3¢	12.4¢	9.5¢	12.9¢
May		14.4¢	12.9¢	10.9¢	13.1¢
June		15.9¢	12.9¢	12.3¢	14.3¢
July		16.7¢	12.8¢	14.1¢	15.8¢
August		16.2¢	11.9¢	12.5¢	15.9¢
September		16.1¢	12.5¢	11.3¢	14.1¢
October		15.8¢	13.4¢	12.0¢	14.1¢
November		16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

● Our sister Hannah newsletter, INDIANA GAMING INSIGHT, serves up some positive news about the Hoosier Lottery. For the first seven months of the current fiscal year, lottery sales of \$782.73 million grew over the prior year period by \$40.7 million (5.5%). With fewer than five months to go in Fiscal Year 2019, the updated forecast shows lottery ticket sales breaking the \$1.3 billion mark for the first time in history, which would result in more than \$300 million in income transferred to the State of Indiana.

□ But the other hand taketh away, our sister publication also reveals. The 13 Hoosier gaming properties rang up win of only \$158.87 million in January, plunging from January 2018 by 5.77% (- \$9.73 million) - the second-lowest monthly win over the past 15 years, and the lowest in any month since January 2014, a month that you will (unfortunately) remember as being impacted like no other by record snow, ice, and cold. And this should have been an easy comparison given that January 2018 was decidedly not a good month - down by 4.77% and the 2019 calendar was neutral. The state has now recorded three consecutive January-over-January declines in revenue.

□ Prospects are not good for a quick recovery, either. Tax refunds seem to be down, and a lot of people use this discretionary income to gamble with; the economy seems to be tightening, with two consecutive quarters of GDP decline; gas prices are no longer falling; consumer confidence as measured by the University of Michigan continues to slip; people just generally seem to be hinky about what's ahead; and gaming companies are waiting to see what comes out of this session before committing short-term cash in long-term investments.

- “If I were relocating into some state that had a huge unfunded pension plan, I am walking into liabilities,” mega-investor Warren Buffet tells CNBC last week, in good news for Indiana, sandwiched as we are between two major offenders on that front: Illinois and Kentucky. “Because I mean, who knows whether they’re gonna get it from the corporate income tax or my employees – you know, with personal income taxes or what. But that – that liability isn’t gonna – you can’t ship it offshore or anything like that. And those are big numbers, really big numbers. But the politicians are the ones that really haven’t attacked it in a good many states. And when you see what they would have to do – I say to myself, ‘Why do I wanna build a plant there that has to sit there for 30 or 40 years?’ [Because] I’ll be here for the life of the pension plan and they will come after corporations, they’ll come after individuals. They – just – they’re gonna have to raise a lotta money.”

- Fitch Ratings assigns an ‘AA+’ rating to the Indiana Finance Authority’s \$12.755 million of lease appropriation refunding bonds (Indiana Convention Center expansion project), series 2019B. The ‘AA+’ rating reflects ultimate access to legislative appropriations and the bonds are rated one notch below IFA’s ‘AAA’ issuer rating. The rating outlook is “Stable” . . . Moody’s Investor Service assigns an ‘Aa2’ rating to the bonds, also with a “Stable” outlook. Look for the bond sale on March 14.

- DePauw University seeks to get a handle on finances going forward by laying off 56 current employees (41 full-time and 15 part-time), and will not fill 14 currently vacant full-time and two part-time positions. The university also offers a voluntary retirement incentive plan to some faculty members . . . after Schneider Electric announced that it would be shifting production from its Miami County plant out of state, ending more than 300 jobs, the *Kokomo Tribune* reports that local officials are working with the Secretary of Commerce Jim Schellinger, Sen. Randy Head (R), and Rep. Ethan Manning, (D) on developing a plan to help convince the company to reverse its decision to split the Peru-based manufacturing work between Mexico, Texas, and another Schneider facility on the East Coast . . . Galichia Hospital Group will close its 80,000 square-foot Kentuckiana Medical Center off U.S. 31 in Clarksville at the end of April, along with its ancillary clinics and other facilities, ending work for more than 200 people. The 10-year-old facility was home to some 50 patient beds, six operating rooms, 10 ICU beds, and eight telemetry beds. with a fully staffed 24/7 emergency room . . . Matthews International Corporation, a casket manufacturer in Richmond, plans to close its local casket plant after consolidating operations elsewhere, ending jobs for more than 120 workers ending in phases that will commence during the first week of May.

- Retail revival coming to southwestern Indiana? Gordmans, the department store chain that closed its Evansville store in 2017, will be opening new bricks-and-mortar units in Mount Vernon, Princeton, Tell City, and Washington in March . . . ActiveCampaign, a provider of intelligence-driven sales and marketing automation for small businesses, plans to invest more than \$10 million in its Indianapolis operations over the next several years, and add more than 200 employees, specifically focusing on engineering roles with plans to add 10 engineers each month. ActiveCampaign will continue to operate at 55 Monument Circle for now, but is actively looking for a more permanent site as it rapidly expands locally. The Indiana Economic Development Corporation is expected to offer ActiveCampaign up to \$6.2 million in performance-based tax credits over three years . . . Wood-Mizer, a Batesville manufacturer of sawmill and wood processing equipment, plans to expand its local manufacturing facility by 53,000 square feet in a renovation that will begin this month . . . don’t be surprised if you hear an announcement before July 4 that Halador Energy, the parent company of Sunrise Coal, will be moving its corporate offices from Colorado to the Wabash Valley – likely Terre Haute . . .

IN Transition

- Duke Energy appoints Marya Rose, chief administrative officer at Cummins Inc., to the utility’s board. Rose was a senior staff member in the Governor’s Office during the Bayh and O’Bannon administrations, where she worked closely with former Duke top exec Jim Turner, who was then Indiana’s utility consumer counselor.

- Matt Smith is leaving his role as political reporter with Tribune Media’s WXIN-TV *Fox 59* and WTTV-TV *CBS4* in Indianapolis to join WISN-TV 12News in Milwaukee, Southeast Wisconsin’s ABC affiliate and a Hearst television station.

IN the Lobby

- Jennifer Ping leaves Bose Public Affairs Group to join Krieg DeVault LLP as executive director of governmental affairs. Her concentration will include legislative and executive branch lobbying, federal, state and local procurement, political consulting, government regulatory consulting, and grassroots and grassroots consulting.

- Barnes & Thornburg LLP files a federal lobby registration on behalf of an individual, Donald A. Jordan, an “Investment and financial services advisor” from Novi, Michigan, to “Assist in identifying opportunities for investment in community or educational projects supported by governmental entities” . . . and also registers on behalf of the Portland Cement Association, an “Association involved in policy, research and education for cement manufacturers in US,” with respect to “Infrastructure and government relations.”

- Bose Public Affairs Group files a federal lobby registration on behalf of Visionary Private Equity Group, a St. Charles, Missouri-based consortium of “Investors in healthcare, security, and technology companies,” to lobby on “Issues Related to Federal Procurement Policies.” Two of the lobbyists are former Indiana secretaries of commerce, Mitch Roob and Victor Smith (and Roob was also FSSA secretary).

- Greg Fennig, who had served as vice president of public affairs for Indianapolis Power & Light Company, joins his former boss at United Way of Central Indiana where he will serve as chief marketing, communications, and community relations officer.

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[Howey 3-4-19.pdf](#)

Pillar 1- Diversify our economy

News Observer- [Industrial upturn? Northwest Indiana workers secure raises](#)
NWI Times- [Mass layoffs way down in Indiana so far this year](#)
Tribune- [Expert talks grain futures during Farmers Breakfast](#)
IN Public Media- [Farm Loan Delinquencies Are Up Nationally But Down In Indiana](#)

Pillar 2- Upgrade our infrastructure

News Tribune- [Indiana sees big response for recreational trails grants](#)
WSBT- [Big response from Indiana counties on grants for recreational trails](#)
WIBC- [Governor Holcomb Pledges \\$100 Million For Broadband Internet For Entire State](#)
Newton County Times- [USDA announces investments to improve rural electric infrastructure](#)
Inside IN Business- [Broadband Access 'Local Economic Development Issue'](#)

Pillar 3- Strengthen our workforce

WLFI- [Governor Holcomb encouraging high school students to join STEM team](#)

Pillar 4- Attack the drug epidemic

Inside IN Business- [Inside Community Behavioral Health Academy](#)
SB Tribune- [Neighbors, drug rehab group clash on South Bend sober home proposal](#)

2019 Legislative Session

Indy Star- [Marijuana legalization, time zone change and other Indiana bills that are already dead](#)
Indy Star- [Indiana hate crimes bill: What 20 leaders, companies and universities are saying](#)
Tribune- [Cummins joins leaders seeking comprehensive bias crimes legislation](#)
Pal Item- [Local lawmakers lay out their thoughts on hate crime bill](#)
Kokomo Perspective- [Gov. Holcomb to push for hate crime law with a list](#)
Fox59- [Holcomb calls on lawmakers to restore specific hate crimes language](#)
Indy Star- [Hackney: 'We're not comfortable in a state that doesn't welcome everybody'](#)
SB Tribune- [Colwell: A vote against hate doesn't come easy in the Indiana General Assembly](#)
Journal Gazette- [At halfway mark: 400 bills alive](#)
IN Public Media- [Teacher Pay Proposals Unlikely To Change In Session's Second Half](#)
Pharos Tribune- [School funding plan falls short, Indiana teachers union says](#)
WIBC- [Minimum Wage Likely To Stay Put For The Time Being](#)
IBJ- [Legislature should learn from New York's HQ2 flameout](#)
DC Herald- [Legislators address internet, housing, term limits](#)
Kokomo Perspective- [Full agenda awaits Hoosier lawmakers as second half of session starts today at Statehouse](#)

Misc.

WBIW- [Reducing Indiana's Infant Mortality Rate](#)

NWI Times- [Schererville Republican family rolls dice to win Gary's casinos; Larry Bird trusts also named as investor](#)

WTHR- [Students rally for stricter gun laws](#)

Journal Gazette- [Taking the Long view: Legislative vet advises newcomers](#)

Fox59- [Indiana's first dog helps Governor Holcomb's friends get engaged](#)

Sincerely,

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March 3, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Sunday, March 3, 2019 9:53 AM

SEN. YOUNG UNDECIDED ON EMERGENCY DECLARATION: U.S. Sen. Todd Young said Friday he is undecided on President Trump's emergency declaration ([Howey Politics Indiana](#)). "I haven't made up my mind with respect to the emergency declaration," Young told reporters at Carter Logistics. "I, of course, want to make sure it is consistent with the law and the constitution." Young explained further, "My disposition hasn't changed, informed by my own experience and by knowledge at the situation of the border now. We really do need to act to further secure the southern border. That means not just boots on the ground and investments in technology, but also investments in a physical barrier. Being a U.S. Marine back in the mid-90s, I served in the Yuma sector in Arizona, an area of heavy narco and human trafficking. In the years of George W. Bush a physical barrier was erected and trafficking went down over the next decade by 95%. This didn't used to be an ideological issue. The reason we are here is because Democrats suddenly decided post election they are going to change their position on this." HPI asked about the congressional "power of the purse" that could be abrogated by Trump's declaration as well as setting precedence for future presidents to declare emergencies over climate or guns. "Of course I want to protect the power of the purse," Young said. As for precedence, Young explained, "That's what we're looking at. I am going to review every conceivable statute that might be invoked under the emergency powers act. There are potentially over 100 of them. I've asked for that list of statutes from the administration so I should be receiving those in the coming days." The Senate is expected to vote in two weeks.

YOUNG SEEKS TO ADDRESS TRUCKER SHORTAGE: Sen. Todd Young was in Anderson to announce revival of the DRIVE-Safe Act, which would allow 18- to 20-year-olds who have trained to drive "interstate" (across state lines) ([Howey Politics Indiana](#)). "As our economy continued to grow, this issue has become increasingly serious," Young said, noting that the DRIVE-Safe Act "will help alleviate the driver shortage issue by allowing qualified commercial drivers between the ages of 18 and 20 in interstate commerce." Young said that 48 states already allow this age group to drive "intrastate." Young added, "This means a 20-year-old truck driver can legally drive across Indiana from Mount Vernon from Angola, but they can now drive from Jeffersonville to Louisville, from Lawrenceburg to Cincinnati, from Gary to Chicago. It would remove the costly the burdensome impediment to commerce by establishing a rigorous apprenticeship program." Indiana Motor Truck Association President Gary Langston added, "It is a common sense approach to one of the most significant issues we have in the trucking industry which is the driver shortage." Langston put the shortage at 50,000 and explained, "It's not just efforts to fill seats, but it is equally focused on our No. 1 focus every day which is safety." He said apprentices "will be in state of the art technology ... and they'll be with the best trained and best recorded safety drivers."

TRUMP FACES OBSTACLES IN NBC/WSJ POLL: A year and a half before the 2020 presidential election, President Donald Trump faces formidable obstacles in his bid for re-election, according to the latest [NBC News/Wall Street Journal](#) poll. Just four in 10 voters say they would re-elect him next year; 58 percent don't think he's been honest and truthful regarding the Russia probe; and 60 percent disapprove of his recent national emergency declaration to build a border wall. But Democrats who want to defeat Trump have hurdles of their own. The president's job rating remains stable with nearly 90 percent of Republicans approving of his job. And a majority of Americans remain confident in the economy, believing that there won't be a recession in the next year. Add it up, and 2020 is shaping up to be yet another close presidential race, say the Democratic and Republican pollsters who conducted the NBC/WSJ survey. "It's a 45-55 against the president at this stage of the game," said Democratic pollster Peter Hart. Bill McInturff, a GOP pollster, added, "As long as these economic numbers look like this, that always keeps an incumbent president in the race. And Fred Yang, another Democratic pollster, argues that the contours of the race will change once there's an official Democratic opponent to Trump. "Another lesson we painfully learned from 2016 is that elections are a choice between candidates and not a referendum on one candidate," he said. With 46 percent of Americans approving of Trump's job performance — up three points from January, although that's well within the poll's margin of error.

NFL COMBINE BECOMES A NATIONAL SPECTER: "Welcome to the Underwear Olympics," New York Giants General Manager Dave Gettleman declared late Wednesday morning, standing on a riser in front of a pack of reporters in a cavernous hall inside the Indiana Convention Center (Kilgore, [Washington Post](#)). Gettleman had come here with the rest of the NFL universe for the annual scouting combine, an event that has exploded into one of the marquee weeks on the league calendar. It didn't even used to be an event, really. A small contingent of reporters would come to observe prospects — who perform testing drills in tight shorts and sleeveless shirts — and chat up NFL types. Other reporters saw the value in the unique access, and the country became more obsessed with the NFL, and now the combine is covered by more than 1,000 media members. In a sign of our national football affliction, the drills will be aired this weekend on network television. One coach said rumor has it that next year the NFL will move the sprinting, throwing, jumping and bench pressing to a night time slot, to turn the Underwear Olympics into a prime-time show. But those drills are just a sliver. While the football world ostensibly descends on Indianapolis for inspecting and interviewing draft prospects, the combine entails so much more. It is a convention, a trade show, a spring break. Nowhere does this strange football dreamworld burst more vividly than after

midnight at Prime 47. Everybody calls it "Prime." In the course of conversations regarding later plans, you'll hear voices quiver with a mix of excitement and resignation, saying something like, "Yeah, I think this is a Prime night." Agents, reporters, coaches, executives pack the place, swapping rumors, trading information and tipping back heavy glasses filled to the point of surface tension. It stays open past last call, often until around 5 a.m.

U.S. MANUFACTURING REBOUNDS: America's factories are hiring again. After years of job losses, U.S. manufacturing employment has risen for 18 straight months among those holding production or nonsupervisory jobs, the longest stretch of gains since the mid-1990s. Employers have added 274,000 non-managerial manufacturing jobs since July 2017, Labor Department figures show ([Wall Street Journal](#)). While few economists predict a return to an age when manufacturing accounted for the top job in dozens of states, many say the industry has stabilized. Much of the recent job growth has come from companies producing long-lasting goods, such as transportation equipment and machinery, a point of pride for those who recall America's manufacturing roots. "Manufacturing is critical for the nation," says Dave Petratis, chief executive of security products maker Allegion PLC, which employs 2,500 at production and assembly facilities across the U.S. that make locks, electronic card readers and doors, among other items. "The largest economy in the world has got to have the factories and production." Overall employment in the sector peaked at 19.6 million people in 1979; today, the industry employs about 12.8 million. But that figure is up from a nadir of 11.5 million in 2010.

TRUMP TAKES AIM AT MUELLER AT CPAC SCREED: Donald Trump said Saturday that Special Counsel Robert Mueller and his team are targeting him with 'bulls***'. (The Mail). "We're waiting for a report by people who weren't elected," he complained in a speech at the annual Conservative Political Action Conference. In a slashing speech packed with braggadocio and grievance, Trump denounced Democrats as the party of "the socialist nightmare," relitigated his crowd sizes back to the inauguration and took on "sick," "lunatic" and "dirty" foes at every turn, earning him the unvarnished adoration of cheering conservatives ([AP](#)). After a trying week of tumult and setbacks, Trump delivered a stemwinder Saturday that extended beyond two hours and hardly left him winded. Trump let loose against House Democrats, who are broadening their investigations of him, predicted he would win re-election by a greater margin than his 2016 victory, taunted his potential White House challengers and sounded themes that are staples of his rallies. He complained often of getting "no credit" for his achievements as he proudly drifted "off script" at the Conservative Political Action Conference.

PENCE CITES 'SOCIALIST' DEMS AT CPAC: Vice President Mike Pence delivered a fiery speech to CPAC on Friday, connecting Democrats with "socialism" (*Howey Politics Indiana*). "Under the guise of Medicare-for-all and a Green New Deal, Democrats are embracing the same tired economic theories that have impoverished nations and stifled the liberties of millions over the past century," Pence said. "That system is socialism." He pointed to the Green New Deal and Medicare-for-all, saying Democrats "papered over the failed policies of socialism with bumper-sticker slogans and slick social media campaigns. But what they're actually offering is just more of the same: more taxes, more spending, more government and less freedom."

WARMBIER FAMILY REBUKES TRUMP: The family of Otto Warmbier rebuked President Donald Trump on Friday for siding with North Korean leader Kim Jong Un, who denied knowledge of their son's maltreatment during his imprisonment ([CNN](#)). "We have been respectful during this summit process. Now we must speak out. Kim and his evil regime are responsible for the death of our son Otto. Kim and his evil regime are responsible for unimaginable cruelty and inhumanity. No excuses or lavish praise can change that. Thank you," Fred and Cindy Warmbier, Otto's parents, said in a statement provided to CNN. After a second summit with Kim in Vietnam, President Trump said Thursday he does not hold the North Korean dictator responsible for Warmbier's death. "He tells me that he didn't know about it and I will take him at his word," Trump said during a news conference, also claiming Kim "felt very badly. But he knew the case very well, but he knew it later." Trump weighed in on Twitter Friday, arguing that he was being "misinterpreted" after successfully getting Warmbier out of North Korea and professing to hold the country accountable for Warmbier's death -- though he did not mention Kim's role. "I never like being misinterpreted, but especially when it comes to Otto Warmbier and his great family," the President tweeted Friday. "Remember, I got Otto out along with three others."

NUVO FOLDS PRINT EDITIONS: NUVO has ceased print publication and is eliminating most of its staff, the editor of the 29-year-old local alternative newspaper announced Saturday on social media ([IBJ](#)). "I've done everything in my power not to have to share this news but it has happened," Editor Laura McPhee said on Twitter. "Wednesday's edition of @NuvoIndy was the last issue of the paper and the staff's last week of employment." McPhee told IBJ that a significantly different form of Nuvo would continue to exist online. She said the company would maintain three employees to continue those operations but was shedding eight full-time workers. She is among those losing their jobs. Ceasing print publication also will have an impact on as many as 40 people who do part-time work for Nuvo, including freelance writers and drivers, McPhee said. News Editor Rob Burgess, who joined Nuvo in August, will continue to work for Nuvo along with a web designer and an IT employee, McPhee said. Nuvo's problems are similar to those seen throughout the newspaper industry, she said. Advertising dollars are harder to attract, and even though people still want content to read, many are unwilling to pay for it. McPhee said publisher and owner Keven McKinney, who founded the newspaper, is exploring turning Nuvo into an online-only, membership-supported publication with no advertising.

HPI DAILY ANALYSIS: The atrophy of Indiana journalism continues with the collapse of NUVO. This is a significant blow to Indianapolis and its journalism, where the IndyStar has been decimated by budget and staffing cuts. Many other medium-sized newspapers around the state have also experienced flesh and bone staffing cuts and are shells of their former selves. Indiana needs a non-profit news foundation that has been developed with the *Texas Tribune*, the *MinnPost* in Minnesota, and the *Voice of San Diego*. Without non-profit journalism in Indiana, the 4th Estate watchdog will recede, and we find corruption filling the void. - *Brian A. Howey*

Campaigns

GOP ACQUIESCENCE NEAR COMPLETE: When President Trump's longtime fixer Michael Cohen testified last week that his former boss was a "racist" and "con man" who routinely skirts the law, Republicans showed little interest in following up on his claims (Costa, [Washington Post](#)). They shrugged when Trump called murderous dictator Kim Jong Un a "real leader" and once again elevated the North Korean leader on the world stage. And faced with a vote on Trump's legally contested declaration of a national emergency at the Mexican border, just 13 of 197 House Republicans opposed him. Acquiescence to Trump is now the defining trait of the Republican Party more than two years into his presidency — overwhelming and at times erasing principles that conservatives viewed as the foundation of the party for more than a half century. Trump's ownership of the GOP was on vivid display again Saturday, when the president appeared at the Conservative Political Action Conference (CPAC) in Maryland, an annual gathering that has transformed into a raucous celebration of Trump, featuring propaganda-style art and a speaker who declared that the president was "chosen by God."

VANDERBURGH DEMS DENY \$50K RENT DEBT: \$50,000-plus back rent problem? What \$50,000-plus back rent problem? There's not a trace of it on the Vanderburgh County Democratic Party's 2018 financial report filed Friday (Langhorne, [Evansville Courier & Press](#)). The debt built over several years as the party repeatedly failed to make the roughly \$1,600-per-month rent payment on a lightly used headquarters in the Walker Building at 401 SE 6th St. Blaming the problem on a fundraising drought exacerbated by election losses, Democratic leaders in 2017 praised landlord Walker Building Development LLC — owned by developer Ben Kunkel — for being patient. They included the debt on their required annual campaign finance reports — but no more. Attorney Scott Danks, the party's chairman for the past two years, no longer believes the money is owed. Democrats submitted a finance report Friday showing \$6,086 cash on hand with no debt. "It's my position at this time that we don't owe any money. I've never seen a lease that would obligate anybody to it," Danks said Friday.

SANDERS KICKS OFF CAMPAIGN: It isn't a coincidence that Sanders is holding two kickoff rallies this weekend in Brooklyn and Chicago: He spent his childhood in a small apartment in the Flatbush neighborhood, and attended Brooklyn College for one year. The University of Chicago is where he earned his college degree, and joined the Congress of Racial Equality ([Politico](#)). "I grew up a few miles away from here in Brooklyn in a three-and-a-half-room, rent-controlled apartment. My father was a paint salesman who worked hard his entire life, but never made much money," Sanders is expected to say Saturday, according to his prepared remarks. "Coming from a lower-middle-class family I will never forget how money — or really lack of money — was always a point of stress in our home. My mother's dream was that someday we would move out of that rent-controlled apartment to a home of our own."

GOV. INSLEE ENTERS AS CLIMATE CHANGE CANDIDATE: Washington Gov. Jay Inslee announced Friday that he is running for president, centering his campaign around climate change, calling it "the most urgent challenge of our time" ([NBC News](#)). "This crisis isn't just a chart or graph anymore," Inslee says in a video released by his campaign. "The impacts are being felt everywhere. We have an opportunity to transform our economy, run on 100 percent clean energy that will bring millions of good paying jobs to every community across America, and create a more just future for everyone."

WARREN ASSAILS BIDEN OVER PENCE: Sen. Elizabeth Warren said she disagrees with former Vice President Joe Biden that Vice President Mike Pence is a "decent man" ([CNN](#)). Biden was criticized for referring to Pence as a "decent man" during a foreign policy speech Thursday. Some took issue with Biden's comment given Pence's position on LGBTQ rights. "I've followed Pence's history on LGBTQ Americans and I don't think that is a decent position," Warren told reporters Saturday in Waterloo, Iowa. "I disagree." Asked if she thinks Pence is a decent man, Warren flatly said, "No." Then asked if she views anyone in the Trump administration as decent, Warren said, "It's a tough question." "The Mueller investigation has already produced 34 indictments or guilty pleas out of people within the President's inner circle," she said. "Ten Cabinet officials have left, four with huge scandals, and others with the threat of scandal at the door. This is the most corrupt administration in living memory."

Sunday Talk

BOLTON CALLS SUMMIT A SUCCESS: National security adviser John Bolton on Sunday declared President Trump's summit with North Korean leader Kim Jong Un, which ended without an agreement between the two sides, was a "success." Bolton, who was scheduled to appear on a trio of Sunday talk shows, said on CBS's ["Face the Nation"](#) that there's "no expiration date" for the Trump administration's push to rid North Korea of its nuclear arsenal. He acknowledged, however, that Pyongyang has not committed to abandoning its nuclear weapons. "I think (Trump) remains optimistic that this is possible," Bolton said.

NADLER CLAIMS TRUMP HAS 'OBSTRUCTED JUSTICE': House Judiciary Chairman Jerrold Nadler (D-N.Y.) said on Sunday that his panel will request documents from dozens of entities and individuals close to the White House as part of his panel's investigation into "obstruction of justice, corruption and abuse of power." "Tomorrow, we will be issuing document requests to over 60 different people and individuals from the White House to the Department of Justice, Donald Trump, Jr., Allen Weisselberg, to begin the investigations to present the case to the American people about obstruction of justice, corruption and abuse of power," Nadler said on ABC's ["This Week."](#) Nadler said during the interview that he thinks President Trump obstructed justice. "It's very clear that the president obstructed justice," he said.

DEMS DEMAND RELEASE OF MUELLER REPORT: On Sunday, Democrats including one 2020 presidential candidate framed the conclusion of Mueller's nearly two-year investigation as a crucial moment for transparency. The chairman of the House Intelligence Committee pledged to subpoena the report on Russia's election interference if necessary in order to make it public, while at least one legal expert suggested the path to making the report available to the public might be "circuitous." "This is an extraordinary moment in terms of the need that the special counsel has to investigate the conduct of the president of the United States's campaign and issues surrounding it," Sen. Kamala Harris (D-Calif.) said on CNN's ["Inside Politics."](#) "I believe that given in particular all the misinformation that we can, I think, rightly believe we've heard, that it is important that the American public receive as much information and that we be as transparent as possible," the 2020 presidential candidate added. "So I am an advocate for transparency. I am an advocate for a public report. And certainly that we in the United States Congress would receive all of the supporting information, be it in a classified hearing or not."

SCHIFF PRESSES FOR REPORT RELEASE: Rep. Adam Schiff (D-Calif.), the chairman of the House Intelligence Committee, vowed to take legal action if necessary to ensure Mueller's findings were available to the American people. "We will obviously subpoena the report, we will bring Bob Mueller in to testify before Congress, we will take it to court if necessary," Schiff said on ["This Week"](#) on ABC. "And in the end, I think the department understands they're going to have to make this public." Schiff, who has said he believes there's evidence of collusion between the Trump campaign and Russia "in plain sight," said he's "absolutely" willing to take the administration to court.

SEN. BLUNT URGES CAUTION: Sen. Roy Blunt (R-Mo.), a member of GOP leadership and a member of the Senate Intelligence Committee, cautioned on Sunday against forcing the report into the public via subpoena regardless of its contents. "The weight of the government here is very strong," Blunt said on CBS's ["Face the Nation."](#) "And people need to think about that when they begin to demand we need to know what you found out, whether it led anywhere or not."

BHARARA BELIEVES REPORT WILL BE RELEASED: Former U.S. Attorney Preet Bharara said on CNN's ["State of the Union"](#) that "ultimately" he thinks the report will be released to the public. "How circuitous a route it will be until we get to that point, it's unclear," he added. He noted that any report given to Congress is likely to be scrubbed of certain classified information or materials relevant to a grand jury investigation. "The reason why I have some optimism that we will ultimately see it is that there's so much public interest," he said. "There's been this long investigation over a period of time, that it would seem odd and unusual if, at the end of the day, we didn't get the gist of what was going on."

General Assembly

TEACHER PAY PROPOSALS UNLIKELY TO CHANGE IN 2ND HALF: Statehouse Democrats say Republicans are only "nibbling around the edges" to solve the state's problems (Smith, [Indiana Public Media](#)). Senate Minority Leader Tim Lanane (D-Anderson) compares the session to a Broadway show that's reached intermission. "How would the audience feel at the end of Act I? My thinking would be that they'd probably be headed for the exits or going to the box office to seek a refund," Lanane says. Democrats feel that way particularly about teacher pay. But House Speaker Brian Bosma (R-Indianapolis) says he's happy with his caucus's approach on the issue. That includes their plan to publicly shame schools that don't spend a certain amount of their funding in the classroom. "Where we monitor and encourage every school at the local level to make those decisions but to prioritize teacher salaries," Bosma says. Democrats argue that falls far short of a guarantee. But Republicans, including Gov. Eric Holcomb, aren't offering teachers much more. "They're going to see the increase that their school is getting," Holcomb says. "And they're going to see the increase that their paycheck received, in the short term."

SKINNER URGES TEACHERS TO STRIKE: A retired Vigo County teacher and former Democratic state senator has turned to social media to gauge educator interest in a teacher strike (Loughlin, [Terre Haute Tribune-Star](#)) He believes that public education has been the target of the Republican Party for the past 15 years and refers to "senseless budget cuts, expansion of vouchers and crippling regulations." Furthermore, he doesn't believe the Indiana State Teachers Association is taking a strong enough stand in response. Skinner believes ISTA President Theresa Meredith "is exactly wrong about what teachers should be doing. Teachers have been turning the other cheek for the last 15 years, and the ISTA still doesn't realize that they are getting the hell beat out of them," he wrote in an email to the Tribune-Star. He also questioned why ISTA would conduct a rally at the Statehouse on a Saturday "when no legislators will be there."

ISTA RESPONDS TO SKINNER: In response to Skinner's comments, Kim Clements-Johnson, ISTA director of communications, stated ([Terre Haute Tribune-Star](#)): "ISTA is leading the effort statewide to get teachers pay in line with their expertise and adequate funding for our community public schools, where more than 90 percent of kids attend. In this era of deep political polarization, it's imperative we work with policymakers from both sides of the aisle to make real progress. We'll continue to push our elected leaders to do what's best for educators and the kids they serve. On March 9 educators, community leaders, parents and students will make their voices heard. Sen. Skinner's welcome to join us."

DEMS UNHAPPY WITH SESSION: The first half of the legislative session was generally quiet (save an emotional debate about a hate-crimes bill) but that might just be the calm before the storm (Erdody, [IBJ](#)). Republican lawmakers say they're pleased with the progress they've made on their top priorities: drafting a balanced budget while increasing support for education and youth services. But Democrats argue that Republicans, who have quorum-proof majorities in both chambers of the Indiana General Assembly, haven't done nearly enough to help Hoosiers. "I was thinking about that and [about], how would the audience feel at the end of Act One?" Senate Minority Leader Tim Lanane of Anderson said. "My thinking would be, they'd probably be headed to the exits or going to the box office to seek a refund." Only a handful of issues caused turmoil—the most notable being when Senate Democrats walked out and refused to return after the Senate voted to strip a hate-crimes bill of a list of specific victim categories.

WEEKLY UPDATE ON LEGISLATION: The 2019 legislative session's first half ended as the House passed the budget, the Senate approved a major gaming bill, and Gov. Eric Holcomb stood firm on hate crimes ([Indiana Public Media](#)). Here's what you might have missed this week at the Statehouse.

House Budget: The House approved the \$34.5 billion, two-year state budget along party lines. GOP leaders say the spending plan is fiscally responsible and funds their priorities – including increases in education spending that keep pace with inflation, but not much more.

Gaming Bill: One of the most significant gaming bills since the industry's beginnings in Indiana easily passed out of the state Senate Tuesday. Sen. Mark Messmer (R-Jasper) calls his Senate-approved gaming bill a "once-in-a-generation" reset for the state's casinos. The measure allows a Gary casino to move to a more attractive location on a major interstate, opens the door to a new casino in Terre Haute, and legalizes sports wagering statewide.

Holcomb Pushes Hate Crimes Law: Gov. Eric Holcomb wants Hoosiers to call their lawmakers to urge them to support a hate crimes bill that includes a list of victim characteristics. Senate Republicans removed that list and House GOP leaders aren't inclined to support it. But Holcomb says anything less isn't good enough.

Underground CO2 Storage: State legislators hope to study carbon dioxide storage in Indiana this summer. A bill to form the committee passed in the state Senate Tuesday. It's much different from the original bill which would have made it easier for companies to get approval to inject CO2 into the ground. The bill to create a committee to study the process now moves on to the state House for consideration.

Foster Parents And DCS: The Senate approved legislation Monday that aims to improve the relationship between the Department of Child Services and the state's foster parents. The measure makes several changes to the way foster parents interact with both the agency and the court system. For example, it creates a new definition of a long-term foster parent – someone who's care for the child for at least 12 months.

Voucher Anti-Discrimination Bill Dead: Efforts at the Statehouse to keep state money out of private schools that openly discriminate failed in the first half of the legislative session, but the lawmakers behind the proposals say they aren't done focusing on the issue. Roncalli High School in Indianapolis put guidance counselor Shelly Fitzgerald on leave last year because of her marriage to a woman. The private religious school receives state dollars through the school choice voucher program. The situation inspired state Sen. J.D. Ford (D-Indianapolis) to file a bill aimed at keeping that funding out of schools that discriminate. His bill never got a hearing before a key legislative deadline this year, effectively killing the measure.

Hemp Regulation: A bill that would regulate hemp production in Indiana has passed out of the Indiana Senate. Last year, the House overwhelmingly passed a bill doing something similar, but failed to remain intact in the Senate by being turned into a summer study committee instead. Hemp was removed from the federal controlled substances list in December.

Military Family Relief Fund: The Indiana House unanimously passed legislation Monday to tighten the controls on the state's Military Family Relief Fund. The bill is a response to controversy last year at the Indiana Department of Veterans Affairs.

School Mental Health Care: A bill to provide mental health care for Indiana students narrowly passed the Senate this week. The legislation was written in response to school safety. The bill's author says the creation of an integrated mental health system is a key step in preventing school violence.

Exonerated Prisoners: State lawmakers want to give exonerated prisoners money for their wrongful incarceration. The legislation is now in the Senate after its unanimous passage by the House. Rep. Greg Steuerwald (R-Danville) says Indiana should provide exonerated prisoners an option: they can sue the state (as they can now) or take a payout from a fund created by his legislation.

"Dark Box" Tax Assessments: A bill creating a uniform property value assessment passed smoothly through the Senate Tuesday afternoon. The legislation aims to help local governments struggling against retailers who want even lower taxes. Big box stores have come under scrutiny of governments for using tactics to reduce property tax payments – a move some Indiana cities say is costing them dearly.

Radon Testing: A bill that passed the state Senate on Tuesday recommends schools test for radon. Exposure to radon is the leading cause of lung cancer in people who don't smoke in the U.S.

Cigarette tax increase: A coalition of health and business entities has been behind a substantial cigarette tax hike for years – as a way to pay for smoking-related health care costs and cut the state's smoking rate (Kelly, [Fort Wayne Journal Gazette](#)). And House Republicans were once on board – when they wanted the revenue for a road funding plan. But this year the caucus killed the proposal in the House without a hearing. At the same time, the chamber sent a new vaping tax over to the Senate. Holcomb said he didn't oppose an increase but checked with legislators regularly and "there was next to nil appetite for one, and so I never pursued it."

Redistricting: For years, Democrats and good-government groups have pushed for an independent redistricting commission to draw congressional and legislative boundaries, and believe the current system leads to gerrymandering and little competition ([Fort Wayne Journal Gazette](#)). But Republicans – who drew the maps after the last census – see nothing wrong with the current districts. While the GOP Senate passed a minor bill putting into code some court precedents on what can be considered, it has avoided the larger issue.

Medical marijuana: Another year with no movement on medical marijuana in Indiana – even as 33 other states have legalized marijuana in some form ([Fort Wayne Journal Gazette](#)). Holcomb has been particularly strong against legalization – even as he admitted last week that he smoked marijuana in college. "We're following the law and I'm proud of that fact," he said, noting he is waiting for the federal government to take action. Federal law classifies marijuana as a Schedule I drug having "high potential for abuse." Until that changes, research and scientific evidence cannot come to the forefront, he said. "I'm not convinced other states have made a wise decision," Holcomb said. "Other states don't persuade me." Lanane said those pushing for legalization are not "wackos" – they are veterans groups and average citizens who see an opportunity to help those hooked on opiates.

SOUTHERN INDIANA TEACHERS RALLY FOR PAY: Some of Erin Braune's first memories are playing school with her younger sister, at a chalkboard and an old desk set up in the basement at home. As she got older, she tutored other kids. That's why it made sense when she later decided to become a teacher (Rickert & McAfee, [News & Tribune](#)). But Braune, now an English teacher at Silver Creek High School, said it's getting increasingly difficult for educators in Indiana to provide students with the education they need. Growing class sizes, shrinking pools of new teachers and stagnant wages below other states all are cause for concern, educators say. That's why Braune intends to stand alongside other teachers and allies at the Red for Ed rally March 9 at the Indiana Statehouse. The goal is to get the attention of legislators and tell them the current situation has to change. Mark Felix, president of the Greater Clark Education Association, said Gov. Holcomb's proposed increase in funding to districts of 2 percent each year for the next two years isn't sustainable. "We've had these small increases every year for about the past decade," Felix said. "But if you adjust that for inflation, we've taken a loss since about 2006; we've been losing money."

STUDENTS RALLY FOR GUN REFORMS: High school students from around central Indiana made some noise at the Statehouse on Saturday afternoon ([WTHR-TV](#)). They came out to rally for universal background checks on all gun sales. Many students held signs and came up from the crowd to show their solidarity. One student from Noblesville says this hits

close to home after last year's shooting at Noblesville West Middle School. They believe they can make a difference by voting. "I just voted last year for the first time," said Carly Chier, who is a senior at Noblesville High. "I know students in upcoming years will be doing the same thing that I did and they'll be wanting to vote for candidates that are supportive of common sense gun laws and that's going to be the biggest part of it."

BILL WOULD ALLOW TOWNSHIP TO LEAVE SOUTH BEND SCHOOLS: A bill that would allow students in St. Joseph County's Greene Township to leave the South Bend Community School Corp. — and take the state tuition support that follows each of them — and join the John Glenn School Corp. in Walkerton easily passed the Indiana Senate this week with a 44-4 vote ([South Bend Tribune](#)). Senate Bill 421 now moves on to the Indiana House of Representatives for consideration. South Bend closed Greene Intermediate Center, 24702 Roosevelt Road, in June 2018, moving students into other schools in the district for the current school year. Since then, Greene Township's trustee and board have pushed for a bill to allow students to merge into the nearby John Glenn district. "The South Bend School Corporation has a lot of failing schools," said Greene Township trustee Sandra Ort. "There's so much busing and across so many big highways, and with all the busing issues, that's a big concern. But it's mostly that John Glenn has a good education at all levels," she said.

REGION DEMOCRATS SEEK TO EDUCATE: Democratic state representatives serving in the Republican-dominated Indiana House typically face a choice during chamber policy debates: fight or educate (Carden, [NWI Times](#)). Last month, when amendments to the GOP state budget were up for consideration, three Region Democrats chose the second course, and it ultimately may help ensure the needs of their communities get addressed in the legislative session's second half that starts Monday. State Reps. Earl Harris Jr., D-East Chicago; Chuck Moseley, D-Portage; and Vernon Smith, D-Gary, unlike many of their Democratic colleagues, did not file budget amendments that forced members of the Republican supermajority to vote against popular policies, such as a minimum wage increase or anti-discrimination standards at religious schools where student tuition is paid using state tax dollars. Instead, they focused on critical issues facing residents of East Chicago, Porter County and Merrillville, explained how state assistance would benefit all of Indiana, and accepted the assurance of the GOP budget leader that their concerns will be seriously considered and possibly resolved.

Congress

BANKS JOINS REAGAN INSTITUTE: U.S. Rep. Jim Banks (IN-03) was named to the Ronald Reagan Institute's Center for Peace Through Strength's Task Force on 21st Century National Security Technology and Workforce (*Howey Politics Indiana*). This inaugural Task Force will build on many of the policy conversations had at the 2018 Reagan National Defense Forum which Rep. Banks attended. To learn more, please see the below press release from the Ronald Reagan Institute. "I look forward to collaborating with distinguished members of academia, public policy, and private enterprise to help make America stronger and safer," Banks said.

State

GOVERNOR: HOLCOMB ENCOURAGES STEM STUDIES - Indiana Gov. Eric Holcomb, State School Superintendent Jennifer McCormick and State Treasurer Kelly Mitchell are encouraging high school students to apply for the 2019 Governor's STEM Team ([AP](#)). The program honors four outstanding high school students for their exemplary performance in one of the STEM subjects: science, technology, engineering and math. Nominees also are judged on extracurricular activities, work or research projects, leadership and community service. Winning students each receive a \$1,000 college scholarship from Indiana's College Choice 529 Direct Savings plan and letter jackets identifying them as members of the STEM Team. The nominations may be submitted online. The deadline is March 31.

AGRICULTURE: INDIANA FARM DELINQUENCIES UP ONLY 4% - Farm loan delinquencies across the country are up significantly from this time last year, but the situation isn't as grim in Indiana ([Indiana Public Media](#)). While the national rate is nearly 20 percent, Indiana remains near the bottom with about 4 percent of borrowers delinquent. Greg Foulke is the Farm Loan Chief for the Farm Service Agency in Indiana. The organization provides loans to farmers across the state. He says the overall financial health of Indiana farmers is good. "Especially in 2018, they made up for lower prices with higher yields," he says. "It kind of works out that way sometimes, but in general the financial health of our Indiana farms is pretty good." The low rate of delinquencies in the state comes at a time when farmers are experiencing lower profits and increasing uncertainty due to trade disputes with China.

EDUCATION: IU FACING ENROLLMENT CLIFF - Indiana University is staring down an enrollment cliff, and this drop in students will have a big impact on IU's bottom line ([Bloomington Herald-Times](#)). "This is probably a dramatic decade ahead," said Robert Kravchuk, chairman of the Bloomington Faculty Council's budgetary affairs committee.

EDUCATION: BELL NEW WGU CHANCELLOR - WGU Indiana has named Alison Bell chancellor. Her 20-year higher education career includes four years as general manager of the public, online school's operations. She succeeds Allison Barber, who led WGU Indiana since it launched in 2010, and is now president of WGU Advancement (Ober, [Inside Indiana Business](#)). Bell most recently served as director of degree completion at IUPUI. She holds degrees from Indiana University and Ball State University. "I'm honored and excited to return to WGU Indiana as Chancellor, to sustain and grow the University's commitment to helping Hoosiers return to college to fulfill their dream of degree completion and career advancement," said Bell in a news release. "I look forward to building on the strong foundation WGU Indiana has built over the past eight years, continuing to advance the university's mission in our state."

ECONOMY: FEW MASS LAYOFFS SO FAR - The number of mass layoffs in Indiana has shrunk so far in 2019 to fewer than a fifth of what it was at the same point last year (Pete, [NWI Times](#)). During the first two months of 2019, Indiana companies have announced four mass layoffs through Workers Adjustment and Retraining Notification Act, or WARN, notices to the state, down from 15 at the same point in 2018 and 10 at the same point in 2017, according to the Indiana Department of Workforce Development. The federal WARN Act requires 60-day advance notification of a plant closing or a mass layoff, which includes the layoff of at least one-third of the workforce at a business with 50 to 499 employees, or the layoff of 500 or more employees at larger businesses. A total of 432 workers in Indiana have lost their jobs in mass layoffs so far in 2019, according to the DWD. That's down from 2,626 workers laid off in the first two months of 2018, 3,082 laid off in the first two months of 2017, 1,104 in the first two months of 2016, 1,523 in the first two months of 2015, and 700 in the first two months 2014. January and February are common times for mass layoffs as companies often try to cut costs if they're struggling while entering a new fiscal year.

TRANSPORTATION: SOUTH SHORE TO PROVIDE BUS SERVICE MONDAY - Because of the forecast for frigid temperatures, the South Shore Line will provide temporary substitute bus service between South Bend and the Michigan City Carroll Avenue station on Monday and Tuesday for three morning trains ([South Bend Tribune](#)). The trains impacted by busing on Monday and Tuesday are Eastbound Train 403, Westbound Train 6 and Westbound Train 14. Regular train service between South Bend and Carroll Avenue is expected to resume with Eastbound Train 7 on both days. Eastbound Train 401 will be canceled both days. Service is canceled to and from Hudson Lake while substitute bus service is in effect and is expected to resume with Train 7. Hudson Lake passengers should board at the Carroll Avenue Station for train service during this time.

HEALTH: IU HEALTH EARNINGS DOWN - Indiana University Health said earnings from operations rose 4 percent last year, but total earnings fell 70 percent due to investment losses "in a year of turbulent financial markets" (Russell, *IBJ*). The state's largest health system, with 16 hospitals, released year-end results Thursday afternoon. Earnings from operations came in at \$612 million, but total earnings were \$296 million, down from \$989 million in 2017. Despite the investment losses, IU Health said operations were strong overall, with patient volumes increasing in most categories, including surgeries and inpatient admissions. The system reported revenue from operations of \$6.43 billion, up 1.4 percent. Operating expenses climbed 1.1 percent, to \$5.82 billion. IU Health said 2018 was busy year for capital construction, with seven major projects under way. That included moving maternity services from Methodist Hospital to Riley Hospital for Children, building a brand-new replacement hospital in Bloomington, creating a cancer center at North Hospital in Carmel, and expanding and renovating West and Ball Memorial hospitals.

HISTORY: RESTORATION SOUGHT FOR HOUSE OF TOMORROW - Indiana Landmarks is accepting proposals to restore a house built for the 1933-34 Chicago World's Fair. The structure, known as the House of Tomorrow, currently sits in Beverly Shores as part of the Indiana Dunes National Park (Brown, *Inside Indiana Business*). It has been vacant since 1999 and needs rehabilitation that will cost up to \$3 million. The House of Tomorrow was designed by Chicago architect George Fred Keck and was meant to inspire fairgoers to want what they saw, which included floor-to-ceiling glass walls, central air conditioning, and an attached garage that opened with the push of a button, according to Indiana Landmarks.

MEDIA: CUMULUS AXES 2 RADIO PERSONALITIES - Cumulus Media officially took over programming on Friday of three local Entercom Communications radio stations—WZPL-FM 99.5, WNTR-FM 107.9 and WXNT-AM 1430—but big changes already had been made earlier in the week ([IBJ](#)). Two high-profile, on-air personalities were let go on Tuesday, among a dozen total employees who were laid off: WXNT sports talk show host Kent Sterling and WNTR afternoon disc jockey Kari Johll. "I was called on Tuesday and they said we're making a change," Sterling told IBJ. "There were 12 of us that were let go." Known on the air as "KJ," Johll was on Entercom's local top 40 station WZPL for more than 17 years before her four-year run as afternoon host on adult contemporary station WNTR. IBJ was unable to get in touch with Johll, but her departure was confirmed by industry sources and she no longer appears on WNTR's website.

SPORTS: FISCHER SAYS KNIGHT'S HEALTH 'IN DECLINE' - Legendary Indiana basketball coach Bob Knight is struggling with health issues, according to longtime Hoosiers radio voice Don Fischer ([IndyStar](#)). On Wednesday, on "The Drive with Jack & Tom," a radio show based out of Lansing, Michigan, Fischer was asked what it would take for Knight to mend fences with IU and return to Assembly Hall. In his response, Fischer said the 78-year-old Hall-of-Fame coach is "not well." "I hesitate to say anything about that right now because coach Knight is not well," Fischer said. "He's going through

some major issues and it hurts me to even talk about it just because a man with that kind of a mind, who was so tremendous at coaching the game of basketball, and you know, at the age that we get to at this point in our lives, you want to keep thinking that that brain is never going to go away, and it appears that's a real problem for him right now and what he's dealing with."

Nation

WHITE HOUSE: TRUMP SAYS HE WAS IN 'HORRIBLE POSITION' ON WARMBIER - President Trump on Saturday lamented his "horrible position" of negotiating with North Korea following the death of Otto Warmbier, after the president drew criticism for saying that he accepted Kim Jong Un's word that he didn't know about Mr. Warmbier's abuse in Pyongyang's captivity ([Wall Street Journal](#)). Speaking at the Conservative Political Action Conference in Oxon Hill, Md., Mr. Trump said, "I'm in such a horrible position because in one way I have to negotiate. The other way, I love Mr. and Mrs. Warmbier and I love Otto. And it's a very, very delicate balance."

WHITE HOUSE: TRUMP ASKS CHINA TO LIFT AG TARIFFS - President Donald Trump asked China in a tweet Friday to lift all of its tariffs on American agricultural products, pointing to his decision to delay a second round of tariffs and to improving trade relations with China ([CNN](#)). Trump had announced the decision to delay the tariffs, as well as a planned summit to wrap up the trade agreement with Chinese President Xi Jinping at Mar-a-Lago, in a tweet Sunday. The tariffs had been set to go into effect Friday if no trade deal were reached. China is the United States' second largest agricultural market, according to data from the Office of the US Trade Representative. US agricultural exports to China hit \$20 billion in 2017, with soybeans, the largest sole export, accounting for \$12 billion. Trump on Sunday had lauded "substantial progress" in the talks covering "important structural issues including intellectual property protection, technology transfer, agriculture, services, currency, and many other issues" and resulting in "a very good weekend for U.S. & China!"

WHITE HOUSE: IVANKA DOES THE GRIDIRON - There were several crucial questions surrounding Saturday night's Gridiron dinner, that exclusive, annual white-tie gathering hosted by a club made up of Washington's most elite journalists: first of all, would President Donald Trump turn up? ([Washington Post](#)). The answer to that one came early in the evening — nope, the president wouldn't attend, as he did last year, and instead, his daughter and top White House adviser, Ivanka Trump, gave remarks. Ivanka Trump, who said her father had asked her just that afternoon to represent him got off a cringey laugh with a line that poked fun at her conservative bona fides — and her notoriously difficult boss/dad. "The press seems to think it's ironic that I, born of great privilege, think people want to work for what they are given," she deadpanned. "As if being Donald Trump's daughter isn't the hardest job in the world."

MUELLER: STONE MAY HAVE VIOLATED ORDER - Republican operative and longtime Trump friend Roger Stone faced fresh legal trouble Friday after a federal judge ordered his attorneys to explain why they failed to tell her before now about the imminent publication of a book that could violate his gag order by potentially criticizing the judge or prosecutors with special counsel Robert S. Mueller III ([Washington Post](#)). The order by U.S. District Judge Amy Berman Jackson of the District of Columbia late Friday came barely eight days after Jackson barred Stone from speaking publicly about his case, prompted by a photo posted on Stone's Instagram account that placed a crosshairs next to a photo of Jackson's head.

ECONOMY: RETAIL APOCALYPSE - The 'retail apocalypse' is alive and well this week with major chains such as Gap, JCPenney, Victoria's Secret and Foot Locker all announcing massive closures, totalling the death of more than 465 stores over the last 48 hours ([Fox News](#)). All four companies reported its fourth quarter results this week during the critical holiday period, with three of them (Gap, JCPenney and Victoria's Secret) reporting declining in same-store sales, while Foot Locker reported growth that more than doubled expectations. Still, despite the good news. Foot Locker announced Friday that it plans to close around 165 stores across the country, during its investor call. That comes less than 24 hours after Gap announced it would close 230 of its namesake stores over the course of the next two years after the brand's same-store sales fell 7 percent during the holiday quarter. It also announced that it will separate its sister company Old Navy into its own publicly-traded company and create a new firm to house its remaining brands.

ECONOMY: MALLS TAKE A BEATING - The dying-mall narrative isn't a new one, with the phrase "retail apocalypse" making its way into the American lexicon years ago as America's over-stored suburbs and the continued gains of online shopping took their toll ([Fortune](#)). But after a brief period of shopper stabilization — fueled by rising consumer confidence and low gas prices — it appears another culling is in order for the industry. The vacancy rate in U.S. malls was 9 percent in the fourth quarter, up from 8.3 percent a year earlier, Barbara Byrne Denham, a senior economist at Reis Real Estate Solutions, wrote in a retail sector report. Even though Sears shuttered some locations earlier in 2018, causing vacancies to rise to an even higher 9.1 percent in the third quarter, the so-called "dark" stores did not impact occupancy for most malls, according to the report.

World

NORTH KOREA NUKE ARSENAL GROWS: North Korea is steadily adding to its nuclear stockpile, the *L.A. Times'* Victoria Kim writes from Seoul: What's new: "U.S. intelligence last summer estimated North Korea may have anywhere from 20 to 60 nuclear weapons. In 2018, North Korea probably produced enough plutonium and uranium for an additional five to seven nuclear weapons, researchers at Stanford have estimated." Why it's happening: "Many of the country's nuclear facilities are camouflaged, tucked away in mountains or hidden underground. Analysts scouring satellite imagery spotted signs of continued buildup at a network of at least 16 secret missile operating bases never acknowledged by North Korea."

Local

CITIES: MAYOR CANNON TAKES OATH IN PORTAGE - Following a former mayor who is awaiting sentencing in federal court, Portage swore in a new leader two weeks after James Snyder's conviction (Ortiz, [NWI Times](#)). The city's new mayor, Republican John Cannon, said he's hitting the ground running to rebuild public trust. "I have prepared my entire life for this job," Cannon said. "I'm excited and I'm very optimistic. I'm ready to lead and bring people together and move forward from the divisiveness in the community from the past." Cannon was sworn in Saturday morning at the Portage Public Library with residents, City Council members, precinct caucus members, city employees and Cannon's friends and family in attendance. Cannon, a City Council member of seven years, said being Portage's mayor has been a longtime goal. Cannon was the only person to file the necessary paperwork by Wednesday's deadline for the position. Previously, Councilwoman Sue Lynch, D-at-large, has been acting mayor until the caucus was held. "I take this oath in assuming the mayor's office in extraordinary circumstances never experienced by Portage residents,"

CITIES: PORTAGE PUTS \$200K IN SHORELINE EROSION STUDY - The city's Redevelopment Commission might contribute \$200,000 toward a federal study which would develop long-term solutions for the continuing erosion along Lake Michigan's shore ([NWI Times](#)). The contribution, approved Thursday, is contingent on the state funding an already existent beach nourishment fund, Colin Highlands, RDC administrator said. State Rep. Chuck Moseley, D-10th, has been attempting to secure funding for the project in the state's budget for the U.S. Army Corps of Engineers study along with some immediate erosion control measures. As of Thursday, the funding had not been placed in the state's upcoming budget. Other agencies, including Indiana Dunes Tourism and National Park Association, have also been lobbying for funding towards the study. The shoreline along the Lakefront Park and Riverwalk, which is owned by the National Park Service but managed by the city of Portage and town of Ogden Dunes, has suffered significant erosion the past several years.

CITIES: SOUTH BEND AIRPORT TRAFFIC UP 20% - Project Propel was rolled out nearly a year ago to boost business travel through South Bend International Airport ([South Bend Tribune](#)). On Thursday, those behind the initiative celebrated some favorable data at a news conference inside the Renaissance District's Studebaker 113 building. "Across the country the growth of people flying in and out of airports this year was about 3 to 4 percent," said Chris Murphy, chairman and CEO of 1st Source Bank. "I'm pleased to report to you today that South Bend International Airport experienced a 20 percent increase in passenger traffic last year." According to Murphy — who spearheaded the effort to encourage local business to commit to flying out of South Bend International more often — that increase represents 339 more passengers flying in and out of the airport each day.

CITIES: MUNCIE COMMISSION SUES DELAWARE COUNTY - The Muncie Redevelopment Commission this week filed suit against the Delaware County commissioners, alleging it is owed tax revenue generated by the planned location of a new county jail ([Muncie Star Press](#)). Todd Donati, executive director of the MRC, said Friday he believed more than \$400,000 in taxes assessed on the property — at 3100 S. Tillotson Ave. — during the period it was owned by ASONS Construction Co. should have been designated as TIF revenue, available to the MRC for economic development-related projects. The building did not generate tax revenue during its years as Wilson Middle School. According to attorney Jason Delk, representing the MRC in the Delaware Circuit Court 1 lawsuit, the former school property was included in a TIF district — the South Muncie Economic Development Area — created in the spring of 2015. A few weeks later, the property was sold to ASONS.

CITIES: PATRIOT FD CHIEF ARRESTED FOR THEFT - A four-month investigation by the Indiana State Police Organized Crime and Corruption Unit ended in the arrest of the former Patriot, Indiana, fire chief on charges of theft and official misconduct related to money from the Patriot Volunteer Fire Department ([Madison Courier](#)). A news release from the Indiana State Police said they were contacted in October, 2018, to investigate after an audit by the Indiana State Board of Accounts discovered funds missing from the Patriot Volunteer Fire Department in Switzerland County, Indiana. During the course of the investigation, Detective Tim Denby learned that the thefts took place between 2014 and 2018 when Gordon W. Turner Jr., 45, of Patriot, was the fire chief. More than \$28,000 was taken from the fire department's bank accounts and, police discovered, used to pay bills for Turner and for other personal gain. Police turned over the results of the investigation to the Switzerland County Prosecutor's Office.

CITIES: DELPHI OPENS COMMUNITY CENTER - The City of Delphi is celebrating the grand opening of the Delphi Community Center. The community has gone nearly seven years without one ([WLFI-TV](#)). The facility was created with senior citizens in mind. It doubles as community space and a place to house the city's senior family services. The facility was built almost entirely through monetary donations and volunteer work. It includes a full functioning kitchen, a work out room and

open space for events. Delphi City Councilman Dale Seward said this facility is long overdue. "It brings your community together," said Seward. "It shows the senior community that we care about them, that they are valued and they are part of the community and up until this got open, that was a question."

CITIES: INDY'S DITCH ROAD CLOSING MONDAY - If you live on the north side and have an emotional connection to the Ditch Rd. over bridge over I-465, I'm about to break your heart ([WIBC](#)). Starting this Monday, March 4th, the Ditch Rd. bridge is going to close until the end of September. According to the Indiana Department of Transportation (INDOT), the bridge's "service life is up," and has to be mauled, gutted, destroyed, and eventually replaced. In the meantime, INDOT's suggested reroute has drivers using Spring Mill Rd. and 96th St. to get around.

CITIES: LOGANSPORT RAISING TRAIL FUNDS FOR SECURITY - The City of Logansport is raising money to make its walking trails safer. The goal is to raise \$25,000 for trail security cameras ([WLFI-TV](#)). "I think this is the prettiest trail we have," said Deputy Mayor Mercedes Brugh of the Little Turtle Waterway trail. The money would add cameras to this trail as well as, River Bluff and Hervey Preserve, Huston Park and Sims Connector, and Cole Bridge, Eel River Run & Stonewall Park. "We've had several citizens stress that they have used the trail and felt unsafe at some point or felt scared and are reluctant to get back on them but with the security cameras, they're excited and ready to try them again," said Marla Evanich, Administrative Assistant to the Mayor. Mayor David Kitchell has vocalized his support for the crowdfunding campaign. If the city can raise \$25,000, the Indiana Housing and Community Development Authority will match that.

COUNTIES: VIGO JAIL RULED UNCONSTITUTIONAL - A judge says the current conditions at the Vigo County Jail violate both the 8th and 14th amendments to the Constitution ([Indiana Public Media](#)). The ruling signed yesterday by U.S. Chief District Judge Jane Magnus-Stinson lays out what the county has to do to address the issues outlined in the suit. Among them the county has to submit regular updates on the progress of a new jail and when it will open. The judge says the inmates' attorneys have a right to monitor that progress. The judge ordered that they have access to daily jail population reports and incident reports from the jail. The county also has to appear in court each month to provide detailed updates on planning and construction of a new jail. The Vigo County Council is expected to move forward on the issue at a meeting this month.

COUNTIES: JEFFERSON HIRES JAIL CONSULTANT - Jefferson County officials hired RQAW Architecture in February 2018 on a recommendation from the county's Exploratory Jail Committee, which received applications and saw presentations from RQAW and at least one other interested firm ([Madison Courier](#)). RQAW's task was to create a study that looked at the state of the jail on Walnut Street downtown — including the building's capacity, population history and trends, operational costs, maintenance costs — and predict the trends that are key determining factors in the needs for a new jail facility. RQAW began collecting data in March 2018 and presented a finished feasibility study in September 2018. Their methodology for learning about the current facility's ins and outs included data collection and interviews with county personnel and leadership. According to the study: "Generally, all the statistical information gathered shows the factors that impact jail population have been increasing."

COUNTIES: HOWARD BEGINS TEXTING DEFENDANTS - Howard County has kicked off a new service to remind criminal defendants of upcoming hearing dates — an effort officials hope will limit jail population figures and the resources law enforcement spends on tracking down people who failed to show in court (Myers, [Kokomo Tribune](#)). "As most of you probably know, the two highest categories of people who are housed in the Howard County jail are those who have failed to appear for hearings, or probation violations," Superior Court 1 Judge William Menges told Howard County Council members this week. Last fall, Menges explained, the county transitioned to the Odyssey Case Management System, which maintains court records and dockets. The Indiana Judicial Branch describes Odyssey as "a person-based system, which allows for a directory of people and entities. For example, a judge has the ability to access all criminal cases that a defendant has in other courts around the state."

COUNTIES: LAKE FACES FOSTER CHILD SUIT - Lake County is among three Indiana counties being sued in federal court for not providing attorneys to kids in child welfare cases. More than 30 states require that youths in the child welfare system be given legal representation, yet Indiana is not one of them (Bruce, [NWI Times](#)). The suit, filed in the Southern District of Indiana, claims this contradicts the U.S. Constitution's equal protection clause. "Where someone's going to live, who their family's going to be, where they're going to go to school — the kids are at the total mercy of the court," said Steve Keane, a San Diego attorney with Morrison & Foerster, a law firm representing the plaintiffs. "Other states have recognized that kids need an attorney in those circumstances: to navigate those options and the proceedings and advocate for what the kid wants." Tony Overholt, an attorney hired to represent Lake County in the case, declined to comment because the litigation is pending.

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HOLCOMB, RUDD PUSHING RURAL BROADBAND: Broadband Internet access is sorely lacking in rural parts of Indiana. A new push from the Holcomb Administration looks to change that (Darling, [WIBC](#)). Citing a Purdue University study that said Indiana could gain billions of dollars from the full-deployment of broadband Internet in rural areas, Governor Holcomb is implementing the Next Level Broadband Initiative will dedicate \$100 million to bring broadband service to the entire state. "Folks from children to seniors, to businesses are struggling with this issue," said Indiana's Director for Broadband Opportunities Scott Rudd, who has only been on the job for six months traveling around the state and getting a feel for what areas need broadband access the most. "I live next to a public library," Rudd said to Inside Indiana Business. "Everyday when I'm going to work, I see people parked in their cars with the lights on on their phones or laptops. They're using a technology that they don't have access to at home and that might be due to a lack of affordability." Rudd said the Next Level Broadband Initiative will be carried out in a partnership with INDOT and The Indiana Office of Community and Rural Affairs (OCRA). "We'll go to providers or folks who may want to provide service to these un-served areas," he added. "An un-served area is the definition of an area that does not have at least 10/1 Mbps speed." Rudd said that this is a "local economic development issue" and that he is seeing many small community leaders getting together to help bring Internet access to their area. He said they have already had success in some initial pushes in rural parts of Brown and Crawford Counties.

MORE INDIANA STUDENTS TAKING ADVANCED EXAMS: More Indiana students are taking and passing advanced placement exams. The Indiana Department of Education announced last month that about 1,200 more public school students in the class of 2018 took AP exams than those in the previous year's graduating class (Lanich, [NWI Times](#)). The IDOE's data show that the rate of Indiana public school students earning a passing grade of 3 or higher has increased 12.6 percent in the last three years. "Our recent data show more Hoosier high school students are earning early college credit through AP and dual credit courses than ever before," Indiana Commissioner for Higher Education Teresa Lubbers said in an IDOE news release. "We are encouraged by this trend, as early college credit leads to higher success rates and cost savings for students and the state." A score of 3 or higher is needed to pass the exam, evaluated on a 1 to 5 scale. Each AP course is modeled off of comparable college courses, allowing high schoolers both an opportunity to excel in rigorous courses and develop study habits in preparation for higher education.

U.S., CHINA NEARING TRADE DEAL: China and the U.S. are in the final stage of completing a trade deal, with Beijing offering to lower tariffs and other restrictions on American farm, chemical, auto and other products and Washington considering removing most, if not all, sanctions levied against Chinese products since last year ([Wall Street Journal](#)). The agreement is taking shape following February's talks in Washington, people briefed on the matter on both sides said. They cautioned that hurdles remain, and each side faces possible resistance at home that the terms are too favorable to the other side. Despite the remaining hurdles, the talks have progressed to the extent that a formal agreement could be reached at a summit between President Trump and Chinese President Xi Jinping, probably around March 27, after Mr. Xi finishes a trip to Italy and France, individuals with knowledge of the plans said. As part of a deal, China is pledging to help level the playing field, including speeding up the timetable for removing foreign-ownership limitations on car ventures and reducing tariffs on imported vehicles to below the current auto tariff of 15%. Beijing would also step up purchases of U.S. goods—a tactic designed to appeal to President Trump, who campaigned on closing the bilateral trade deficit with China. One of the sweeteners would be an \$18 billion natural-gas purchase from Cheniere Energy Inc., people familiar with the transaction said.

RURAL NURSING HOMES CLOSING: More than 440 rural nursing homes have closed or merged over the last decade, according to the Cowles Research Group, which tracks long-term care, and each closure scattered patients like seeds in the wind. Instead of finding new care in their homes and communities, many end up at different nursing homes far from their families ([New York Times](#)). In remote communities like Mobridge, S.D., an old railroad town of 3,500 people, there are few choices for an aging population. Home health aides can be scarce and unaffordable to hire around the clock. The few senior-citizen apartments have waiting lists. Adult children have long since moved away to bigger cities. "How often have you heard somebody say, 'If I go to a nursing home, just shoot me?'" said Stephen Monroe, a researcher and author who tracks aging in America. "In the rural areas, you don't have options. There are no alternatives." The relocations can be traumatic for older residents, and the separation creates agonizing complications for families. Relatives say they have to cut back visits to one day a week.

ENOUGH VOTES IN SENATE TO DEFEAT EMERGENCY DECREE: Opponents of President Donald Trump's declaration of a national emergency at the U.S.-Mexico border appear to have enough Senate votes to reject his move, now that Republican Rand Paul of Kentucky has said he can't go along with the White House ([ABC News](#)). The House has voted to derail the action, and if the Senate follows later this month, the measure would go to Trump for his promised veto. Three other Republican senators have announced they'll vote "no" — Susan Collins of Maine, Lisa Murkowski of Alaska and Thom

Tillis of North Carolina. Paul makes it four, and assuming that all 47 Democrats and their independent allies go against Trump, that would give opponents 51 votes — just past the majority needed. Congress is unlikely to have the votes to override. "I can't vote to give the president the power to spend money that hasn't been appropriated by Congress," Paul said at a GOP dinner Saturday night at Western Kentucky University, according to the Bowling Green (Ky.) Daily News. "We may want more money for border security, but Congress didn't authorize it. If we take away those checks and balances, it's a dangerous thing." U.S. Sen. Todd Young told HPI last week he is undecided.

DEMOCRATS WARY OF IMPEACHMENT: House Democratic leaders worry impeachment proceedings could backfire if they move too fast (Allen, [Axios](#)). So they plan to pursue a slow-bleed strategy with lengthy public hearings and scores of witnesses to methodically pick apart President Trump's finances and presidency. What's new: In an investigation being coordinated among six to eight House committees, Trump will essentially be on public trial for months to come, with topics that include abuse of power, obstruction of justice, conflicts of interest (including profit from the Trump International Hotel on Pennsylvania Avenue) and money laundering. Why it matters: Democrats want to create a large, damning public record of testimony, documents and investigative reports. Speaker Pelosi and other top Democrats don't want to take up impeachment if it's going to go nowhere in the Republican-controlled Senate.

TRUMP'S LIES, MISLEADING COMMENTS TOP 9K: Powered by his two-hour stemwinder at the Conservative Political Action Conference on March 2 — which featured more than 100 false or misleading claims — President Trump is on pace to exceed his daily quota set during his first two years in office ([Washington Post](#)). The president averaged nearly 5.9 false or misleading claims a day in his first year in office. He hit nearly 16.5 a day in his second year. So far in 2019, he's averaging nearly 22 claims a day. As of the end of March 3, the 773th day of his term in office, Trump accumulated 9,014 fishy claims, according to The Fact Checker's database that analyzes, categorizes and tracks every suspect statement uttered by the president. Trump's performance at CPAC is emblematic of his version of the truth during his presidency — a potent mix of exaggerated numbers, unwarranted boasting and outright falsehoods. His speech helped push March 3 to his fourth-biggest day for false or misleading claims, totaling 104.

POLITICAL LOCAL WEBSITES POPPING UP ACROSS NATION: An investigation by fact-checking company Snopes finds that a series of seemingly innocuous local websites, which have popped up all over the country, are being run by GOP consultants whose businesses are funded in part by candidates the websites cover, *Axios'* Sara Fischer reports. Why it matters: The consultants setting up these websites, first reported last year by Politico, are expanding their efforts to more battleground states in the run-up to the 2020 presidential election. They claim that the sites are funded by ads. But the Snopes investigation found that the websites are often supported by wealthy benefactors. Details: Michael Patrick Leahy, a Tea Party-connected conservative activist that is tied to one of the sites, Tennessee Star, wrote in an email to Snopes: "We are in business to make a profit, and have a number of advertisers to prove it." But Snopes found that Tennessee Star runs ads from political groups such as the Koch-founded Americans for Prosperity and local GOP fundraisers. The big picture: It's difficult to draw a line between political activism and journalism in the digital era, in part because activists have gotten so good at using technology to blur lines by creating news outlets that look impartial.

HPI DAILY ANALYSIS: The Holcomb administration's push for rural broadband has been long needed. It is as vital of connecting Indiana as the I-69 to Evansville and the evolving U.S. 31 freeway have been. The day is approaching when any Hoosier can conduct business from virtually anywhere in the state. - *Brian A. Howey*

Campaign

BUTTIGIEG RETURNS TO IOWA TODAY: Mayor Pete Buttigieg will return to Iowa today for his second trip since announcing his presidential exploratory committee (*Howey Politics Indiana*). He will be hosting meet and greets with Democrats in Davenport, Iowa City, and Cedar Rapids. The schedule: 12:00 PM: Davenport - Meet and Greet, Brew in the Village, 1104 Jersey Ridge Rd, Davenport, IA 52803 Host: Scott County Democrats; 2:30 PM: Iowa City - Meet and Greet, Location: The Airliner, University of Iowa College Dems/Spectrum UI; 4:30 PM: Cedar Rapids - Meet and Greet, Dublin City Pub, Host: Linn County Democrats.

MUNCIE MAYORAL CANDIDATES DEBATE: Muncie's mayoral candidates had their first chance to publicly discuss issues facing the city and how to better improve neighborhoods on Saturday at the 4th annual IDEA Conference (Slabaugh, [Muncie Star Press](#)). There were four major questions/topics: What can each candidate bring to the table, the drug epidemic in the city, the state of Muncie's schools and how each candidate would address the corruption issues in city government. "The next mayor of Muncie is in this room," Mitch Issacs said to crowd members, who responded with applause. Each candidate was given a minute to talk about their platform and answer several questions selected from the nearly 50 questions posed. The

candidates in attendance at the forum were Democrat Terry Whitt Bailey, Republican Tom Bracken, Democrat Andrew Dale, Republican Nate Jones, Republican Dan Ridenour, Democrat Saul Riley and Democrat David Smith. Democrat Kenneth Davenport, a perennial candidate for Delaware County offices, was the only mayoral candidate not in attendance.

MUNCIE CANDIDATES INTRODUCE THEMSELVES: What quality makes you the best candidate? ([Muncie Star Press](#)). Terry Whitt Bailey: "I'm the best candidate because I have the experience," Bailey said. She explained her career at Ball State and her work as the director with the City of Muncie's Community Development office. Bailey also cited numerous boards that she has, or is currently, serving on. Tom Bracken: He cited his work with Ball State University and how having served on the finance committee he helped oversee the money coming into the community. "I like to see things working smoothly and when they don't, I look to fix it," Bracken said. "For the city, that problem is in the mayor's office," he added. Andrew Dale: He cited his work in co-founding the Shafer Leadership Academy more than a decade ago. "I can't tell you how many people, seasoned leaders, that didn't think it could happen," Dale said. "I have the skills to bring people together and get things done." Nate Jones: He said his leadership roles in the military and his work with the Delaware County veteran's affairs office was proof that he can take a government office above and beyond what it was when he first took over. Dan Ridenour: He said that he's served on the city council for several years now, and that he's been involved in the community through different neighborhood associations. He said he's also worked with 14 different non-profit organizations across the community. Saul Riley: He said that while working at the crisis center for seven years he learned to listen. "It's a good quality the mayor should be able to do is listen to the people," Riley said. David Smith: He said that he already has experience in government operations. He's familiar with administrative code for cities and towns because of his work with Indiana State Police. Trust would be a big thing, and something he would focus on bringing back to the office. He's also a small business owner.

HICKENLOOPER ENTERS 2020 RACE: A new campaign committee popped up this morning on the FEC's website: Hickenlooper 2020. A document filed with the commission says that John Hickenlooper, Colorado's former Democratic governor, is launching a bid for president (*Politico Playbook*). Hickenlooper was a two-term governor of Colorado, and before that, was a restaurateur who had a big hand in the revitalization of downtown Denver. You don't need us to tell you this, but he's entering a large Democratic primary field.

Sunday Talk

NADLER WILL SEEK TRUMP DOCS: House Judiciary Committee Chairman Jerrold Nadler (D-N.Y.) said on Sunday that his panel will request documents from dozens of entities and individuals close to the White House as part of his panel's investigation into "obstruction of justice, corruption and abuse of power." "Tomorrow, we will be issuing document requests to over 60 different people and individuals from the White House to the Department of Justice, Donald Trump Jr., Allen Weisselberg, to begin the investigations to present the case to the American people about obstruction of justice, corruption and abuse of power," Nadler said on ABC's ["This Week."](#) Nadler said during the interview that he thinks President Trump obstructed justice. "It's very clear that the president obstructed justice," he said. "It's very clear — 1,100 times he referred to [special counsel Robert Mueller's] investigation as a witch hunt ... he tried to protect [former national security adviser Michael] Flynn from being investigated by the FBI. He fired [former FBI Director James] Comey in order to stop the 'Russian thing,' as he told NBC News. ... He's intimidated witnesses. In public."

MCCARTHY LASHES OUT AT NADLER: House Minority Leader Kevin McCarthy (R-Calif.) on Sunday dismissed the Democratic House Judiciary Committee chairman's plans to investigate whether President Trump merits impeachment, saying "there's nothing that the president did wrong." "Show me where the president did anything to be impeached," McCarthy said on ABC's ["This Week."](#) "I think Congressman Nadler decided to impeach the president the day the president won the election," he added. Judiciary Committee Chairman Jerrold Nadler (D-N.Y.) said earlier on the Sunday show that "it's very clear that the president obstructed justice." He added that before Democrats could seek impeachment proceedings against the president, they need to "persuade the American public that it ought to happen." "We do not now have the evidence all sorted out to do the impeachment," he told ABC.

MCCARTHY CONTRADICTS TRUMP ON WARMBIER: House Minority Leader Kevin McCarthy (R-Calif.) said Sunday that he believes Kim Jong Un knew about the treatment of Otto Warmbier, days after President Trump said he took the North Korean leader at his word that he was unaware of the American student's treatment. "Look, North Korea murdered Otto," McCarthy said on ["This Week"](#) on ABC. "I think Kim had all authority to do that. I mean, I think Kim knew what happened, which was wrong. That's why when we passed sanctions we named them after Otto Warmbier." McCarthy said he believes Trump clarified his comments, a reference to a tweet in which the president claimed he was "misinterpreted." Host George Stephanopoulos noted that the president's tweet said he holds North Korea responsible for Warmbier's death, not Kim specifically. "Well, I think Kim knew," McCarthy responded.

WARNER BELIEVES TRUMP COLLUDED WITH RUSSIA: Sen. Mark Warner, D-Va., on Sunday said there are "enormous amounts of evidence" linking the Trump campaign to Russia — the same day House Intelligence Committee Chairman Adam Schiff, D-Calif., said there's "direct evidence" of collusion between the two. The top Democrat on the Senate Intelligence

Committee disputed on NBC's ["Meet the Press"](#) recent remarks by Sen. Richard Burr, R-N.C. claiming that the committee hasn't found "factual evidence" of collusion between Russia and the Trump campaign. Warner, referring to "the litany of what we know," said, "the ongoing negotiations about Trump Tower, well into the campaign, I believe the fact that Mr. Trump knew about the dump of the Wikileaks material, the fact that clearly the meeting at Trump Tower meeting which was not described appropriately, in terms of offering dirt," were all evidence. "To me, that's all evidence," he said. "There's no one that could factually say there's not plenty of evidence of collaboration or communications between Trump Organization and Russians."

INSLEE WILL FOCUS ON CLIMATE CHANGE: Washington Gov. Jay Inslee (D), who announced a 2020 presidential bid last week, said Sunday that there will be an "enormous cost" if the U.S. does not act to combat climate change. "If you net this out, what's going to require sacrifices is the course of inaction. You've got to understand there's enormous cost of doing nothing here," Inslee said on ABC's ["This Week."](#) Inslee warned that communities could be flooded and there could be additional damaging fires like the ones last year in California if nothing is done about the climate. "There's a huge cost to our economy, to our health, to our national security if we do not act," he said. "But there's an enormous economic advantage if we embrace clean energy."

SCHIFF BELIEVES TRUMP OBSTRUCTED JUSTICE: House Intelligence Committee Chairman Adam Schiff (D-Calif.) said Sunday that he believes a Russian lawyer's 2016 offer of damaging information on Hillary Clinton to members of the Trump campaign and their subsequent meeting amounts to "direct evidence" of collusion. "I think there is direct evidence in the emails from the Russians through their intermediary offering dirt on Hillary Clinton as part of what is described in writing as the Russian government effort to help elect Donald Trump," Schiff said on CBS's ["Face the Nation,"](#) in response to a question about collusion. "They offer that dirt. There is an acceptance of that offer in writing from the president's son, Don Jr., and there is overt acts and furtherance of that," he added, citing a summer 2016 meeting at Trump Tower between the Russian lawyer and members of the president's team. "That to me is direct evidence," Schiff continued. "But there's also abundant circumstantial evidence."

JORDAN DOESN'T BELIEVE COHEN: Rep. Jim Jordan (R-Ohio) said Sunday that Michael Cohen's testimony that he has never been to Prague "undermines" the so-called Steele dossier, which alleges connections between President Trump and Russia. "He said that, and that's something you can verify. You can look at passports, you can look at travel," the conservative lawmaker said on NBC's ["Meet the Press"](#) when asked if he believes that Cohen, who served as Trump's personal attorney, has never been to Prague. "So that undermines this whole dossier, which remember, was the basis for this whole crazy investigation to begin with," Jordan added.

BOLTON TALKS ABOUT TRUMP, KIM: National security adviser John Bolton said Sunday that his opinion "doesn't matter" when asked if he believes North Korean leader Kim Jong Un was responsible for the death of Otto Warmbier, the American college student who died after being imprisoned there. "My opinion doesn't matter," Bolton said during an interview on CNN's ["State of the Union"](#) when pressed on the subject by host Jake Tapper. President Trump said last week that he would take Kim "at his word" after he said the reclusive leader denied being involved in Warmbier's death. Bolton noted Sunday that he's no longer a Fox News contributor and said it's not the job of administration officials to give opinions "from the distance."

BOLTON WANTS TO KEEP KOREA TALKS GOING: President Trump walked away from his second summit with North Korean dictator Kim Jong Un in Vietnam without a firm agreement in hand, failing to secure a deal to get the North to give up its nuclear program. But John Bolton, the White House national security adviser, argued the meeting was far from a failure and said Mr. Trump expects to be back at the negotiating table sometime in the future. "I don't consider the summit a failure. I consider it a success, defined as the president protecting and advancing American national interests," Bolton said on ["Face the Nation"](#) Sunday. After "extensive" preparations and discussions with the North Koreans, Bolton said "the issue really was whether North Korea was prepared to accept what the president called the 'big deal,' which is denuclearization entirely, under a definition the president handed to Kim Jong Un, and have the potential for an enormous economic future, or try to do something less than that, which was unacceptable to us. So the president held firm to his view."

<https://www.cbsnews.com/news/john-bolton-on-face-the-nation-trump-ready-to-keep-talking-after-failed-north-korea-summit/>

SEN. JONES WANTS TEETH IN VOTING RIGHTS ACT: Sen. Doug Jones, the first Democrat to represent Alabama in the Senate in 25 years, urged his congressional colleagues to "put some teeth back" in the landmark Voting Rights Act of 1965, saying he believes Republican lawmakers across the country are working to suppress African-American votes. "You have to look at the state legislatures, governors and members of Congress that are Republicans," Jones said on ["Face the Nation"](#) Sunday. "For whatever reason they do not want African-Americans and other minorities to vote." "Rather than trying to get those votes, they seem to want to restrict those votes," he added. Last week, House and Senate Democrats introduced legislation to restore a provision of the Voting Rights Act struck down by the Supreme Court in the controversial Shelby County v. Holder ruling in 2013. That ruling required certain jurisdictions with a history of voter disenfranchisement to seek approval from the Justice Department before rolling out changes to their voting systems.

General Assembly

MINIMUM WAGE UNLIKELY TO CHANGE: Indiana's minimum wage is staying put for now ([WIBC](#)). Lawmakers at the statehouse rejected an amendment last week to the state budget that aimed to raise Indiana's minimum wage to \$8.50. The current minimum wage is \$7.25 an hour. Democrat State Representative Cherrish Pryor of Indianapolis said on the House floor that Indiana is behind other states on this issue, saying that Indiana has not raised its minimum wage since 2008. "All other states, with the exception of Kentucky, their minimum wage is higher," Pryor said. "Illinois just voted to raise their minimum wage to \$15 an hour. Of course that is not what we are asking for." Pryor said something needs to be done since she said \$7.25 is not enough to live on or support a family these days. She added, the increase would put an extra \$2,600 a year in to the paycheck of an average Hoosier employee that gets minimum wage for a 40-hour work week.

Congress

HOUSE TO VOTE ON ANTI-CORRUPTION PACKAGE: The House will vote on a sweeping 571-page bill this week that would strengthen federal ethics laws, expand voting rights and require presidential nominees to release their tax returns, *Axios'* Alayna Treene reports. Several Democratic House candidates made the For The People Act, also known as H.R. 1, a hallmark of their 2018 midterm campaigns, and the legislation was formally introduced on the first day of the new Congress. Why it matters: "We have a broken political system and a corrupt finance system today," Fred Wertheimer, president of Democracy 21 and a longtime proponent of campaign finance reform, told *Axios*. "H.R. 1 is the most important reform legislation to repair our democracy since the post-Watergate reforms. ... There has never been a bill as broad in its scope and coverage as this bill, and we will work from here."

PAUL WON'T BACK NATIONAL EMERGENCY: U.S. Sen. Rand Paul will not support President Trump's national emergency (*Fox News*). "I support President Trump, but I can't support this National Emergency Declaration," Paul said. "Every single Republican I know decried President Obama's use of executive power to legislate. We were right then. But the only way to be an honest officeholder is to stand up for the same principles no matter who is in power. I stand with the president often, and I do so with a loud voice. Today, I think he's wrong, not on policy, but in seeking to expand the powers of the presidency beyond their constitutional limits. I understand his frustration. Dealing with Congress can be pretty difficult sometimes. But Congress appropriates money, and his only constitutional recourse, if he does not like the amount they appropriate, is to veto the bill."

NOT ENOUGH VOTES TO OVERRIDE TRUMP VETO: There aren't enough congressional votes to overturn President Trump's veto (*Politico Playbook*). It would take 290 votes in the House to overturn a presidential veto, which would mean 55 Republicans would need to vote with all Democrats, and that isn't happening. There aren't 67 senators who will vote to overturn Trump's veto, either.

Nation

WHITE HOUSE: TRUMP BLAMES COHEN FOR NORTH KOREA - President Trump on Sunday blamed the congressional testimony of Michael Cohen, his former personal lawyer and fixer, for the collapse in negotiations with North Korea over its nuclear program last week — continuing to vent about the investigations encircling him and his associates ([Washington Post](#)). During seven hours of testimony on Wednesday, Cohen said that Trump manipulated financial records and that the now-president knew in advance about WikiLeaks' efforts to release damaging information about his Democratic opponent, Hillary Clinton, during the 2016 campaign, among other allegations. The testimony unfolded as Trump had traveled to Hanoi to try to forge a deal with North Korean leader Kim Jong Un over curbing his country's nuclear program. Although Trump, while in Vietnam, said he walked away from the nuclear summit with Kim because of a disagreement about economic sanctions on North Korea, he gave another explanation for the failure of the talks on Twitter on Sunday evening. "For the Democrats to interview in open hearings a convicted liar & fraudster, at the same time as the very important Nuclear Summit with North Korea, is perhaps a new low in American politics and may have contributed to the 'walk,' " he tweeted. "Never done when a president is overseas. Shame!"

WHITE HOUSE: INTEL CHIEFS CHANGE TRUMP BRIEFINGS - Intelligence officials who brief the president have warned him about Chinese espionage in bottom-line business terms. They have used Black Sea shipping figures to demonstrate the effect of Russia's aggression in Ukraine. And they have filled the daily threat briefing with charts and graphs of economic data ([New York Times](#)). In an effort to accommodate President Trump, who has attacked them publicly as "naïve" and in need of going "back to school," the nation's intelligence agencies have revamped their presentations to focus on subjects their No. 1 customer wants to hear about — economics and trade. Intelligence officers, steeped in how Mr. Trump views the world, now work to answer his repeated question: Who is winning? What the president wants to know, according to former officials, is what country is making more money or gaining a financial advantage.

WHITE HOUSE: TRUMP CHANGES STANCE ON 5G - The Trump re-election campaign sparked widespread confusion inside the Trump administration and the cellular wireless industry on Friday night when it advocated for a nationwide "wholesale" 5G network, which is 180 degrees from official White House policy (Swan, *Axios*). Driving the news: For months, 2020 campaign manager Brad Parscale had been arguing for this policy on Twitter, but he had been clear it was his "personal opinion." Now, Politico had a Trump campaign spokesperson, on the record, seeming to present a major government intervention in 5G as the campaign's official position. 5G stands for "fifth generation" wireless technology that promises to deliver mobile connections that are 100 times faster than the current 4G networks we rely on today. Verizon and AT&T have made huge business bets on building their own 5G networks on top of the current 4G networks. The result? Mass uncertainty. Administration officials who work on 5G freaked out. And industry leaders were perplexed.

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump will meet with the North Dakota State University 2018 Division I FCS National Champions football team at 11:30 a.m. for a photo in the East Room. At 12:30, he will have lunch with VP Mike Pence in the private dining room. Trump will sign an executive order in the Oval Office at 2:30 on "Supporting the Transition of Active Duty Service Members and Military Veterans into the Merchant Marine." He will also deliver remarks at 4:15 p.m. in the State Dining Room to the National Association of Attorneys General.

Local

CITIES: MERRILLVILLE SEEKING TOWN MANAGER - The search for a new town manager has begun. Town Manager Bruce Spires is retiring at the end of August. Spires has served in the position for about six years ([NWI Times](#)). Efforts to find a new town manager will start by posting the position internally for two weeks, Town Councilman Shawn Pettit said. If that produces no applicants, the council will discuss its next method to attract candidates for the administrative role. Pettit said he wants to have the next town manager hired by July 1 so that person will have sufficient time to train with Spires before he leaves. Pettit said Spires will be missed in the municipality. Spires has been involved in numerous major road enhancement projects in town. He also has played a role in several other endeavors, including planning for the new community center.

CITIES: WHITESTOWN APPOINTS TEMPORARY TOWN MANAGER - The Whitestown Town Council won't select a permanent replacement for town manager Dax Norton until 2020 (Quinn, [IBJ](#)). Norton, who was hired as town manager in 2013, resigned in January to take a job as municipal administration and management consultant at Indianapolis-based MS Consultants. He submitted his resignation to the town council on Jan. 2. For now, the town has appointed an interim town manager who will serve in the role until January, when a newly elected town council will choose a permanent replacement. Jason Lawson, a town employee for 11 years, was named acting town manager. Most recently, he served as director of the department of public works. Prior to Norton's departure, Lawson was No. 2 in command and led the town when Norton was on vacation.

CITIES: IPS PUSHES BACK ON MANUEL, HOWE CHARTER SCHOOLS - Indianapolis Public Schools is asking the state to hold off on a decision next week about the future of three schools transitioning out of state control ([IBJ](#)). A special task force is recommending to the state that Howe and Manual high schools be converted to charter schools run by Charter Schools USA, the private management company that has been tasked with turning around the schools over the last eight years. It's an option that would keep the schools open, which many community members have said they want, though the schools have had mixed academic results so far. But IPS said it's unclear how the district could be financially affected by the schools becoming independent charter schools. The district owns the two high school buildings and said there are "several uncertainties related to the debt financing."

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 3/9-3/11
Date: Monday, March 11, 2019 11:04:52 AM
Attachments: [Howey 3-10-19.pdf](#)
[Howey 3-11-19.pdf](#)
[Cheat Sheet 3-10-19.pdf](#)

Pillar 1- Diversify our economy

Indy Star- [7 things you need to know about the Indianapolis Airport, a 7-time 'best airport' champ](#)
NWI Times- [Regional campuses are the backbone of economic vitality](#)
NWI Times- [The Grass is Greener: NWI economy](#)
NWI Times- [NWI encourages Illinois folks to move to Indiana](#)
Times Herald- [State hardwood plan opens possibilities in Daviess County](#)
NWI Times- [Casino revenue holds in February](#)
Inside IN Business- [Atlas World Group to Expand Headquarters](#)
Inside IN Business- [Hotel, Convention Center Expansion Sparking Debate](#)
Indy Star- [Why the billionaire owner of the 34-floor JW Marriott is opposing a rival 38-floor Hilton](#)

Pillar 2- Upgrade our infrastructure

NWI Times- [Rail projects top infrastructure investments](#)
Inside IN Business- [NIPSCO Reinvests \\$660 Million Into Upgrades](#)
News Dispatch- [NIPSCO plans \\$660M in upgrades](#)
Inside IN Business- [Southern Indiana Utility Acquired](#)

Pillar 3- Strengthen our workforce

RTV6- [Keeping farming tradition alive in the 21st century](#)
Inside IN Business- [CEDIA CEO on New Global HQ, New Workforce Pipeline Program](#)

Pillar 4- Attack the drug epidemic

SB Tribune- [Indiana plans to use Lyft to offer free rides to drug treatment](#)
NWI Times- [Northwest Indiana drug overdose deaths were down in 2018](#)
US News- [Overdose Deaths Declined in Northwestern Indiana Last Year](#)
NWI Times- [St. John mom lost two sons to opioid overdoses](#)
Courier Press- [Feds charge 10 in connection with fentanyl trafficking in Evansville](#)

2019 Legislative Session

Journal Gazette- [Hate crimes push hits snag](#)
NWI Times- [Indiana to remain among states lacking bias crime law if protected classes list not included, groups warn](#)
WLKY- [Southern Indiana residents to rally in support of hate crime legislation](#)
WDRB- [Organizations rally to push for comprehensive hate crimes bill in Indiana](#)
Fox59- [IN Focus: Lawmakers discuss hate crimes debate as governor travels overseas](#)
IBJ- [Law must be crystal-clear about who's protected](#)
IBJ- [A more forceful governor is only hope for hate crimes bill](#)
Nuvo- [Flurry of Letters Supporting Hate Crimes Legislation Sent to Legislators](#)
Indy Star- ['You made us use our teacher voice.' Teachers pack Statehouse to rally for better pay](#)

Kokomo Tribune- ["They did not want to listen:" Teachers and lawmakers clash](#)
Tribune Star- [Indiana, Wabash Valley teachers rally for pay boosts](#)
Hoosier Times- [State's education chief: Arming teachers a 'bad, bad, bad idea'](#)
My Wabash Valley- [Handgun training for teachers could become a reality in Indiana](#)
Journal Gazette- [Indiana gambling regulators approve sale of Gary casinos](#)
My Wabash Valley- [Terre Haute another step closer to having casino](#)
NWI Times- [Indiana Gaming Commission OKs sale of Gary's Majestic Star casinos to Spectacle Entertainment](#)
IN Public Media- [Time Running Out For Comprehensive Redistricting Reform](#)
IN Public Media- [Should Indiana's Top Education Official Have Past Experience Working In Schools?](#)
Indy Star- [This Indiana bill is meant to protect pipelines. Critics say it infringes on free speech.](#)
Indy Politics- [Indiana Issues](#)

Misc.

Inside IN Business- [State Budget Director Dudich to Depart](#)
IBJ- [Indiana budget director resigning to join UIndy](#)
WTHR- [3 Indiana women honored with portraits in governor's office](#)
IN Public Media- [State Tax Collections Miss The Mark In February](#)
WTHR- [Regulators clear path for Indiana-grown genetically modified salmon](#)
WANE- [FDA Lifts Ban Affecting Salmon Facility in Indiana](#)
CBS4- [Support group for clergy abuse victims applauds Indiana AG's initiative](#)

Sincerely,

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BIDEN, SANDERS LEAD IN IOWA POLL; BUTTIGIEG AT 1%: The field of Democrats seeking the party's nomination for president in 2020 is one of the largest the party has seen, but for Iowa's most likely caucus attendees, two names stand above the rest: former Vice President Joe Biden and Sen. Bernie Sanders of Vermont. The latest [CNN/Des Moines Register/Mediacom](#) poll finds Biden and Sanders near even at 27% and 25% respectively, with no other candidate earning even 10% support. South Bend Mayor Pete Buttigieg comes in at 1%, with another 1% listing him as a second choice. It's the first time he's registered in a poll, coming on the eve of his 9 p.m. CNN town hall tonight. Sen. Elizabeth Warren of Massachusetts (9%) and Sen. Kamala Harris of California (7%) come closest, and of the rest of the 20-person field tested in the poll, just former US Rep. Beto O'Rourke of Texas (5%), Sen. Cory Booker of New Jersey and Sen. Amy Klobuchar of Minnesota (3% each) rise above 1% support.

MAYOR PETE CALLS FOR EXPANDED SCOTUS, ELECTORAL COLLEGE REPEAL: While he lacks the name recognition or fundraising skills of many of his Democratic presidential rivals, Mayor Pete Buttigieg of South Bend, Ind., spent his Friday visit to the Granite State using a bold set of reforms to set himself apart from the growing pack of 2020 contenders ([Union-Leader](#)). Buttigieg, who made headlines last month for appearing to entertain the idea of packing the Supreme Court, doubled down on his call for adding additional members to the high court by publicly endorsing a plan that would grow the nine-member body by six additional justices. Signaling his preference for a plan he says originates from the Yale Law Review, Buttigieg described his ideal Supreme Court as a 15-member body composed of five justices appointed by a Republican President, five justices appointed by a Democratic President and the remaining five appointed from the appellate courts by the unanimous approval of the other 10 justices. "It takes politics out of it a little bit," said Buttigieg of the proposal. "We can't go on like this where every time there's a vacancy, there are these games being played and then an apocalyptic ideological battle over who the appointee is going to be." Describing the Electoral College as part of a system that has "overruled the American people" twice in his lifetime, Buttigieg also repeated his call for the election of the President by popular vote. "It doesn't matter most years what we think because our state is too conservative to matter in the Electoral College," said Buttigieg of his native Indiana. "And if you live in California, it doesn't really matter what you think because your state's too liberal to matter in the Electoral College. I just believe that we'd be better served if we had a system where the person who wins the most votes actually wins the election."

HOOSIER FARMERS FEELING THE FINANCIAL SQUEEZE: It's a daily ritual. A group of farmers gather around 8 a.m. each day at Frick Services in Wyatt to talk about the weather, news of the day and issues facing farmers. It's a scene that plays out in agricultural communities across the country. They know crop farmers who are struggling. They know dairy farmers who have folded in recent years as agriculture has been battered by low commodity prices, tariffs that have withered their markets and even changing consumer preferences (Semmler, [South Bend Tribune](#)). Some have been forced to take jobs outside of farming in the worst down cycles, coming home at night to work the fields. "That's why the equipment has lights," one quipped. The sums, which only include the cost of seed, fertilizer, crop insurance, herbicides and fuel, are staggering — \$196,000 to plant 500 acres of corn and \$141,000 to plant soybean — and the costs to borrow have gone up thanks to higher interest rates. Though it might be possible to squeak by, even modest profit margins disappear when the cost of land, labor and machinery is included in the equation, said Michael Langemeier, an agricultural economist at Purdue University. The fact is that more farms are starting to show stress as a result of commodity prices, which have been sliding since 2014, said Langemeier, adding that farm liquidity has been declining "rather dramatically" over the past few years. "It seems high only compared to the historical lows in 2013 to 2014," Brady Brewer of Purdue said. But after a few years of lower commodity prices and other issues, it's clear that farms are starting to feel the effects. If the trade war doesn't come to an end, there could be dire consequences for years to come. "It could create an incentive for other countries to put more soybean into acreage," Brewer said. "If that happens we could lose market share that's difficult to get back."

TEACHERS TELL HOLCOMB, LEGISLATURE 'COME CLOSER': Sandy Heath held a handwritten sign inside the Indiana Statehouse on Saturday that described her frustration with funding for teachers (Miley, [CNHI](#)). Her daughter, who is a teacher in Lafayette, makes about \$36,000 a year. The daughter's student loan totals \$50,000. Heath's sign noted that the combined figures "equal no money to live." "Our kids are suffering," she said. "They want to have a family and they can't." Heath was among more than 1,000 educators, retired teachers and school board members who filled one end of the Statehouse in a sea of red shirts worn to show support for increasing school funding and pay for Indiana teachers. The afternoon rally, held despite the weekend absence of the Indiana General Assembly, was hosted by the Indiana State Teachers Association (ISTA). Gov. Eric Holcomb has recommended a 2.1 percent funding increase for next year but teacher groups say they need at least 3 percent increase to cover inflation. "The governor has said that he is walking toward us, that the Legislature's working on this and they hope we don't walk out on them, but I would say to the governor, 'Come closer,'" ISTA President Teresa Meredith said. "We get it that they can't fix it overnight, but we know they can fix it if they're willing to sit down and talk with us and build a long-term plan."

LEGISLATORS FIND ANGRY CROWD IN KOKOMO: Local Statehouse lawmakers and event organizers clashed with area teachers at a public forum Friday, with much of the anger aimed at education funding and teacher pay (Myers, [Kokomo Tribune](#)). Included in the frustration was the disrespect felt by some teachers over how the event was managed and the actions of one state senator. On the stage were state Sen. Jim Buck, R-Kokomo; Rep. Heath VanNatter, R-Kokomo; Rep. Mike Karickhoff, R-Kokomo; and Rep. Tony Cook, R-Cicero. Teachers shouted at lawmakers multiple times through the event as they attempted to discuss education issues — teacher pay comments sparked the most anger — causing a Chamber leader to tell teachers their behavior caused the Third House's premature end. Kimberly Pinkerton, manager of the Greater Kokomo Chamber of Commerce, told the crowd that "it's just like in a classroom, when the kids become disruptive" its time to end. Her comments, prompted by someone shouting the time, were in large part drowned out by sarcastic laughter and hollering from frustrated teachers and their supporters.

REGION DRUG OVERDOSE DEATHS DECLINE IN 2018: After a record-setting 2017, drug overdose deaths were down last year in Northwest Indiana, and local officials are cautiously optimistic that the opioid epidemic is slowing down (Bruce, [NWI Times](#)). "I would like to hope — I think that would probably be the best word — that we have reached the peak," said former Porter County Coroner Chuck Harris, who in 2019 became that county's recorder. "It's been a long, hard-fought battle," he said. In 2018, Lake County had 152 overdose deaths, Porter County had 46 and LaPorte had 17, compared to 196, 50 and 26 the year before, according to their county coroners. Northwest Indiana had its most drug deaths in 2017 — 268 vs. 215 last year. Experts attribute the decline to the widespread use of the overdose-reversal drug naloxone, an increase in treatment availability and more awareness about the crisis, among other reasons. Deaths involving heroin in the Region were down in 2018, but local experts say cocaine and methamphetamine use are both on the rise. "We have an opioid epidemic going on, but truly overall we have a drug and alcohol epidemic," said Megan Fisher, director of medication-assisted treatment for Porter-Starke Services.

GAMING COMMISSION APPROVES GARY CASINO PURCHASE: The Indiana Gaming Commission voted on Friday afternoon to approve Spectacle Entertainment's acquisition of both casinos in Gary (Erdody, [IBJ](#)). The acquisition will give Spectacle control over Majestic Holdco LLC, which owns the Majestic Star Casino and the Majestic Star Casino II, both located on Lake Michigan's Buffington Harbor in Gary. Spectacle is a relatively new company led by some of the same individuals who controlled Centaur Gaming before Centaur was bought by Las Vegas-based Caesars Entertainment Corp. Rod Ratcliff, former chairman and CEO of Centaur Gaming, is the chairman and CEO of Spectacle, and John Keeler, the former general counsel for Centaur, is general counsel for Spectacle. Ratcliff and Greg Gibson, an entrepreneur from Terre Haute who will serve as vice chairman of Spectacle, are the principal investors. Spectacle hopes to close the gambling boats on the harbor and use the licenses attached to the casinos to open two new venues—one along the Interstate 80/Interstate 94 corridor in Gary and one in Terre Haute—as a way to generate more revenue from the licenses. Majestic Star and Majestic Star II are among the smallest casinos in the state. In fiscal 2018, Majestic Star ranked third lowest in total "win," which is gambling revenue after payouts, with \$92.2 million. Majestic Star II ranked second lowest with \$59.8 million.

NEW CASINO VENUES PLANNED: John Keeler has told lawmakers that they expect the new Gary casino to be a \$300 million development with a 200-room hotel ([IBJ](#)). The new casino would hire an additional 400 employees—on top of the existing 800 employees now working at Majestic Star I and Majestic Star II. Gary officials have been supportive of the project, as they see an opportunity to develop Buffington Harbor into a logistics and transportation hub if the casinos are relocated. Terre Haute Casino rendering. The Terre Haute casino could cost between \$100 million and \$150 million and create 300 to 400 jobs.

DEFICITS BALLOON (AND NOBODY CARES): The federal budget deficit is ballooning on President Donald Trump's watch, and few in Washington seem to care ([AP](#)). And even if they did, the political dynamics that enabled bipartisan deficit-cutting deals decades ago has disappeared, replaced by bitter partisanship and chronic dysfunction. That's the reality that will greet Trump's latest budget, which will promptly be shelved after landing with a thud on Monday. Like previous spending blueprints, Trump's plan for the 2020 budget year will propose cuts to many domestic programs favored by lawmakers in both parties but leave alone politically popular retirement programs such as Medicare and Social Security. Washington probably will devote months to wrestling over erasing the last remnants of a failed 2011 budget deal that would otherwise cut core Pentagon operations by \$71 billion and domestic agencies and foreign aid by \$55 billion. Top lawmakers are pushing for a reprise of three prior deals to use spending cuts or new revenues and prop up additional spending rather than defray deficits that are again approaching \$1 trillion. It's put deficit hawks in a gloomy mood. "The president doesn't care. The leadership of the Democratic Party doesn't care," said former Sen. Judd Gregg, R-N.H. "And social media is in stampede mode." Trump's budget arrives as the latest Treasury Department figures show a 77 percent spike in the deficit over the first four months of the budget year, driven by falling revenues and steady growth in spending.

TRUMP CALLS COLTER 'WACKY NUT JOB': President Donald Trump on Saturday branded former ally Ann Coulter a "Wacky Nut Job" — less than a month after insisting he did not follow the conservative commentator and blamed journalists for exaggerating her influence over White House decision-making ([Politico](#)). "Wacky Nut Job @AnnCoulter, who still hasn't figured out that, despite all odds and an entire Democrat Party of Far Left Radicals against me (not to mention certain Republicans who are sadly unwilling to fight), I am winning on the Border," Trump wrote on Twitter.

HPI DAILY ANALYSIS: South Bend Mayor Pete Buttigieg has now surfaced in a poll, at 1% in a *Des Moines Register/CNN Poll*. It comes on the eve of his 9 p.m. CNN town hall tonight. The opening for Mayor Pete is that *NBC/Wall Street Journal* polling shows little appetite among Democrats for candidates older than 75, a trait of both shared by pack leaders Joe Biden and Bernie Sanders. Democrats tend to nominate young presidential nominees (i.e. JFK, Clinton, Obama), so we're at an early and fluid stage. Mayor Pete faces a huge hill to climb and if he begins such as ascent, it would be at an event like tonight. - *Brian A. Howey*

Campaigns

BUTTIGIEG, BENNET WON'T EMPHASIZE TRUMP: Two Democratic White House hopefuls took very different tacts in dealing with Republican President Donald Trump as they campaigned in New Hampshire on Friday ([Concord Monitor](#)). Democratic presidential contender Pete Buttigieg argued that the 2020 election shouldn't be about Trump, emphasizing that "of course we'll confront him, we'll call him out. We'll beat him. But at the end of the day, it's not about him, it's about us." Potential White House candidate Sen. Michael Bennet of Colorado had no problem targeting Trump, calling his presidency "a sorry chapter." Buttigieg – the South Bend, Indiana mayor who launched a presidential exploratory committee in January – took questions from reporters after headlining 'Politics and Eggs' at the New Hampshire Institute of Politics. Asked by the Monitor why he never mentioned Trump's name during his address and question and answer session with the audience, Buttigieg said "the biggest message I have to the current president is 'it's not about you.'"

MAYOR PETE EMPHASIZES CLIMATE CHANGE: Peter Buttigieg, the mayor of South Bend, Indiana, made another stop in New Hampshire Friday as he contemplates a 2020 presidential campaign ([New Hampshire Public Radio](#)). He told the crowd at St. Anselm College's Politics and Eggs that issues like climate change are personal for him as a millennial. At 37, he's possibly the youngest candidate in a crowded field of Democrats. "And so, too, is the economic question of whether we are on track to be the first generation in American history to earn less than our parents if nothing is done to change the trajectory of this economy," Buttigieg said. College freshman Mallory Warner drove up from Massachusetts and says Buttigieg's message of a better future for younger Americans resonates. "There's this sense of disillusionment among us in that what we say and what we do doesn't matter," Warner said. "And I think now, when you see a 37-year-old in office, it means something."

BUTTIGIEG SEEN AS A 'MODERATE': Eliminating the Electoral College and packing the Supreme Court are two big-ticket ideas. Both would require re-writing the U.S. Constitution and would result in a radical change in how America governs itself. And yet Buttigieg presented them as casually as if he were proposing a minor amendment in the tax code. And, just as noteworthy, the crowd barely reacted ([NH Journal](#)). Even more interesting is the fact that Mayor Buttigieg is widely viewed as a moderate. And with Sens. Bernie Sanders and Elizabeth Warren in the race, perhaps he is.

SXSW CONFERENCE A TRENDY STOP FOR CANDIDATES: The annual South by Southwest (SXSW) conference in Austin, Texas, is known for launching cutting-edge tech companies like Twitter and Foursquare, and introducing new music and critically acclaimed films. In its 33-year tenure, the festival has also become a mecca for Democratic politicians seeking to appeal to left-leaning millennials in a key primary state ([CBS News](#)). As the 2020 presidential race kicks into gear, Democratic candidates are flocking to SXSW, hoping the festival will serve as a launchpad for their campaigns. Republicans, as well as former Starbucks CEO Howard Schultz, who is considering an independent bid for president, will also be there. "The weekend appearances by a collection of Democrats, Republicans and independent Howard Schultz at what was once known as a modest music festival amounts to the largest gathering of declared or potential presidential candidates of the year," said CBS News political correspondent Ed O'Keefe. "Much of what is discussed this weekend could end up being fine-tuned for voters in the early primary states," he added. Declared Democratic candidates Amy Klobuchar, Elizabeth Warren and Pete Buttigieg will speaking at the conference Saturday. Trump primary challenger Bill Weld, a Republican, is also speaking, as is Republican John Kasich, who is publicly mulling a 2020 primary bid. Rising Democratic star Alexandria Ocasio-Cortez is also set to appear at the festival on Saturday. And on Sunday, Democratic candidates Jay Inslee, Julián Castro and John Hickenlooper are speaking. Ed O'Keefe said the SXSW events are opportunities for presidential hopefuls.

Sunday Talk

CARSON CALLS COHEN 'COOPERATIVE': Rep. Andre Carson (D-IN) appeared on this week's edition of IN Focus to discuss several issues in the news, including the second round of closed-door hearings with former Trump attorney Michael Cohen. Carson sits on the House Intelligence committee, which questioned Cohen for the second time in two weeks on Wednesday ([Fox59](#)). "I think that Michael Cohen has been very cooperative with the committee, which we appreciate," said Carson. "He's cooperative. I didn't say credible, but I think he's being cooperative... I think that he's been cooperative to the

degree that the various committees have been able to issue subpoenas to bring other witnesses in. Of course, we're going to bring other witnesses in ourselves as an intel committee to really get to the bottom of this and corroborate stories, that's what this investigation is all about." Carson also said he was surprised by the sentence former Trump campaign chair Paul Manafort received, a more lenient 47 months compared to the twenty plus years prosecutors had suggested. "There seems to be inequity at play but also a lot of people are saying this is just a slap on the wrist, and it's unfortunate," said Carson. "The Trump Administration has acted like a mafia of sorts, and kind of this mob mentality is something that the American people don't want."

INSLEE SAYS 'WORLD IS ON FIRE': Washington Gov. Jay Inslee (D), a 2020 presidential candidate, on Sunday called for climate change to be the "primary" issue for the next administration, saying "the world's on fire and we've got to act." "We are the first generation to feel the sting of climate change and we are the last generation that can do something about it. And we've got one shot and that's the next administration," he said during an interview on CNN's ["State of the Union."](#) "We have to have this be the primary, first, foremost and paramount duty of the next administration because the world's on fire and we've got to act and we've got a climate denier in the White House," Inslee added.

KUDLOW BULLISH ON CHINA TRADE DEAL: Top White House economic adviser Larry Kudlow said on Sunday that he's "bullish" on the prospects of a U.S.-Chinese trade deal being finalized by April, but acknowledged that a final agreement is up to President Trump. "I think we're making great progress," Kudlow said on ["Fox News Sunday."](#) "Across the board, the deal has to be good for the United States, and for our workers, and our farmers and our manufacturing. It's got to be good. It's got to be fair and reciprocal and it's got to be enforceable." "I don't want to predict, it's up to the president and not to me, but I think the headway has been good," Kudlow said.

KUDLOW SAYS TRUMP WILL SEEK SPENDING CUTS: Top White House economic adviser Larry Kudlow said Sunday that President Trump will call for an across-the-board domestic spending cut of 5 percent in his budget proposal, even as he asks for an increase in funding for a wall along the southern border. Kudlow on ["Fox News Sunday"](#) laid out the administration's budget strategy ahead of the submission of the fiscal 2020 proposal on Monday. He said it will pair policies like the 2017 tax cut bill with the roughly 5 percent domestic spending cut in an effort to spur growth and deal with deficits. "It will be a tough budget," he said, calling it "exactly the right prescription."

BOLTON WON'T SPECULATE ON NORTH KOREA: National security adviser John Bolton on Sunday that North Korea's Kim Jong Un "has a very clear idea" where President Trump stands on missile tests. "I'd rather not get into specifics on that," Bolton on ABC's ["This Week,"](#) when asked about new images that show activity at a North Korean missile site. "There's a lot of activity all the time in North Korea, but I'm not going to speculate on what that particular commercial satellite picture shows," he said.

BOLTON TALKS OF ISIS DEFEAT: White House national security adviser John Bolton told ["This Week"](#) Co-Anchor Martha Raddatz Sunday that President Donald Trump is "as clear as can be" when discussing the defeat of the Islamic State. "The president has been, I think, as clear as clear can be when he talks about the defeat of the ISIS territorial caliphate," Bolton said. "He has never said that the elimination of the territorial caliphate means the end of ISIS in total. We know that's not the case. We know right now that there are ISIS fighters scattered still around Syria and Iraq. And that ISIS itself is growing in other parts of the world. The ISIS threat will remain."

CASTRO HITS SANDERS OVER REPARATIONS: Democratic presidential candidate Julián Castro on Sunday hit Sen. Bernie Sanders (I-Vt.) over his 2020 rival's position on reparations. "What he said ... the other day was he didn't think the best way to address this was for the United States to write a check." Castro said during an interview on CNN's ["State of the Union."](#) "However, it's interesting to me that when it comes to 'Medicare for all,' health care, you know, the response there has been, 'We need to write a big check.' That when it comes to tuition-free or debt-free college, the answer has been that we need to write a big check," the former Housing and Urban Development secretary added.

AOC SLAMS 'MODERATES': U.S. Rep. Alexandria Ocasio-Cortez slammed political moderates at the South by Southwest Conference & Festivals in Austin, Texas, calling their views "misplaced" as she defended her progressive politics in a room full of supporters ([Fox News](#)). "Moderate is not a stance. It's just an attitude towards life of, like, 'meh,'" the New York Democrat said Saturday during an interview with Briahna Gray, senior politics editor for the Intercept. "We've become so cynical, that we view 'meh,' or 'eh' — we view cynicism as an intellectually superior attitude, and we view ambition as youthful naivete when ... the greatest things we have ever accomplished as a society have been ambitious acts of visions, and the 'meh' is just worshipped now, for what?"

HATE CRIMES BILL HITS SNAG: Republicans looking for an easy out on hate crimes got some bad news last week (Kelly, [Fort Wayne Journal Gazette](#)). Passing a bias crime law without an explicit list of designated characteristics is not going to get Indiana off the so-called naughty list. The stated goal by Gov. Eric Holcomb and others this year is to pass a law that makes Indiana the 46th state with a bias crime law. But the Anti-Defamation League – the keepers of a state map that tracks these laws – says the path Indiana is heading down won't suffice. That's because Senate Republicans stripped the bill of a list of protected classes such as race, religion, sexual orientation and more. Instead, it simply says a judge can consider bias of any kind. Anti-Defamation League Midwest Regional Director Lonnie Nasatir said the organization modeled the first hate crimes statute and has a long history of advocating nationally on the issue. "These types of crimes are very unique and can have negative effects not just on the victim but on the community that is targeted," he said.

CEOs PUSH FOR HATE CRIME LAW: Several CEOs from Indiana technology companies are calling for Indiana lawmakers to pass a hate crimes bill that specifically lists protected groups, comparing the discussion to the Religious Freedom Restoration Act controversy of 2015 ([Fox59](#)). Members of the Indiana Technology & Innovation Association held a Wednesday news conference in the Statehouse atrium and argued that Indiana's lack of a hate crime law is hurting their efforts to recruit talent from out of state. "Technology is Indiana's fastest growing sector, but we are in a death match for talent with other places and other states," said John McDonald, CEO of Fishers-based ClearObject. "There are not enough skilled workers to fill the jobs that we're creating every day. And so we can't afford to have anything be a barrier to that talent and recruitment." "Passing a watered down unenforceable bias crimes law just simply reaffirms the reputation of Indiana as being socially regressive and essentially not inclusive," said John Gilman, CEO of Zionsville-based Clear Software. "It really makes it difficult to run a technology company when we have this reputation because talent is our number one need."

TIME RUNNING OUT FOR REDISTRICTING REFORM: Time is running out for Indiana to enact comprehensive redistricting reform before state lawmakers are due to redraw legislative districts in 2021 (Smith, [Indiana Public Media](#)). Such reform is essentially dead this session – and even modest changes are unlikely. The Senate narrowly approved a bill to create redistricting standards for lawmakers. That includes keeping communities together whenever possible and ignoring incumbent legislators' addresses. But House Elections Committee Chair Tim Wesco (R-Osceola) isn't a fan of the bill. He says much of it is already required by federal law. And he points to a provision that says lawmakers can ignore the standards, as long as they explain why. "It really leaves me asking, what's the point?" Wesco says. Redistricting reform advocates support the bill. But they also want a lot more – an independent commission that draws Indiana's legislative maps. Leading advocate Julia Vaughn acknowledges such a change might require an outside push. "We're all looking towards the Supreme Court to hopefully provide us with an assist but that's certainly not guaranteed," Vaughn says.

BOSMA PREFERS SUPT WITH EDUCATION EXPERIENCE: As lawmakers push forward a measure for the governor to appoint the state's next schools chief starting in 2021, some question the requirements for the job (Lindsay, [Indiana Public Media](#)). Lawmakers changed state law in 2017 to move the position that oversees the State Department of Education from an elected one to an appointment from the governor, starting in 2025. The 2025 deadline was, in part, to allow current Superintendent of Public Instruction Jennifer McCormick to run for a second term. But she announced last fall she won't run for re-election, and lawmakers want the governor to appoint her successor. House Speaker Brian Bosma (R-Indianapolis) is backing the bill that would move up the timeline for Indiana's governor to appoint a secretary of education after McCormick's current term ends. He says it's the only cabinet position with experience criteria in state law, and lawmakers discussed those requirements in 2017 when they passed the appointment legislation. "We debated and negotiated those quite extensively two years ago to give preference to someone who is an educator," he says.

REP. WRIGHT WORKING ON TRAFFICKING ISSUES: A local representative is one of the Indiana legislators working on trafficking laws (Arwood, [Anderson Herald-Bulletin](#)). Rep. Melanie Wright, D-Yorktown, authored two bills regarding sex trafficking of minors for the 2019 general session. When the issue of sex trafficking of minors was brought to her attention six years ago, it became a key issue to her, as she teaches music for kindergarten through sixth grade at Daleville Community Schools. "A lot of people think it isn't happening here," she said. "As a full-time teacher, it really haunted me." The first bill is House Bill 1598. The bill proposes appropriation from the state general fund to aid the prevention of human trafficking. "Local law enforcement definitely needs training so they have formal plans in place," Wright said. "We should offer rehabilitation for survivors and really protect children in the foster system, as they're most at risk." Wright's second bill is House Bill 1603. The bill proposes raising knowingly soliciting sex from a minor to a Level 6 felony. "My colleagues in crime say that punishment doesn't deter it from happening, but there needs to be a stiffer penalty for sure," she said. "Just in the sheer protection our children." Sitting on the House Family, Children and Human Affairs Committee, Wright said she is steadfastly motivated to make change. "Some of the testimony, the witnessing we've heard is terrible. It stays with you, it's horrendous, and we're sitting there," she said. "To imagine living through it is terrible. "This is a reality in our community. It's a really sobering thought."

YOUNG LAUDS USDA LIFTING SALMON REGS: U.S. Senator Todd Young (R-Ind.) applauded the U.S. Food and Drug Administration (FDA)'s announcement that it will deactivate an import alert on genetically engineered (GE) salmon and salmon eggs from entering the U.S. (*Howey Politics Indiana*). This is welcome news in Albany, Indiana, where AquaBounty made a \$14 million investment – purchasing a defunct fish facility for cultivating GE salmon. The FDA had previously approved the facility and the product for human consumption, but production could not begin due to a provision in the 2016 Omnibus Appropriations Act that resulted in FDA issuing an import ban. This important investment could create up to 100 jobs and help revive the local economy. Cultivating other sources of seafood will also provide consumers with healthier options, which helps improve the health of Indiana's population. "This announcement is good news for Albany and Delaware County, where this emerging industry has the potential to create jobs and spark economic activity," said Senator Young. "I have been vocal with the FDA and my Senate colleagues about this issue, and am pleased that the FDA has acted."

CARSON TO PUSH FOR SUMMER JOBS: U.S. Rep. André Carson is encouraging residents of Indiana's seventh congressional district to attend his sixth annual Youth Opportunities Fair, which is being held at the Central Library (40 East Saint Clair Street) in Indianapolis this upcoming Monday, March 11, from Noon to 7 p.m. (*Howey Politics Indiana*). The annual event presents students, parents and guardians with a variety of year-round and summer options for youth of all ages. In addition to featuring job opportunities for teens and young adults, it also helps students with interviewing skills, resume review, and post-fair tips to follow up with employers. "That first summer job, summer camp or volunteer experience can make a big difference in a young person's life, helping to ignite goals and passions that last a lifetime," Rep. Carson said. "However, many folks in our community in years past told me that they had trouble finding these opportunities. That's what inspired me to launch the Youth Opportunities Fair – to put a variety of these resources in one place. I'm pleased it has lived up to its promise, helping to change many young Hoosiers' lives."

REP. PENCE CALLS ELECTION BILL 'BAD NEWS': U.S. Rep. Greg Pence is calling the latest "election reform" bill passed by the House is "nothing but bad news" (*Howey Politics Indiana*). "My colleagues across the aisle want you to think this will change the whole political game, but the truth is that this is nothing but a political power grab designed to push an ultra-left political agenda. This crooked legislation doesn't reform anything, it mandates a huge federal takeover of elections. It takes away state's rights to regulate voter ID, empowers corporate interests, and sticks the American taxpayer with the bill for every politician's expensive campaign. Under H.R. 1, Congressional candidates could potentially receive \$4.3 MILLION of taxpayer dollars to fund their campaigns! Now, you can you see why so many liberals lined up to support the bill!"

State

GOVERNOR: HOLCOMB VISITS OMAHA BEACH - Gov. Eric Holcomb is in Europe and he paid tribute to fallen Hoosiers and Americans at Omaha Beach in France (*Howey Politics Indiana*). "Visiting Omaha Beach reminds one of the painful cost of war and freedom," Holcomb tweeted. "On behalf of all Hoosiers, I was honored to lay a wreath at the Normandy American Cemetery." Earlier he tweeted, "We're at the Normandy American Cemetery to pay respect to the 274 Hoosiers, and all allied service members, that gave the last full measure of devotion during the Battle of Normandy." Holcomb is on a trade mission to France, Germany and Belgium this week. Holcomb enjoyed a "royale with cheese" at a French McDonald's, a reference to a famous line in *"Pulp Fiction"* describing a McDonald's Quarter Pounder. Arriving in Belgium, Holcomb and the IEDC tweeted, "Nous nous rendons en Belgique aujourd'hui afin de rencontrer les dirigeants gouvernementaux et discuter des possibilités de renforcer les liens et les relations économiques, invitant les entreprises belges à découvrir pourquoi l'Indiana est un État qui fonctionne!" (Editor's Note: Bonus points for any subscriber willing to translate).

GOVERNOR: BUDGET DIRECTOR DUDICH DEPARTS FOR UINDY - Gov. Eric J. Holcomb today announced that State Budget Director Jason Dudich will leave his post in May to serve as the vice president, chief financial officer, and treasurer of the University of Indianapolis (*Howey Politics Indiana*). "Jason is an enthusiastic problem-solver who has served the state with great skill and integrity," Gov. Holcomb said. "I wish him continued success in his new role at the University of Indianapolis and thank him for helping us take Indiana to the next level." Dudich has served as the state budget director since 2017 after being appointed by Gov. Holcomb. During his tenure, Dudich developed, presented and managed one balanced budget and is diligently working on a second. He has helped manage the fiscal operations of the state ensuring integrity as well as maintaining strong reserves and the state's AAA credit rating. "I want to thank Gov. Holcomb for giving me the opportunity to serve in his administration. I am proud that the State Budget Agency is in a position that the next director will have a strong team in place," Dudich said. "I am confident that the relationship we've built between the budget agency and the state agencies will continue into the future and ensure collaboration to meet the needs of Hoosiers." Dudich will continue in his current role through the conclusion of the legislative session and depart the administration in mid-May. Gov. Holcomb will appoint a replacement in the near future.

GOVERNOR: STATE BANKING ON HARDWOODS - Hardwoods are big business in southern Indiana. In Daviess County alone, more than an estimated 100 businesses are converting hardwoods to viable products that are sold throughout the country and throughout the world. But the state believes hardwoods offer even more potential and has unveiled a plan to try and capture more money tied to the business as well as the Indiana Hardwoods Strategy (Grant, [Washington Herald-Times](#)). "Indiana is renowned for producing high quality hardwood timber, yet more than \$230 million of sawmill products are coming from outside the state," said Indiana Lieutenant Governor Suzanne Crouch. "With demand there and our robust, sustainable forest resource base, we want to provide that supply chain link and help capture some of that economic activity in Indiana." The state estimates that the hardwoods industry contributes more than \$10 billion to the state's economy and supports over 70,000 high wage jobs. Officials also estimate that for every 10 jobs created directly by hardwoods there are another eight supporting the industry.

GOVERNOR: STATE REVENUE FALLS SHORT - Indiana revenue fell short of the most recent projections for the second consecutive month. The Indiana State Budget Agency says General Fund revenues totaled more than \$786 million in February, 2.3 percent below the December revenue forecast and more than 3 percent lower than the same month last year (Brown, [Inside Indiana Business](#)). Sales tax collections, individual income tax collections, and riverboat wagering collections were all below the monthly estimate. However, corporate tax collections and racino wagering collections were both above projections. "Overall, for the month of February, the combination of higher corporate tax refunds and lower than expected collections from sales and use taxes and individual income taxes weighed on net General Fund revenues," the agency says. "Significant monthly fluctuations are expected and revenues are better interpreted within the context of the longer term trend for fiscal year 2019 as April and June are by far the months with the most revenue activity." Year-to-date, the state has collected more than \$9.8 billion, which is only three-tenths of a percent below the revenue forecast and 3 percent higher than totals through the same period in the previous fiscal year. The revenue forecast was most recently revised in December.

GAMING: REVENUE STABLE IN FEBRUARY - Northwest Indiana's casinos recorded a small increase in gaming revenue in February, taking a significant bite out of January's cold start to the year ([NWI Times](#)). Casinos along the Lake Michigan shore had \$72.1 million in gaming win, according to the Indiana Gaming Commission, up 1.5 percent from February 2018. February's gain left the casinos down about 4.7 percent on the year. The Region's smaller casinos had particularly strong months, with Blue Chip in Michigan City taking in \$11.9 million, an 8.4 percent increase, and the two Majestic Star casinos in Gary growing revenue 7.4 percent, to \$12.7 million. East Chicago's Ameristar casino had a win just over \$17 million, down 2 percent from last year, while Horseshoe Hammond took in \$30.6 million, off 1.3 percent from last February. Play at Horseshoe was up at both its table games and slot machines, but the casino's table win was down considerably from a year ago. "We did have a lot of players play lucky," Horseshoe Vice President and Assistant General Manager Noah Hirsch said. Statewide, casinos and racetracks brought in \$172.2 million in February, 1.2 percent more than February 2018. Chicago-area casinos on the Illinois side of the state line saw a decline of 4.7 percent, Hirsch said.

HEALTH: 53 HOOSIERS DIE OF FLU - Although it hasn't seemed quite as severe as the past few years, the Indiana State Department of Health says they have still recorded just over four dozen deaths from flu-related illness so far during the 2018-19 season. The number of deaths is at 53 ([WRTV](#)). Flu activity remains widespread throughout the state, according to the latest flu activity report released on Friday, March 8. Flu deaths this season have varied some, but most have been adults aged 65 and over. Eight deaths recorded by the state health department were in patients younger than 50.

INDOT: WORK ON I-69 SECTION 6 BEGINS IN MARTINSVILLE - Crews will get to work on the final leg of the I-69 extension in Morgan County next week ([WTHR-TV](#)). INDOT said in a release Friday the warmer weather in the forecast will allow contractors to get to work on I-69 Section 6 work in Martinsville. Workers will be clearing brush, placing erosion control and working on right-of-way for bridge and roadway construction in the future. The department said work will be limited to the area around South Street and Home Avenue, Grand Valley Boulevard east of SR 37 and on Cramertown Loop south of Florida Avenue.

EDUCATION: IU DEAN HEADED TO TEXAS - The dean of Indiana University's College of Arts and Sciences is headed to Texas ([Bloomington Herald-Times](#)). Larry Singell, an economics professor who was named executive dean of the largest and oldest division at IU in 2011, has been appointed senior vice provost for resource management at the University of Texas at Austin starting July 1. He will succeed Dan Slesnick, who has served in this role since 2010.

EDUCATION: IU SLOWS DOWN HOUSING EXPANSION - Indiana University has hit the pause button on a plan to add beds and dining space after bids were higher than anticipated ([AP](#)). A school vice president, Tom Morrison, says the new completion date is fall 2021, not 2020. He tells The Herald-Times that a bid for the housing portion of the project came in at \$64 million in February, a few months after an earlier round with low bids of \$72 million. There's been no bidding yet on the dining hall portion of the project. Indiana University trustees approved the project a year ago. Provost Lauren Robel says students are turned away from campus housing each year because of tight supply.

ENERGY: NIPSCO PLANNING \$660M IN UPGRADES - Construction season will be ramping up soon and for Northern Indiana Public Service Co., it promises to be a busy one ([Michigan City News-Dispatch](#)). NIPSCO will be continuing to

upgrade its electric and gas infrastructure across northern Indiana, with nearly \$660 million in planned investments this year, according to spokesman Nick Meyer. Several of those projects will be in La Porte County. "This reinvestment is part of NIPSCO's overall ongoing modernization plan to ensure long-term safety and reliability for customers," he said.

MEDIA: PETE THE PLANNER COMING TO IBJ - [IBJ](#) has added comedian-turned-money man Peter Dunn's Pete the Planner column to its roster, starting March 15, when it will appear in the paper's print edition and at IBJ.com. Dunn will focus on helping readers build wealth and keep it and will write for IBJ every other week. "We're thrilled to have Pete join our lineup of writers," said IBJ Editor Greg Andrews. "He's developed a strong following not just locally but nationally, with financial guidance that's indispensable for everyone from young professionals to longtime CEOs." Dunn, 41, is the author of 10 books, including a series called "Your Money Life," to guide readers through decades of financial decision making. Dunn is host of "The Pete the Planner Show" on WIBC-FM 93.1 and has appeared regularly on CNN Headline News, Fox News, Fox Business and a number of nationally syndicated radio programs. Dunn wrote his Pete the Planner column for The Indianapolis Star for six years before the paper eliminated it as part of a cost-cutting move in January. Dunn still writes a column for USA Today.

MEDIA: MAUREEN MCFADDEN WINDS UP WNDU CAREER - Forty years in one job doesn't happen often anymore. However, Maureen McFadden did that at WNDU. "I was blessed to do this job for nearly 40 years," she said. "I have to thank the viewers" ([South Bend Tribune](#)). Friday is the start of the next phase of life for her when she anchors her final evening news show at 6 p.m. and begins retirement. "Yes, it is the Ides of March. Lots of people are reminding me of that," she said. Emotional day? Maybe? Probably. There was some emotion already when she received a Sagamore of the Wabash from Gov. Eric Holcomb. Later, brother and co-anchor Terry McFadden announced that she would be inducted in the Indiana AP Hall of Fame.

SPORTS: PURDUE WINS 24TH BIG 10 TITLE - Carsen Edwards scored 21 points and No. 11 Purdue clinched a share of the Big Ten regular-season championship with a 70-57 victory over Northwestern on Saturday. It is Purdue's 24th Big Ten title ([AP](#)). The Boilermakers (23-8, 16-4) secured the No. 2 seed in the conference tournament in Chicago and a share of their second regular-season title in three years. They came in tied with Michigan State and Michigan, who played each other on Saturday night. Edwards, the Big Ten's leading scorer, made just 6 of 18 shots. Nojel Eastern scored a career-high 15 points, and the Boilermakers bounced back from a loss at Minnesota on Tuesday to win for the 14th time in 16 games.

Nation

WHITE HOUSE: TRUMP BUDGET BANKS ON HIGH GROWTH - The White House's budget proposal assumes the U.S. economy will keep expanding as briskly as it did last year, when a tax cut and government spending increase boosted growth, according to a preview of the materials to be released Monday ([Wall Street Journal](#)). The fiscal year 2020 budget projects much stronger growth than many independent forecasters, who see the economy slowing this year as the effects of those fiscal stimulus measures wane. But the Trump administration, which hit its forecasts for 2018, expects that deregulation and changes to the tax code will keep the expansion humming again this year. The White House forecasts the economy will grow about 3% annually over the next decade, though it expects a bigger near-term boost, with output rising 3.2% this year before declining to 3.1% in 2020, 3.0% in 2021 and 2.8% in 2026, according to projections viewed by The Wall Street Journal. The economy grew 3.1% in the fourth quarter from a year earlier, its highest rate in nearly four years and in line with the projection made in President Trump's budget proposal last year. "Basically the modeling that we did [for] last year nailed last year," said Kevin Hassett, the chairman of the White House Council of Economic Advisers. "So we think those models are still the best indicator of what should happen going forward."

WHITE HOUSE: TRUMP TO NOMINATE BERNHARDT FOR INTERIOR - President Donald Trump intends to nominate David Bernhardt of Virginia to be Secretary of Interior, according to a statement from the White House Friday afternoon ([ABC News](#)). Bernhardt currently serves as Acting Secretary and Deputy Secretary of the Interior a position he took on after the departure of Secretary Ryan Zinke. During his tenure in office, Zinke generated headlines about ethics investigations and criticism of his actions favoring industry.

WHITE HOUSE: BILL SHINE EXITS TO CAMPAIGN - Bill Shine, the former Fox News executive who joined the White House staff last summer to manage President Trump's communications operation, has resigned and will move to the president's re-election campaign, the White House announced Friday ([New York Times](#)). Mr. Shine's abrupt departure came as a surprise to many in the White House and was revealed, as such personnel moves often are in this administration, as the president was on Air Force One leaving Washington. While described by admiring White House colleagues as a rare adult in the room, Mr. Shine has sometimes been absent during key moments, including the president's trip last week to Vietnam. Colleagues said he had developed little chemistry with Mr. Trump, and critics increasingly focused on Mr. Shine's ties to Fox, where he was forced out for his handling of sexual harassment claims.

WHITE HOUSE: TRUMP SIGNS BIBLES IN ALABAMA - President Donald Trump was just doing what he could to raise spirits when he signed Bibles at an Alabama church for survivors of a deadly tornado outbreak, many religious leaders say,

though some are offended and others say he could have handled it differently ([AP](#)). Hershael York, dean of the Southern Baptist Theological Seminary School of Theology in Louisville, Kentucky, said he didn't have a problem with Trump signing Bibles, like former presidents have, because he was asked and because it was important to the people who were asking. "Though we don't have a national faith, there is faith in our nation, and so it's not at all surprising that people would have politicians sign their Bibles," he said. "Those Bibles are meaningful to them and apparently these politicians are, too."

WHITE HOUSE: U.S., CHINA NEAR CURRENCY DEAL - China's top central banker signaled that Beijing and Washington are getting close to reaching a currency deal as part of their continuing negotiations to settle a yearlong trade battle ([Wall Street Journal](#)). "Both sides have reached consensus on many crucial and important issues," People's Bank of China Gov. Yi Gang said at a news conference Sunday, held on the sidelines of the nation's annual legislative session. As part of the accord, Mr. Yi said, China won't engage in competitive devaluation to give Chinese exporters a leg up in foreign markets—a commitment Chinese officials have also made in multilateral agreements such as those among the Group of 20 industrial nations. "This is what we promised," he emphasized. "Absolutely we won't do this."

Local

CITIES: LEBANON PD CHIEF DEMOTED FOR OFFENSIVE POST - The Lebanon chief of police has been removed from office and will serve the department in the patrol division after a comment he made on Facebook in 2017 resurfaced, the department said Friday via social media ([WIBC](#)). Tyson Warmoth became chief of Lebanon Police Department in 2016 after 20 years at the department in a variety of roles. He is a veteran of the U.S. Air Force, according to the Lebanon Police Department website. According to a statement from Warmoth on the department's Facebook page, he "made a crude and offensive comment in jest" on his adult son's personal Facebook page in February 2017, which was recently posted as an image on someone else's personal Facebook page. The statement includes an apology from Warmoth to the people of Lebanon and the mayor and explains that he accepted the decision to be removed from office and "will continue to do my best to protect and serve as I return to the Patrol Division." Deputy Chief Brad Bailey will serve as interim police chief as the city considers candidates for chief, Mayor Matt Gentry said Friday.

CITIES: BEDFORD WRAPPING UP STELLAR PROJECTS - It's been five years, but the City of Bedford is nearly finished with a major downtown revitalization project. The city worked with community members to prioritize the things they thought would improve the quality of life in Bedford (Ceylan, [Indiana Public Media](#)). Bedford was awarded a Stellar Communities grant in 2013. But Mayor Shawna Girgis says preparations actually started long before that, when the city published its first comprehensive plan in 25 years in 2010. Girgis says the initial comprehensive plan for Bedford's renovations was too broad for the Stellar Communities project. "So after getting that first year's feedback, of course we went back to the drawing board and said 'okay, what can we do different, how should we approach that?' So we really narrowed our scope just to the downtown area," Girgis says. As part of the Stellar Communities project, the city relocated the historic train depot, renovated downtown building facades and moved Stonegate Arts & Education Center into its new location at the Girgis Building on the town square. The city also worked with the county government to beautify the courthouse square.

COUNTIES: VIGO ISSUES HEP A ADVISORY - Indiana is one of several states experiencing a hepatitis A outbreak, according to a news release from the Vigo County Health Department ([Terre Haute Tribune0-Star](#)). Hepatitis A is usually spread person-to-person when someone accidentally consumes stool (feces) of someone with hepatitis A or by consuming food or water contaminated with the virus. During this outbreak, the hepatitis A virus has been spread person-to-person; no contaminated food or water has been identified. The Vigo County Health Department is urging individuals who have close contact with someone who has hepatitis A get vaccinated. Close contact includes living in the same household, sexual contact, and/or sharing needles.

COUNTIES: HOWARD HEALTH OFFICIALS WARY OF MEASLES - Cases of the measles have been reported so far this year in 11 states, including Illinois and Kentucky. The Howard County Health Department is asking residents to be on the lookout and take precautions to avoid catching the highly contagious infection ([Kokomo Tribune](#)). Six outbreaks have been reported so far this year in parts of New York, Washington, Texas and Illinois, according to the Center for Disease Control. An outbreak is defined as three or more measles cases. No cases have been reported in Indiana, and officials hope to keep it that way, said Karen Long, a registered nurse with the Howard County Health Department. "If one person has measles, it's considered a public health emergency, because it's that contagious," she said. "If that happens, it's all hands on deck."

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LEWANDOWSKI, BOSSIE SPEAK TO INGOP TONIGHT: Key insiders to President Trump's campaign, Corey Lewandowski and David Bossie, will keynote the Indiana Republican Party's 2019 Spring Dinner at 6 tonight at the JW Marriott (*Howey Politics Indiana*). The pair wrote the book *"Trump's Enemies: How the Deep State Is Undermining the Presidency"* and *"Let Trump Be Trump: the Inside Story of His Rise to the Presidency."*

MAYOR PETE GAINS TRACTION WITH CNN TOWN HALL: South Bend Mayor Pete Buttigieg's first foray into cable primetime found him talking not only about his views on Medicare and the Electoral College, but about Mike Pence and the Hoosier body politic (*Howey Politics Indiana*). Buttigieg took his Democratic presidential exploration to a CNN town hall with host Jake Tapper Sunday night, a day after a CNN/Des Moines Register poll showed him with 1% in an Iowa poll, far behind frontrunners Joe Biden and Sen. Bernie Sanders. On the first question, he was asked about his experience. Buttigieg responded, "One thing you never hear of is a city shutting down because of a disagreement on policy. Experience is one of the best reasons for me to run. I have more experience under my belt than the president. That's a low bar, I know that. I also have more executive experience than the vice president. Experience is what qualifies me to have a seat at the table." Buttigieg was asked if he favored the impeachment of President Trump. "I would like to see this president and the style of politics he represents sent off through the electoral process, decisively defeated at the ballot box," Buttigieg responded. He added, "I come from the industrial Midwest and there were a lot of people who voted for him who voted for me and Barack Obama." The mayor was asked about his origins from Vice President Mike Pence's Indiana. Buttigieg answered, "Please don't judge my state by our former governor. I think those ties are so out of line from where anybody is." Buttigieg said that Pence "divided our state" with his Religious Freedom Restoration Act in 2015. "It was really a license to discriminate, that's what it was," Buttigieg said, adding, the "amazing" reaction was pushback from Democratic and Republican mayors and the conservative business community. "My hope is that same decency can be summoned from communities in both red and blue states." Pressed on whether Pence would be better as president than Donald Trump, Buttigieg said, "Both. Does it have to be? I don't know. At least he believes in our institutions and is not corrupt. But how can you get on board with this president? How does he become the biggest cheerleader for the porn star presidency? Is it that he stopped believing in scripture when he started believing in Donald Trump?"

BUTTIGIEG SLAMS BOLTON: South Bend Mayor Pete Buttigieg slammed National Security Adviser John Bolton, suggesting that someone that was involved in the run up to the Iraq War shouldn't be "allowed that near the Situation Room to begin with" (*CNN*). Buttigieg did not mention Bolton by name, but when asked a question about the conflict in Venezuela, the mayor and veteran of the Iraq War accused Bolton of "carelessly" throwing out the possibility of using military force in Venezuela to deal with the presidency of Nicolás Maduro. "The situation in Venezuela is highly disturbing. The regime lost its legitimacy," Buttigieg said. "That being said, that doesn't mean we carelessly threaten the use of military force, which it appeared the national security adviser was doing at one point." He added: "Hinting that troops might be sent to South America. I don't understand how somebody leading us into the Iraq War is allowed that near the Situation Room to begin with." Bolton was an early supporter of the Iraq War and pushed for the initial invasion during his time, after the Sept. 11, 2001, terrorist attacks, as President George W. Bush's undersecretary of state for arms control and international security.

NEXT WEEKLY HPI ON TUESDAY: Your next weekly edition of *Howey Politics Indiana* will be published around 9 Tuesday morning.

HOLCOMB IN BELGIUM; HEADING TO GERMANY: Gov. Eric Holcomb's nine-day trade mission came to Belgium on Sunday (*Howey Politics Indiana*). Gov. Holcomb tweeted, "Belgium is the crossroads of Western Europe. Indiana is the Crossroads of America. There's great opportunity for this relationship to continue growing on both sides of the Atlantic." The Indiana IEDC added, "Indiana ranks among the best in the nation for business, infrastructure, government efficiency and so on, but our greatest asset is most certainly the people who make the Hoosier state what it is." Holcomb and Commerce Sec. Schellinger are joining US Ambassador to Belgium Ronald J. Gidwitz and @AmChamBE for a breakfast with businesses that hire Hoosiers." Holcomb will meet government officials in Brussels, including U.S. Ambassador Ronald Gidwitz and U.S. Ambassador to NATO Kay Bailey Hutchinson. On Tuesday, the governor will be in to Frankfurt, Germany, where he will meet with U.S. Ambassador Richard Grenell.

TRUMP TO SEEK \$8B FOR BORDER WALL: President Donald Trump will seek \$8.6 billion in his new budget to build the U.S.-Mexico border wall, an administration said Sunday, setting up another showdown with Congress, which has resisted giving him more money for his signature campaign promise (*AP*). The request would more than double the \$8.1 billion already available to the president after he declared a national emergency at the border in order to circumvent Congress after lawmakers refused his funding demands.

SPA OWNER SOLD ACCESS TO TRUMP AT MAR-A-LAGO: Cindy (Li) Yang, a Florida entrepreneur who founded a chain of spas and massage parlors that included the one where New England Patriots owner Robert Kraft was arrested recently for

allegedly soliciting prostitution, also runs a consulting business that has offered to sell Chinese clients access to President Donald Trump and his family at Mar-a-Lago, according to the company's website ([USA Today](#)). Mother Jones, which broke the story on Saturday, says Yang could not be reached for comment. The White House did not immediately respond to requests for comment. Yang, a donor to the Republican Party and Trump campaign, popped up this week in photos showing her at a Super Bowl viewing party at the Trump-owned Mar-a-Lago that included a selfie with the president, the Miami Herald reported. According to Mother Jones, Yang's company — GY US Investments LLC — has a website, mostly in Chinese, that shows her and purported clients hobnobbing at the presidential retreat.

F1 DRIVERS MOVING TO INDYCAR: Marcus Ericsson had just turned 28 last fall when he suddenly needed another place to race. The Sauber Formula One team had bumped him from a regular ride after he spent four years finishing mostly at the back of the pack. Ericsson wanted a job with a contender. "Formula One has always been more of a manufacturer's championship than a driver's championship," Ericsson said in a New York coffee shop on Tuesday. "If you're not in one of the top cars, it's tough mentally." ([New York Times](#)). Essentially locked out of advancing in F1 because there are maybe only six elite rides in the series, Ericsson had not come close to winning a race. But he had options. His best option was to join the NTT IndyCar Series in North America. Ericsson said he planned to drive Indy cars for at least two years, adding with a smile, "Maybe I'll be here forever." "I can go into every week and have a chance — something I was so, so missing in Formula One," he said. "Frankly, with F1, there are so few drivers every year who have a chance to be competitive," said Mark D. Miles, the chief executive for Hulman & Company, which owns the Indianapolis Motor Speedway and the IndyCar Series. According to IndyCar, Ericsson will be one of 11 drivers in the series who have raced at some level in Europe. Three of the last four Indy 500s have been won by drivers with F1 experience: Juan Pablo Montoya, from Colombia, in 2015; Alexander Rossi, from California, in 2016; and Takuma Sato, from Japan, in 2017. Sato was one of four full-time former F1 drivers in the IndyCar Series that year; there were also three part-timers, including Montoya.

U.S. NOW TOP OIL EXPORTER: Move over, Saudi Arabia. America is about to steal the kingdom's energy exporting crown ([CNN](#)). The United States will surpass Saudi Arabia later this year in exports of oil, natural gas liquids and petroleum products, like gasoline, according to energy research firm Rystad Energy. That milestone, driven by the transformative shale boom, would make the United States the world's leading exporter of oil and liquids. That has never happened since Saudi Arabia began selling oil overseas in the 1950s, Rystad said in a report Thursday. "It's nothing short of remarkable," said Ryan Fitzmaurice, energy strategist at Rabobank. "Ten years ago, no one thought it could happen."

HPI DAILY ANALYSIS: Pete Buttigieg had an impressive town hall Sunday night on CNN, drawing praise from political pros like David Axelrod. On Mornin' Joe this morning, Joe Scarborough observed, "Mayor Pete is gifted and he's more than this novelty act and this young candidate. I think he's going to make some noise." As improbable as it is, we agree. Anything can happen. - Brian A. Howey

Campaigns

MAYOR PETE TALKS ABOUT HIS AFGHAN WAR EXPERIENCE: South Bend Mayor Pete Buttigieg, a veteran of the war in Afghanistan, said he thinks his military experience could bring "a lot of perspective" to the office of the presidency ([CNN](#)). "You can never lose touch with why politics matters," he said. Serving in the military also brings Americans together, Buttigieg said. He continued: "When I got into the vehicle, a big part of my job was driving and guarding vehicles in movement. And somebody got in my vehicle, they didn't care whether I was a Republican or drat cat. They didn't care if I was going home to a boyfriend or girlfriend. They wanted to know if I was doing my job well and keep them safe. We learned to trust each other with our lives. Even though our lives back home were so different. I think we need to get back to that." Buttigieg also said the US must "put an end to endless war." "The Taliban are serious about being ready to lay down their arms. That's a good sign. But I'm also concerned that the Afghan government seems to be an afterthought of this process because the peace needs to be sustainable. At the end of the day, we can't be the guarantees of peace this Afghanistan," he said.

REACTION TO PETE'S TOWN HALL: Mayor Buttigieg's performance was widely lauded ([Howey Politics Indiana](#)). David Axelrod, a key political aide to President Obama, tweeted, "I have rarely seen a candidate make better use of televised Town Hall than @PeteButtigieg is on @CNN tonight. Crisp, thoughtful and relatable. He'll be a little less of a long shot tomorrow." Washington Post reporter Robert Costa and Notre Dame graduate added, "This Buttigieg town hall is worth watching. Polished and thoughtful presentation with clear answers. Underscores military experience. Of course, it's a big field and he's a young Midwestern mayor. But he's using his time on stage effectively here. This is a focused candidate." He also caught the Twitter attention of @GOP: "66% of Hoosiers have never heard of the Mayor of South Bend & 2020 Dem Pete Buttigieg.

Instead of focusing on his town's sea of potholes & sky-high crime rate, Buttigieg has spent years ignoring his duties as Mayor of South Bend & focusing on launching a Presidential campaign."

SCHMUHL TALKS ABOUT HIS FRIENDSHIP WITH BUTTIGIEG; SEEKS FUNDS: Mike Schmuhl, who is heading the Pete for America exploratory effort, writes (*Howey Politics Indiana*): "I've known Pete for over twenty years. We met when he was in high school, and I was an eighth grader. He was assigned to give me, a prospective student, a tour of St. Joe High School in South Bend. Not too many years later, I helped Pete pull together his first campaign for Mayor, and when we won, I served as his chief of staff. We broke from the machine politics of the past and brought new energy and hope to our hometown that had been devastated by the closing of the Studebaker car company in 1963. The work is not done, but South Bend is becoming the vibrant city it knows it can be, filled with equal opportunity and innovation. Pete believed in South Bend and its people. Now, in these early days of the 2020 cycle, we dream big dreams again. We think America would like to see more of Pete's clarity, kindness, energy, and authority in our political discourse. We don't have the established advantages of a senator, governor, or billionaire. We're a small, committed team working in the heart of America for the heart of America. The DNC recently announced that candidates will have to secure at least 65,000 donations from unique individuals to be invited to the debate stage in June.

BUTTIGIEG HIRES GALO: Mayor Pete Buttigieg's presidential exploratory effort has hired Andrew Galo, a former spokesman for Mel Hall's 2nd District congressional campaign (*Howey Politics Indiana*).

GILLIGRAND AIDE QUIT IN PROTEST: Sen. Kirsten Gillibrand (D-N.Y.), one of the most outspoken advocates of the #MeToo movement who has made fighting sexual misconduct a centerpiece of her presidential campaign, spent last summer pressing legislators to update Congress' 'broken' system of handling sexual harassment (*Politico Playbook*). At the same time, a mid-20s female aide to Gillibrand resigned in protest over the handling of her sexual harassment complaint by Gillibrand's office, and criticized the senator for failing to abide by her own public standards. In July, the female staffer alleged one of Gillibrand's closest aides — who was a decade her senior and married — repeatedly made unwelcome advances after the senator had told him he would be promoted to a supervisory role over her. She also said the male aide regularly made crude, misogynistic remarks in the office about his female colleagues and potential female hires.

TRUMP LAUNCHING BEHEMOTH CAMPAIGN: President Trump and his advisers are launching a behemoth 2020 campaign operation combining his raw populist message from 2016 with a massive data-gathering and get-out-the-vote push aimed at dwarfing any previous presidential reelection effort, according to campaign advisers, White House aides, Republican officials and others briefed on the emerging strategy ([Washington Post](#)). The president's strategy, however, relies on a risky and relatively narrow path for victory, hinged on demonizing Trump's eventual opponent and juicing turnout among his most avid supporters in Florida, Pennsylvania and the Upper Midwest — the same areas that won him the White House but where his popularity has waned since he was elected. Some advisers are particularly concerned about the president's persistent unpopularity among female and suburban voters, and fear it will be difficult to replicate the outcome of 2016 without former Democratic nominee Hillary Clinton as a foil.

TRUMP TELLS RNC THAT 'DEMOCRATS HATE JEWS': To prevent leaks from Trump's Friday night Mar-a-Lago speech to RNC donors, security guards made attendees put their cellphones in magnetized pouches that they carried around like purses until they left the club ([Axios](#)). So leakers had to rely on their memories. Trump entered to Lee Greenwood's "Proud to Be an American," then launched into one of his trademark stream-of-consciousness speeches, according to three people who were there. They said the crowd roared with laughter throughout. 1. Referring to the recent anti-Semitism controversies with Democratic Rep. Ilhan Omar, Trump told the donors: "The Democrats hate Jewish people." Trump said he didn't understand how any Jew could vote for a Democrat these days. Trump talked about how much he'd done for Israel, noting his historic decision to move the U.S. Embassy in Israel to Jerusalem.

BIG MONEY LEAD FOR MAYOR HAMILTON: Coming into 2019, Mayor John Hamilton had 20 times as much money to spend on his re-election campaign than his Democratic primary rival Amanda Barge did on her challenge ([Bloomington Herald-Times](#)). While this year's fundraising has yet to be reported, their political history shows that having a lot of money to spend doesn't guarantee victory.

Sunday Talk

BARRASSO SAYS TRUMP WILL VETO EMERGENCY RESOLUTION: Republican leaders expect President Trump to veto a measure attempting to overturn his declaration of a national emergency to enable construction of a wall along the U.S.-Mexico border, after the Senate votes on it this week. Sen. John Barrasso (Wyo.), the No. 3 Republican in the Senate, said

on Fox News's "[Sunday Morning Futures](#)" that he had met with Trump "a couple of times" over the past week and that "he's going to veto this, and his veto will be sustained." Barrasso's comments are an effective admission that the GOP does not have the votes to prevent the full Senate from voting to annul Trump's order, which many lawmakers feel rips congressional authority away from them and threatens important military construction projects.

SCHIFF SAYS MUELLER SHOULD HAVE GOTTEN TRUMP UNDER OATH: It would be "a mistake" for special counsel Robert Mueller not to get in-person testimony from President Donald Trump, House Intelligence Chairman Adam Schiff, D-Calif., said Sunday on NBC's "[Meet the Press](#)." "I think it is a mistake," Schiff said when asked by anchor Chuck Todd whether Mueller would err by deciding not to interview the president before a grand jury given the public testimony of others, such as Trump's former lawyer, Michael Cohen. "And I've said all along that I don't think Bob Mueller should rely on written answers. When you get written answers from a witness, it's really the lawyers' answers as much as the client's answer. And here you need to be able to ask follow-up questions in real time."

CHENEY DEFENDS VOTE ON HATE BILL: Rep. Liz Cheney, R-Wyo., accused Democrats on Sunday of "enabling" anti-Semitism for failing to explicitly condemn recent comments by a freshman Minnesota Democrat, Rep. Ilhan Omar, in a recent congressional vote. Cheney, the third-ranking GOP leader in the House, made her comments during an interview on "[Meet the Press](#)" days after the House passed a broad condemnation of anti-Semitism, Islamophobia and other instances of hate. The resolution was criticized by Cheney and other Republicans for not directly singling out Omar. "It was really clearly an effort to actually protect Ilhan Omar, to cover up her bigotry and anti-Semitism by refusing to name her," said Cheney, who helped lead the charge within her own party to sideline Rep. Steve King, R-Iowa, from House committees after his own racially inflammatory statements. "It is absolutely shameful that Nancy Pelosi and Leader Hoyer and the Democratic leaders will not put her name in a resolution on the floor and condemn her remarks and remove her from the House Foreign Affairs Committee," Cheney said. "Those people who won't condemn it are enabling it."

POWELL DOESN'T SEE FED RATES GOING UP: Don't expect to see more interest rate hikes from the Federal Reserve anytime soon, Fed Chairman Jerome Powell suggested to "60 Minutes" in an interview that aired Sunday night on CBS. The frequent target of criticism by President Trump also said he can't be fired by the president and that he intends to serve out his full four-year term. "Have you stopped raising rates?" Scott Pelley of "[60 Minutes](#)" asked Powell. "We see the economy as in a good place," Powell responded. "Inflation is muted and our policy rate we think is in an appropriate place. So what we've said is that we would be patient." "What does patient mean?" Pelley asked. "Patient means we don't feel any hurry to change our interest rate policy," Powell answered. "What's happened in the last 90 or so days is that we've seen increasing evidence of the global economy slowing down, although our own economy has continued to perform well."

McCABE SHOCKED BY MANAFORT SENTENCE: Former FBI Deputy Director Andrew McCabe said Sunday morning that he was surprised by the "incredibly lenient" sentence received by former Trump campaign chairman Paul Manafort. A federal judge last week sentenced Manafort to 47 months in prison for tax and bank fraud — a punishment clocking in well below the 19½-24½ years that he could have received under sentencing guidelines. District Judge T.S. Ellis repeatedly argued the recommended sentence was over-the-top. "I think it's an incredibly lenient sentence in light not just of the offenses he was convicted for but for the additional offenses that he has pled guilty to in D.C. and the offenses he's acknowledged essentially in the sentencing process in Virginia that he is responsible for," McCabe told CBS' Margaret Brennan on "[Face the Nation](#)." "So, like most people, I was shocked by how lenient the sentence was."

SEN. KENNEDY SAYS McCABE SHOULD BE PROSECUTED: Republican Sen. John Kennedy of Louisiana said former FBI Deputy Director Andrew McCabe could've been prosecuted and charged with perjury for lying to FBI officials. "He's lucky he wasn't prosecuted," Kennedy said on "[Face the Nation](#)" Sunday, referring to McCabe, who was fired by then-Attorney General Jeff Sessions in March 2018 after the Department of Justice's inspector general and the FBI's disciplinary office alleged he had made unauthorized leaks to the press and lied about it to FBI officials. "For perjury. For lying to an FBI agent," Kennedy said when asked why McCabe would be prosecuted. "He did it repeatedly. Now if you and I do that, we go to jail."

HICKENLOOPER WANTS BIG TENT DEMOCRAT PARTY: After being repeatedly asked whether he identified as a capitalist, former Colorado governor and 2020 Democratic presidential candidate John Hickenlooper demurred and said Democrats are a "big tent" party. "Once you get back into these labels — am I a capitalist? Am I a socialist? How much of a capitalist am I versus how much of a socialist? — that becomes kind of silly, doesn't it?" Hickenlooper said on "[Face the Nation](#)" Sunday. Pressed again if he was uncomfortable answering the question, the former mayor of Denver pledged to be a capitalist but stressed he believed labels divide both the country and his party. "I'm happy to say I'm a capitalist, but I think at a certain point the labels do nothing but divide us," he added.

General Assembly

CLERE SPEAKS AT HATE CRIMES RALLY IN NEW ALBANY: Like a fiery pastor invoking his congregation to take a stand, Evan Stoner's voice boomed off buildings in downtown New Albany on Sunday as he urged Hoosiers to demand inclusive hate crimes legislation (Thomas, [News & Tribune](#)). About 30 people gathered at Bicentennial Park to call on Indiana

lawmakers to support a comprehensive hate crimes bill that includes a list of characteristics supported by Gov. Eric Holcomb, as a watered-down version of the original measure makes it way through the Statehouse. "While I can't stand before you today and say that Indianapolis is going to do the right thing and pass this law, what I can promise you today is that they will hear us," Stoner, a college student, said at the rally, which was organized by Southern Indiana Pride and Indiana Forward. Last month Senate Republicans voted 39-10 to pass a stripped-down hate crimes bill, which removed a list of protected characteristics from the original legislation, including race, religion, age, ethnicity, national origin, disabilities, gender identity and sexual orientation. State Rep. Ed Clere, R-New Albany, one of several elected officials who spoke Sunday, said there is strong bi-partisan support for an inclusive hate crimes bill, and more than 74 percent percent of Hoosiers support a bias crimes law, including a majority of Republicans, according to an Indiana Chamber statewide poll in January. "Last night we moved our clocks forward," Clere said. "Now let's work together to move Indiana forward."

Congress

HOUSE WILL FRAME 'SUNSHINE WEEK': The House will frame the coming week as "Sunshine Week" — "focused on increasing government transparency and accountability," to follow their vote last week on sweeping anti-corruption legislation, according to senior House Democratic aides (Swan, *Axios*). The House's main action this week: On Thursday, they'll vote on a resolution calling for the Mueller report to be made public. On the hearing front: The Oversight Committee has Commerce Secretary Wilbur Ross; Energy and Commerce has Health and Human Services Secretary Alex Azar and a hearing on drug pricing legislation; and Ways and Means has Treasury Secretary Steven Mnuchin.

SENATE CONFIRMATIONS COMING: The Senate will confirm Neomi Rao to be a judge on the District of Columbia Circuit. It's a significant win for Trump after a rocky confirmation process for Rao (*Axios*). The Senate will also vote to confirm Paul Matey to be a judge on the Third Circuit, and William Beach, of Kansas, to be Commissioner of Labor Statistics at the Department of Labor, according to a Republican leadership aide. The Senate will also vote on the resolution of disapproval on Trump's emergency declaration (see item 4 above for more detail). And lastly, Mitch McConnell's longtime top communications aide, Don Stewart, leaves the Senate. His last day is Friday. Stew's colleague David Popp emails: "Every Senate press staffer, no matter the age, title, or experience was sent to see Stew the minute they started. Many House flacks would also end up seeing him within their first year. He took every single coffee and gave each one the exact same attention and energy. ... He's an institution. There will never be another Stew. We're all going to miss him."

HOUSE DEMS FEAR IMPEACHMENT WILL BACKFIRE: For House Democrats, impeaching President Donald Trump is both inevitable and impossible ([Politico](#)). Democrats anticipate they will gather plenty of evidence of high crimes and misdemeanors on the president's part, but they're torn over what to do with it — fearful that their efforts will backfire and end up helping Trump. "You don't want to divide the country, so you have to think you have such a case that once the case is finished being presented, enough people understand you had to do it," House Judiciary Committee Chairman Jerry Nadler (D-N.Y.), whose committee has the power to launch impeachment proceedings, said in an interview.

State

HUMANITY: NEW KOR EXHIBIT AT HOLOCAUST MUSEUM - Clad in her iconic blue pant suit with matching scarf and shoes, Eva Kor will be educating people about the Holocaust for generations to come thanks to a new interactive exhibit (Taylor, [Terre Haute Tribune-Star](#)). Visitors to Terre Haute's CANDLES Holocaust Museum and Education Center, which Kor founded, need only ask a question and she will answer it via high definition video. Inquire about her favorite song and the Auschwitz death camp survivor will launch into "The Impossible Dream." The "Dimensions in Testimony" theater exhibit unveiled Sunday is the result of a partnership between CANDLES and the Shoah Foundation at the University of Southern California.

ISP: TROOPER FIRED AFTER RELATIONSHIP - An Indiana State Police trooper with the Bloomington post was fired at the end of February after admitting to continuing a relationship with a 17-year-old girl, according to an official ISP document ([Bloomington Herald-Times](#)). It states Ryan Starnes was a senior trooper when he was accused by the teenager's parents of maintaining a relationship with her between July and October 2018, after learning she was 17.

Nation

WHITE HOUSE: TRUMP KEEPING ALLIES AT ARMS LENGTH - France's President Emmanuel Macron came to the White House last April hoping to join forces with President Trump in confronting China on its trade and business practices ([Wall Street Journal](#)). Mr. Macron's bid for a united front went nowhere, according to people briefed on the discussion. Mr. Trump

instead told Mr. Macron he didn't want to see the European Union reaping the benefits of a U.S.-China trade pact, these people said. Nearly a year later, Mr. Trump continues to keep European allies at arm's length, declining to share details of the draft trade agreement—which he has called “my deal,” according to these people, who include officials from several European countries. Some U.S. business leaders say Mr. Trump's unilateral approach doesn't bode well for a long-term solution. “We should be working hand-in-hand with our allies,” said Craig Allen, president of the U.S.-China Business Council. “This should be an opportunity to collaborate collectively with other industrial nations and if we do not collaborate—it is less likely that any deal reached will be sustained.”

WHITE HOUSE: TRUMP/PENCE SCHEDULE - Monday: President Trump will have lunch with VP Mike Pence at 12:15 p.m. in the private dining room. **Tuesday:** Trump receives the "Boy Scouts' Report to the Nation." **Thursday:** Trump hosts Irish Prime Minister Leo Varadkar at the White House. Trump attends the Friends of Ireland Luncheon at the U.S. Capitol, and the president and first lady will attend the Irish PM's "Shamrock Bowl Presentation." **Friday:** Trump has lunch with Secretary of State Mike Pompeo.

TRANSPORTATION: CHINA GROUNDS BOEING 737 MAX - China's decision to order all of the country's airlines to ground the Boeing 737 MAX 8 aircraft following Sunday's deadly crash of an Ethiopian Airlines jet of the same family represents a sharp break with traditional air-safety practice ([Wall Street Journal](#)). It is highly unusual for regulators in a major country to take such a step before a similar move by regulators in the country that certified the aircraft type. The decision, which was taken before U.S. investigators reached the crash site—or even before Boeing issued an update to operators about the crash—could put pressure on the U.S. Federal Aviation Administration to address the matter publicly. In the past, Chinese authorities have taken their lead from the FAA on safety matters and patterned many of their oversight and enforcement procedures after American programs.

World

SUSPECT IN KIM JONG UN'S HALF BROTHER MURDER RELEASED: One of the women suspected of killing Kim Jong Nam, the half brother of North Korean leader Kim Jong Un, was freed Monday after prosecutors unexpectedly dropped charges against her ([Washington Post](#)). Siti Aisyah, 26, will now be allowed to return home to Indonesia, Malaysian officials say, after being held for over two years in Malaysia. She and the second suspect in the murder, Doan Thi Huong, 30, from Vietnam, both appeared in court on Monday, but the acquittal only applies to her. “I feel very happy,” she told reporters at a news conference, thanking everyone who worked for her release. “I didn't expect that today will be the day of my freedom.”

Local

CITIES: IFD TRUCK DESTROYED IN CRASH - A fire truck and a car were both destroyed early Monday in Indianapolis, when the car crossed the center line and hit the fire truck, said firefighters ([WIBC](#)). The Indianapolis Fire Dept. tweeted that four firefighters and the driver of the car were taken to the hospital to be checked out, but no one was seriously hurt. Firefighters said they were on a medical call when the vehicles hit. The wreck was at 30th and Butler, and caused the fire truck to end up a crunched hulk. Fire hose, metal, glass and oil lay all over the street.

CITIES: MUNCIE SEEKS NEW JAIL - A housing development called Bison Ridge near the old Wilson Middle School, location of the new county jail, is one step closer to moving forward with upwards of \$20 million in capital investment ([Muncie Star Press](#)). The Muncie City Council introduced an ordinance during its meeting Monday night to issue an economic development tax increment revenue bond for the project. Financial approvals will come before Muncie Redevelopment Commission, the economic development board and the city council for final approval in April according to officials. The developer bond proposed by the city won't exceed \$3 million, and is guaranteed by the developer. The bond will support infrastructure improvements to the 35 acres currently owned by the MRC where the development will take place.

The Cheat Sheet, Vol. 8, Issue 7 – March 2019

The Return of Rokita?



Remember when we told you last week that Bose McKinney Evans attorney **John Westercamp** was telling anyone who would listen that he is planning to run for Attorney General next year against **Curtis Hill** and he has party backing. Well, you can add a new name into the mix, **Todd Rokita**.

Yup, the former Secretary of State and 4th District Congressman is reportedly making calls and soliciting possible support for a run. Rokita currently works for Apex Benefits as general counsel and Vice-President of External Affairs. From what we've heard from folks who got the call, the reaction has been mixed at best.

We could make some snarky comment about Rokita running for another office, but we won't. What we will say, however, is he might want to start with looking for the 12 people in Hendricks County who voted for **Mike Braun** in last May's primary instead of him, because that's the margin he lost Hendricks County.

And speaking of Westercamp, there apparently is a photo out there of him at the RFRA signing with then Governor **Mike Pence**. You can bet if he's the nominee that picture is going to resurface.

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Hotel Headaches



You may have seen the letter from the various downtown hotels to Indiana lawmakers asking them not to sign off on a new hotel as part of the CIB/Pacers/Indy Eleven package. They're making the argument that the downtown hotels are only at 73 percent capacity and if the new hotel comes online, that will drop down to about 64 percent by 2025, hurting the industry and causing a job loss. They also say the CIB didn't talk or consult with them regarding the hotel rooms. Apparently, these guys are so serious that they are opposing the entire project as long as the hotel is part of the deal.

And this could be the big issue that blows things up. You know, that thing that always happens between Valentine's Day and St. Patrick's Day. With the downtown hotels opposed to this could result in the CIB/Pacers/Indy Eleven deal getting derailed. Particularly on the point, the hotels made that the CIB draws \$120 million in hotel taxes and income taxes on workers incomes and that would be in jeopardy with the new rooms.

You definitely want to keep an eye on this one, especially to see if there is some major change or if all sides end up in a war with the CIB vs. the Downtown Hotel Industry.

[You can read the actual letter here.](#)

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The Cheat Sheet, Vol. 8, Issue 7 – March 2019

What's on Our Radar



There had been some question as to whether the Indiana House would break up the omnibus gaming bill and separate out sports betting from the casinos. From what we're hearing right now, House Public Policy Chairman **Ben Smalz** is trying to keep things as clean and intact as possible.

The **"Pot Hole Joe"** video parody of the city of Indianapolis' pothole problems has hit more than 30,000 views. You can actually view it here on YouTube.

We're hearing that the **Indiana Republican Party** has been having trouble selling tables to Monday night's Spring Dinner, which is odd, because it usually does pretty well. The keynote speakers this year are Corey Lewandowski, former Trump campaign manager and David Bossie, former deputy campaign manager.

Best wishes to Ice Miller lobbyist **Carl Drummer** who is recovering from surgery last week,

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The Cheat Sheet, Vol. 8, Issue 7 – March 2019

Another Shameless Plus



On our latest edition of **Indiana Issues**, as Indiana lawmakers return for the second half of the legislative session, our panel takes a look at what it means for the numerous issues making their way through the legislature.

Our panel includes former Indiana Democratic Party Chairman Kip Tew, former Marion County Republican Chairman Kyle Walker and former Libertarian Party of Indiana Executive Director Brad Klopfenstein.

[0:00](#) -Introduction

[1:00](#) – Bias Crimes

[8:00](#) – Teacher Pay

[17:00](#) – Gaming

[24:00](#) – Second chance legislation

[28:30](#) – Predictions and Prognostications

Indiana Issues is recorded at the Edge Media Studios in downtown Indianapolis.



The Usual Disclaimer Stuff:

The Cheat Sheet is a publication of *IndyPolitics.Org*. This is a compilation of pure gossip, rumor and blatant innuendo.

We assume no liability if it is wrong, we only take credit for it when it's right!

If you've got something you want to share, (good, bad or ugly) send it to

Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 3/15
Date: Friday, March 15, 2019 11:15:01 AM
Attachments: [Howey 3-15-19.pdf](#)
[EduInsight Mar 15.pdf](#)

Pillar 1- Diversify our economy

NWI Times- [Indiana is less taxing than Illinois](#)
Inside IN Business- [Indiana Continues to Push 'Opportunity Zones'](#)
Crusader- [Grant opportunities urged for Gary businesses](#)
News and Tribune- [DENSO Products to invest in River Ridge plant](#)
Journal Gazette- [Just for sport](#)

Pillar 2- Upgrade our infrastructure

Daily Reporter- [County outlines \\$73 million in infrastructure projects](#)
Tribune- [NIPSCO to invest \\$660M on infrastructure in 2019](#)

Pillar 3- Strengthen our workforce

Tribune- [County's unemployment rate rises to 3.3 percent](#)
Daily Journal- [Happy stats foiled by questions about employment data](#)

Pillar 4- Attack the drug epidemic

CBS4- [Indiana 211 providing new free service to get Hoosiers to drug treatment](#)
Fox59- [Indiana 211 now offering free rides to drug treatment: 'It gives people hope'](#)
NWI Times- [Ivy Tech hosts event to supply resources, support in fight against opioid addiction](#)
Courier- [Clark County overdose spike seen last week](#)

2019 Legislative Session

NWI Times- [Senate poised to finalize making state superintendent appointed position, not elected, by 2021](#)
NWI Times- [More Indiana medical providers set to gain right to deny women abortion-related health care](#)
Republic- [Business and community leaders want lawmakers to strengthen bias crimes bill](#)
NWI Times- [We know less than we think about hate crimes](#)
Chalkbeat- [Parents and educators plead with Indiana lawmakers not to cut aid for 'those who need it most'](#)
IN Public Media- [Teachers Ask For Better Pay, School Funding As Lawmakers Propose A New Cut](#)
WIBC- [Bill Would Protect People Who Must Use Force to Protect Themselves, says Rep. Jim Lucas](#)
IN Public Media- [Utility Legislation: Upgrading Infrastructure Or Blank Check](#)
Republic- [Indiana lawmakers revise bill on passing stopped buses](#)
Indy Politics- [Statehouse: Week 11 in review](#)

Birch Bayh (1928-2019)

Indy Star- [Reaction to Birch Bayh's death: He was 'a modern-day founding father'](#)
IN Public Media- [Lee Hamilton: 'You'll Never See Another One Quite Like Birch'](#)
Fox59- [Gov. Holcomb orders flags flown at half-staff in memory of former U.S. Sen. Birch Bayh](#)

SF Chronicle- [Holcomb orders flags to half-staff to honor Birch Bayh](#)
NPR- [Former Indiana Sen. Birch Bayh — 'A Great Hoosier'](#)
Journal Gazette- [Birch Bayh kept it personal, locals recall](#)

Sincerely,

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March 15, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, March 15, 2019 7:19 AM

BIRCH BAYH ACHIEVED POLICY FOR AGES VIA TINY PLURALITIES: There were two compelling aspects of U.S. Sen. Birch Bayh. He was a liberal senator representing a conservative state, and yet he took audacious policy stances at odds with a broad swath of his constituency that would have doomed most other politicians ([Howey Politics Indiana](#)). In essence, this was a public servant willing to use all of his political capital to achieve compelling and enduring policy goals. Birch Bayh was a statesman. He crafted the most amendments (two, precisely) to the U.S. Constitution since the Founding Fathers created the Bill of Rights nearly two centuries before. Inspired by his wife, Marvella, he championed women's equality through the failed Equal Rights Amendment (ERA) and access to collegiate sports funding through his Title IX provisions included in the 1972 Education Act. Bayh, 91, died at his Maryland home on Thursday, succumbing to pneumonia. It ended an unprecedented political life, where the farmer from Shirkieville with a degree from Purdue became speaker of the Indiana House at age 34, then decided to take on three-term incumbent U.S. Sen. Homer Capehart in 1962. President John F. Kennedy had adopted much of Capehart's foreign policy stances, particularly with the blockade of Cuba during the missile crisis, yet Bayh steered through to an amazing political upset with a pull a 10,943 vote plurality. Subsequently, Bayh never won more than 51.7% of the vote during his four Senate races, and his opponents never had less than 46.4%, reached when the Democrat defeated former Indianapolis Mayor Richard Lugar in 1974.

BAYH FAMILY STATEMENT: The Bayh family released this statement: "The only person since the Founding Fathers to draft more than one amendment to the Constitution, Senator Bayh devoted his life to championing the rights of all Americans - especially women, people of color, young people, and others whom history had too long pushed to the margins."

HAMILTON PAYS TRIBUTE TO BAYH: Former Congressman Lee Hamilton is remembering his longtime friend former U.S. Senator Birch Bayh, who died at 91 Thursday (Brosher, [Indiana Public Media](#)). Their friendship spans nearly seven decades. The two first met in the 1950s when they were presidents of the same fraternity at each of their universities. They remained close confidantes for decades. "Over the years he's been a steady friend," Hamilton says. Hamilton and Bayh both started representing Hoosiers in Washington, D.C. in the 1960s. Hamilton calls Bayh an iconic figure in Indiana politics, and says he changed the way people campaign in Indiana. "He would stand, for example, at the corner of the stoplight in Nashville, Indiana when the trees were turning colors and the cars would be backed up for miles," Hamilton says. "And then he'd go down the line and shake hands with people in every car. He just never stopped campaigning." That included while out for lunch or dinner. Hamilton says Bayh would often get up in the middle of a meal to shake hands with everybody in the restaurant. While Bayh only served three terms in the U.S. Senate, he accomplished more than some politicians do in their entire careers. He wrote the 25th and 26th Amendments, which create a presidential succession plan and set the voting age at 18. "I think he wrote more of the Constitution than any senator since James Madison," Hamilton says.

NATION CALLS BAYH "QUINTESSENTIAL FARM BOY": Fred Nation served as Bayh's press secretary from November 1979 through December 1980, the first half as his Washington spokesman and the last half for his senate re-election campaign (Loughlin & Taylor, [Terre Haute Tribune-Star](#)). While Nation served as editor of the Terre Haute Spectator from 1974-1979, he wrote stories about Bayh and even went to Iowa to cover the primary when Bayh sought the Democratic presidential nomination in 1976. "I got to know him pretty well," Nation said. "He was the quintessential Hoosier farm boy," Nation said. "He had that 'aw shucks' manner about him." While Bayh is well known for authoring the 25th and 26th amendments to the U.S. Constitution, he told Nation his proudest legislative accomplishment dealt with school reorganization while he served in the Indiana Legislature. The Indiana School Reorganization Act of 1959 called for each county to develop and implement a reorganization plan. It was passed soon after Sputnik, when the Soviet Union launched the first artificial Earth satellite. "There was great concern about the U.S. educational system," Nation said. "He [Bayh] knew that to compete, high school students needed more science, math and resources than a 100-pupil high school could give." Bayh was a leading supporter of the Equal Rights Amendment, which fell just short of ratification. He also led an effort in 1969-70 for an amendment that would have made the popular vote, not the Electoral College, the deciding mechanism by which the president is elected. The measure easily cleared the House, and it was thought to be only a handful of votes short in the Senate. But, as Bayh noted, it never was called to the Senate floor for a full vote. Describing Bayh, Nation said he could "connect with anyone, whether they liked him or not. He reveled in campaigning and meeting people." In his campaigns, he used to go to an industrial plant's gates at shift change to shake hands. Describing Bayh's legacy, Nation referred to a book, "The Last Great Senate," which focused on senators from the 1960s and 1970s and all that they accomplished. "Birch Bayh was one of those. He was one of the giants of his time in the Senate" with his accomplishments that included two Constitutional amendments, Title IX and his efforts to pass the Equal Rights Amendment.

SENATE REBUKES TRUMP ON EMERGENCY DECLARATION: The Senate approved a resolution Thursday blocking President Trump's emergency declaration at the southern border, setting up a likely veto by the president ([Wall Street Journal](#)). The vote was 59 to 41, with a dozen Republicans joining all 47 members of the Democratic caucus to back the measure, but still well short of a veto-proof majority. Mr. Trump declared the emergency at the border last month, using it as

part of his plan to divert \$6.7 billion to build more barriers on the border with Mexico, after Congress authorized only \$1.38 billion. The move, designed to improve border security, immediately drew bipartisan objections, with lawmakers saying the president was overstepping his Constitutional authority. The 12 Republicans who voted today to buck Trump on using emergency powers to bypass Congress: Wicker (Miss.), Rubio (Fla.), Portman (Ohio), Collins (Maine), Murkowski (Alaska), Toomey (Pa.), Blunt (Mo.), Alexander (Tenn.), Romney & Lee (Utah), Paul (Ky.) and Moran (Kansas). Following the vote Thursday, Mr. Trump tweeted that he looked forward to vetoing the resolution, saying it "would OPEN BORDERS while increasing Crime, Drugs, and Trafficking in our Country." While not directly acknowledging GOP defections, he added: "I thank all of the Strong Republicans who voted to support Border Security and our desperately needed WALL!"

U.S. HOUSE VOTES UNANIMOUSLY TO RELEASE MUELLER REPORT: The House voted overwhelmingly and in bipartisan fashion to urge the Justice Department to publicly release the entirety of special counsel Robert S. Mueller III's report into Russian interference in the 2016 election, once completed ([Washington Post](#)). The move is an attempt to "send a clear signal both to the American people and the Department of Justice" that lawmakers expect to see the full account of Mueller's work, according to the Judiciary Committee's chairman, Rep. Jerrold Nadler (D-N.Y.). The final vote count was 420 in favor, with no one voting no. Four lawmakers voted "present." But the resolution by itself cannot force Attorney General William P. Barr to publish more of the report than he intends to — and that is why even some of the Republicans supporting it complained that the measure was a waste of time.

INDY HOTEL CONCERNS DELAY CIB BILL: After a lengthy 4-hour testimony session on Wednesday, the Capital Improvement Board bill authored by Sen. Ryan Mishler, SB7, is now on to the next step (Curry, *Howey Politics Indiana*). That's not a committee vote just yet, though, as the complex bill will undergo a few weeks of revision and further discussion. The portion of the bill getting the most scrutiny deals with the construction of a new major hotel in downtown Indianapolis. Executives and representatives from major Indy hotels spoke to the Ways & Means committee about their concerns that the new plans would negatively affect the balance of the city's hotel industry, costing revenue and jobs. The hoteliers also complained that they were not sufficiently consulted prior to session. Senate President Pro Tempore Rod Bray argued the bill wouldn't necessarily lead to a new hotel, though. "The bottom line is the CIB bill that we have moved over to the House doesn't dictate construction of other hotels. The market is going to dictate that" Bray told reporters on Thursday. Speaker of the House Brian Bosma also addressed the issue, saying the bill is "going to be a difficult needle to thread" but that lawmakers will be giving it a serious look; "Representative [Todd] Huston's working on it, I'm working with him, we'll see what we can do."

ABORTION EXEMPTION LAW PASSES HOUSE: Senate Bill 201, a bill extending medical professionals' ability to seek ethical exemptions for performing abortions, passed the House Thursday afternoon on a 69-25 vote (Curry, *Howey Politics Indiana*). The bill's House sponsor is Representative Ronald Bacon. Specifically, the bill allows nurses, physician assistants, and pharmacists to refuse a patient's request to perform an abortion or procedures intended to result in an abortion on ethical, moral, or religious grounds. The bill also exempts certain providers from having to prescribe, administer, or dispense an abortion inducing drug. Currently, this exemption applies only to physicians and employees. House Democrats cautioned that the bill could harm Hoosier women who need immediate emergency services that fall under the exemption, keeping them from receiving the care they require.

PENCE DINES WITH IRISH PM, GAY PARTNER: Irish Prime Minister Leo Varadkar arrived in Washington this week as part of an annual trip ahead of St. Patrick's Day. The Irish leader aims to use the meeting to reaffirm the historical ties between Ireland and the United States ([Washington Post](#)). "I think that the relationship between Ireland and the U.S. is long-lasting — it's strong," Varadkar told The Washington Post in an interview on Wednesday. However, some differences between the two nations' administrations were highlighted Thursday morning, when Varadkar arrived at the Naval Observatory for a breakfast meeting with Vice President Pence — and took along his partner, Matt Barrett. Varadkar is one of only a handful of openly gay world leaders. Pence, on the other hand, is a socially conservative Christian who has long been criticized by LGBTQ advocates for pursuing policies that they say hurt the gay community while he was governor of Indiana.

HOWEY, MARCUS, GUY TALK DISCUSS JOURNALISM IN PODCAST: HPI Publisher Brian A. Howey joined economist and columnist Morton Marcus and investor John Guy on his podcast ([Howey Politics Indiana](#)). In this important conversation, Brian Howey, descended from a journalist-grandfather and a journalist-father, talks about failing business models and potential new models including philanthropic support, as well as his own entrepreneurially-successful private effort known as [Howeypolitics.com](#).

HPI DAILY ANALYSIS: Hoosier voters have an excellent track record on who we send to the U.S. Senate, and Birch Bayh stands out as the true lion of the class. Beyond his historic legislative achievements that have been well documented over the past day, anyone who knew or worked with Sen. Bayh found a remarkably friendly person. We extend our sympathies to the Bayh family. - *Brian A. Howey*

Birch Bayh

INIANAPOLIS MAYOR JOE HOGSETT TRIBUTE: "Birch Bayh was a tireless advocate for equality with the rare ability to transcend the prejudices of the moment and see beyond seemingly intractable divisions. He embodied what it means to be a Hoosier: Kindness, compassion, common sense, and integrity. We, as a state and as a nation, are forever shaped by his leadership and tenacity. Today our community joins the Bayh family in mourning the passing of one of our country's true civic giants."

VICE PRESIDENT MIKE PENCE: "Senator Birch Bayh served the people of Indiana with distinction through his lifetime of service in the Armed Forces, the General Assembly, and the U.S. Senate. Karen and I send our deepest condolences and prayers to Evan, Susan, and the entire Bayh family as they mourn the passing of this good man and great Hoosier Statesman."

GOV. ERIC HOLCOMB: "Birch Bayh was a trailblazer who dedicated himself to improving the lives of all Hoosiers. His remarkable legislative and personal legacy transformed the country and will live on for years to come." Gov. Holcomb ordered flags lowered to honor Sen. Bayh.

GOV. JOE KERNAN: "Birch was a good friend to Maggie and me. He was one-of-a-kind and he worked tirelessly to get things done for everyone. We especially appreciated his determined efforts to reduce discrimination against women. A true statesman, Birch and his big smile will be missed."

SEN. RICHARD LUGAR: "I agree with historians that he deserves recognition as a constitutional scholar. I think in recent years he is being more widely recognized for that." Lugar said besides being a "good listener and communicator," Bayh "was a keen observer of what was happening in the workplace and executive offices and he responded to it."

SEN. TODD YOUNG: "Birch Bayh is a modern-day founding father. He used his tenure in the Senate to push for substantive and substantial change, including two constitutional amendments and the passage of Title IX. While we remember his legacy, my thoughts and prayers are with the entire Bayh family." Indiana Senate President Rod Bray said, "Indiana has lost one of our most talented statesmen with the passing of Birch Bayh. His service in the Indiana General Assembly and U.S. Congress earned him a national reputation for being a thoughtful and dedicated public servant. I join all Hoosiers in remembering his contributions to our state and nation, and am keeping the Bayh family in my thoughts and prayers."

PURDUE PRESIDENT MITCH DANIELS: "Birch Bayh qualifies for the mantle of greatness as a Boilermaker, Hoosier, and American in equal measure. Even for a U.S. Senator, he made an unusual imprint on our nation's history, personifying Indiana's best qualities as he did so. I am grateful to have become his friend in his post-government life, and to have enjoyed his warmth, humor and wisdom firsthand."

SPEAKER BRIAN BOSMA: "Great Hoosier statesman. I told my brief story about being a law clerk with Fred Glass and Susan Brooks, of all people, in his law firm in the early 80s, and he just treated everyone with respect. It was mentioned by Rep. Pfaff; he's one of the only persons other than our founding fathers that actually sponsored more than one amendment to our United States Constitution. He should be in the hall of fame of Hoosier statesmen, there's no doubt about it. I don't even think of him as a Democrat, although I know he was a Democrat, I just think of him as a great leader. "

REP. ANDRE CARSON: "Today, we mourn the passing of Senator Birch Bayh, a giant of Indiana politics, and celebrate the indelible legacy he leaves behind. At a time when our nation needed strong leaders to help advance progressive ideals, Birch Bayh rose to the challenge, proving himself a fearless champion of those values. His tireless work on behalf of civil rights, women's equality, expanding access to the ballot box, and more have benefitted so many and continue to inspire my work in Congress. Today, in a similarly turbulent political era when we continue fighting the forces of bigotry and discrimination, I pledge to build on his legacy, strengthening his message to the world that Indiana stands against hate and intolerance, and for good governance. I send my deepest sympathies to his loved ones, including his sons, former Senator Evan Bayh and Chris Bayh, and their families, during this difficult time. As Hoosiers and all Americans grieve this loss, we also thank Birch Bayh for a life well lived in service of others."

SOUTH BEND MAYOR PETER BUTTIGIEG: "Birch Bayh was not afraid of the idea that upholding our Constitution includes amending it from time to time to strengthen our democracy. His bold ideas, from co-authoring the Equal Rights Amendment to lowering the voting age to 18 to passing Title IX, ensure that we are on a path towards guaranteeing equal opportunity for all Americans. He was one of the greatest Hoosiers ever to serve, a champion for equality, and an example for us all. My deepest sympathies to Evan, Susan, and the rest of the Bayh family today."

SENATE PRESIDENT PRO TEM ROD BRAY: "Indiana has lost one of our most talented statesmen with the passing of Birch Bayh. His service in the Indiana General Assembly and U.S. Congress earned him a national reputation for being a thoughtful and dedicated public servant. I join all Hoosiers in remembering his contributions to our state and nation, and am keeping the Bayh family in my thoughts and prayers."

SENATE MINORITY LEADER TIM LANANE: "Sen. Bayh understood that we cannot be a completely free country if some citizens are not given the same rights as others. By playing a vital role in crafting and passing the 1964 Civil Rights Act and the 1965 Voting Rights Act, he showed the country that Indiana can lead the way in making sure all people are guaranteed equality under the law."

FORMER SPEAKER JOHN GREGG: "Sen. Birch Bayh was a true statesman whose legislative legacy is unmatched in modern history. America is stronger and more inclusive because of Birch Bayh. We send our love to the Bayh family and thank them for sharing him with us."

ISU PRESIDENT DEBORAH CURTIS: "The Indiana State family mourns the loss of this incredible leader. Senator Bayh and his late wife, Marvella, took classes at Indiana State in the 1950s and are part of a family connection to the University that spans more than a century. We are proud that our renowned College of Education carries the Bayh name and stands as a permanent tribute to this legacy and Birch Bayh's distinguished career."

NANCY PAPAS: Nancy Papas worked as a summer intern in Bayh's Washington office in 1965 before becoming a staffer in 1967. At Butler, she studied Constitutional law which meshed well with Bayh's chairmanship of the Constitutional Amendments Subcommittee of the Judiciary Committee (*Terre Haute Tribune-Star*). "One of my first days in the office, the legislative director told me not to do anything that I wouldn't want to see splashed across the front page headlines of the newspaper. He said we were there to serve Hoosiers and the nation and not ourselves. I took that to heart." That Judiciary role put Bayh in the forefront of federal court cases on school prayer, abortion, Vietnam protest rights and others. "But he was always respectful of others' opinions and had a keen sense of how to frame issues so that people could see multiple perspectives. In that respect, he was a teacher and a leader," Papas recalled. She added, "I was surprised and thrilled to see that the office manager was a woman. So was the person in charge of the Senator's schedule as well as the person who was my immediate supervisor in the legislative department," she said.

REP: JACKIE WALORSKI: "Birch Bayh was a true statesman who dedicated his life to public service. Generations of Hoosiers have felt the impact of his bold leadership, and he has left an incredible legacy for our state and nation. Dean and I will keep the Bayh family in our prayers."

DEMOCRATIC CHAIRMAN JOHN ZODY: "Birch Bayh was driven by a belief in what we could accomplish given equal opportunity. That simple truth belies towering accomplishments. A United States Senator who twice amended the Constitution, father of Title IX, contributor to critical civil rights legislation. His legacy endures every day on college campuses. It endures in the form of equal opportunity, the right to vote and that all Americans deserve justice."

SEN. MIKE BRAUN: "Though Birch Bayh left his indelible mark on our Constitution, our universities, and the history of the United States Senate, he was first and always a Hoosier."

REP. PETE VISCLOSKEY: "Birch Bayh never failed to exhibit a gracious and pragmatic approach to public service, listening to all individuals, and working hard every day for a better future for our state and nation. He lived a life dedicated to serving others. May his example continue to lead the way for all current and future public servants."

BARON HILL: "Few people can be called great. Birch Bayh was one of them."

Campaigns

O'ROURKE ENTERS DEMOCRATIC RACE: Former Texas Rep. Beto O'Rourke formally announced Thursday that he'll seek the 2020 Democratic presidential nomination, ending months of intense speculation over whether he'd try to translate his newfound political celebrity into a White House bid. Until he challenged Republican Sen. Ted Cruz last year, O'Rourke was little known outside his hometown of El Paso ([AP](#)). But the Spanish-speaking 46-year-old former punk rocker became a sensation during a campaign that used grassroots organizing and social media savvy to mobilize young voters and minorities. He got within 3 percentage points of upsetting Cruz in the nation's largest red state — and shattered national fundraising records in the process — immediately fueling chatter that he could have higher ambitions. Now O'Rourke must prove whether the energy he brought to the Texas campaign will resonate on a much larger stage.

TRUMP CALLS BETO 'CRAZY': President Donald Trump mocked newly announced presidential candidate Beto O'Rourke on Thursday, saying the Texan moves his hands too much and that he might be "crazy" ([Politico](#)). O'Rourke, a former congressman, announced his bid for president on Thursday with a video filmed in his hometown of El Paso. In it, O'Rourke sits next to his wife, Amy, and articulates his vision for the nation, making sweeping hand gestures to emphasize his various points in the 3½-minute clip. He also gave an animated performance in an Iowa coffee shop on Thursday morning that was broadcast live on both CNN and MSNBC. "I've never seen so much hand movement," Trump said to reporters, adding that he'd watched O'Rourke in what he called a news conference earlier that day. "I said: 'Is he crazy or is that just the way he acts?'"

HARRIS BLASTS PENCE FOR WOMEN MEETING POLICY: Sen. Kamala Harris on Thursday called out Vice President Mike Pence for limiting his one-on-one meetings with women, saying the practice is "outrageous" ([Politico](#)). Pence told The Hill in 2002 that he "never eats alone with a woman other than his wife," according to a profile of his wife Karen Pence in The Washington Post. The practice, which some Evangelical Christians follow, drew backlash from some observers, including Facebook COO Sheryl Sandberg. Harris, who is part of the sprawling 2020 Democratic field, broadly criticized Pence in an interview on MSNBC, and took specific aim at his approach to meetings with women, though her description of the practice appeared to differ from his. "I disagree with most of what the vice president stands for, when he makes decisions about our LGBTQ community in a way that doesn't understand that they should be entitled to full equality and all rights under the law as any other American," Harris said. "I disagree with him when he suggests it's not possible to have meetings with women alone by himself. I think that's ridiculous — the idea that you would deny a professional woman the opportunity to have a meeting with the vice president of the United States is outrageous."

PENCE TELLS TRUMP NOT TO WORRY ABOUT BIDEN: During a recent meeting involving President Trump, Vice President Mike Pence and senior officials from the White House Office of Political Affairs, a discussion ensued about whether the president should be nervous about Biden entering the 2020 fray, a White House official told *POLITICO*. Several people in the room told Trump he shouldn't be 'overly nervous' as long as Biden is 'pulled to the left' in the primary, according to the official."

CHENEY LETTER ON DEMOCRATS AND JEWS: House Republican conference Chair Liz Cheney sent out this fundraising appeal (*Politico Playbook*): "This is Liz Cheney. The Democrats are enabling anti-Semitism. We must take action. Donate NOW to restore our conservative majority!"

General Assembly

SCHOOL BUS BILL REVISED: Indiana lawmakers have revised a bill that would install cameras on school buses to catch and punish motorists who pass illegally to address concerns that anyone might profit from the legislation ([AP](#)). The Indiana House Courts and Criminal Code Committee on Wednesday amended the bill to bar schools or camera vendors from making money from the camera enforcement. Fines collected can be used to pay for camera equipment. The bill comes after six-year-old twin brothers Xzavier and Mason Ingle and their nine-year-old sister, Alivia Stahl, were struck and killed by a pickup truck as they crossed a northern Indiana road to board a school bus in October. The goal of the bill isn't to make money but to deter drivers from passing a school bus that has its stop arm extended, said Republican Sen. Randy Head, the bill's sponsor. "There can be no ongoing source of revenue for the schools, there can be no ongoing source of revenue for the vendor," Head said. The bill proposes suspending the driver's license for 90 days the first time someone passes a stopped school bus and a year for repeat offenders. It would raise the offense of not stopping for a school bus from a ticketed infraction to a misdemeanor and make it a felony offense to recklessly pass a bus and injure someone.

BILL PROTECTS PEOPLE WHO USE FORCE: Protecting people who have to use force to protect themselves is the purpose of a proposed bill making its way through the Indiana legislature (Berman, [WIBC](#)). State Rep. Jim Lucas (R-Seymour), one of the sponsors of the bill, says HB 1284 is yet another way to support Hoosiers and their safety. "Basically it's a Good Samaritan Protection Act. In Indiana, we currently have very strong protections in the case of criminal use of force as it pertains to self-defense, but we don't have those same protections on the civil side," Lucas said. If passed, the bill would protect those who may have caused damage or injury while defending themselves against someone who was trying to commit a felony or someone trying to physically hurt another person. HB 1284 also requires the courts to award reasonable attorney fees to a defendant when they're claiming justified use of force in a civil lawsuit. The bill was heard in front of a Senate Judiciary Committee March 4. It gets its next hearing March 20.

STAND FOR CHILDREN DIRECTOR TESTIFIES: Stand for Children Indiana Executive Director Justin Ohlemiller testified to the Senate School Funding Subcommittee today urging lawmakers to invest meaningful new revenue dedicated to teacher pay (*Howey Politics Indiana*). "My organization has heard from parents who have had three or four teachers in one school year. Data shows that the number one factor in student learning is the quality of the teacher. How can we expect children to learn and reach their full academic potential if there is a revolving door of teachers in their classroom? For the sake of Hoosier children, we have a moral imperative to solve this issue, and if that argument is not enough we have an economic

imperative to focus on teachers as well. The fact is, teachers are the ones who shape our tomorrow and we can't be the state that works if we don't have the workers trained to fill the jobs we're creating."

RIGHT TO LIFE ON CONSCIENCE BILL: The Indiana House by a 69-25 vote passed Senate Bill 201 which expands Indiana law to extend conscience protections to additional medical providers (*Howey Politics Indiana*). Currently, physicians and hospital employees can object to participating in abortions for ethical, moral or religious reasons. SB 201, authored by Sen. Liz Brown, would extend conscience protections to other medical providers, including nurses, physician assistants and pharmacists. Chemical abortions are on the rise in Indiana, accounting for 36 percent of abortions in 2017. As this type of abortion increases in popularity, more medical providers, including pharmacists, may become involved in the procedure. "This law will send a message to health care providers that they can practice their profession in Indiana without making ethical concessions," said Mike Fichter, President and CEO of Indiana Right to Life. "No one should be forced to participate in the deliberate ending of a child's life. Sen. Brown's bill extends important protections to health care providers. We're pleased the Indiana Senate and House have passed SB 201 and we urge Gov. Eric Holcomb to sign it into law."

TEACHERS PRESS FOR MORE PAY: Senate lawmakers heard hours of testimony Thursday from teachers and education professionals urging the state to give schools, and ultimately teachers, more money (Lindsay, [Indiana Public Media](#)). The House approved a budget proposal to boost school funding by a little more than 2 percent each year through 2021, but many who testified in the senate's school funding committee – including Brownsburg teacher Christianne Beebe – say current proposals are not enough for schools to increase teacher pay and still address basic needs. "When local control is touted as the solution to the teacher pay crisis, instead of additional state funding," she says. "Teachers may gain a pay increase but will undoubtedly lose support staff, administrative help, smaller class sizes, professional development, and more." Teachers and superintendents at the meeting also raised concerns about a recent proposed change to what's called complexity funding. It provides additional dollars to schools based on their population of low-income students. Lawmakers are proposing a roughly 14 percent – or \$105 million – cut to complexity dollars to put more resources into basic tuition support.

Congress

YOUNG VOTES WITH PRESIDENT TRUMP ON DECLARATION: U.S. Senator Todd Young (R-Ind.) today voted to protect the border and preserve President Trump's national emergency declaration (*Howey Politics Indiana*). Just last month, 76,000 illegal immigrants were apprehended or deemed inadmissible at a port of entry on our southern border; that is not counting those who crossed undetected. We are on track for 900,000 apprehensions this year – greater than the entire population of Indianapolis. "As a U.S. Marine, I was stationed on the southern border in Yuma, Arizona. I saw firsthand the need for greater border security," said Senator Young. "We must address the situation taking place along our southern border where illegal crossings and smugglers trafficking drugs and people have created a humanitarian and national security crisis."

YOUNG TO VISIT FFA: U.S. Sen. Todd Young (R-Ind.) will visit with FFA CEO Mark Poeschl and FFA officers at the National FFA Center Friday. Senator Young and Mr. Poeschl will hold a media availability beginning at 10:30 a.m. to discuss the recently passed updates to the FFA Charter (*Howey Politics Indiana*). Senator Young's National FFA Organization's Federal Charter Amendments Act was signed into law on February 22. The new law better reflects agriculture education in the 21st Century. It updates the FFA's charter to allow for regional diversity among student officer vice presidents and provides governing flexibility for national officers in order to reduce operational delays caused by vacant seats.

CARSON COMMENTS ON REP. OMAR: As clumsy and offensive as Rep. Ilhan Omar's remarks were when she questioned the patriotism of pro-Israel members of Congress, some Democratic lawmakers and left-leaning Mideast peace advocates say the episode could nevertheless open the door to a more robust debate about U.S. foreign policy and rekindle interest in the plight of Palestinians, particularly among younger Democrats ([San Diego Union-Tribune](#)). Rep. Andre Carson (D-Ind.), a Muslim, agreed. "I think that it could spark a series of conversations that seek to address the Israeli-Palestinian question with more depth, more objectivity, more compassion, more readiness to have a dialogue that will foster greater relationships between Muslims, Jews, Christians, secularists and other faiths," he said.

TILLIS REVERSES COURSE: Two weeks ago, Sen. Thom Tillis said President Donald Trump's national emergency declaration violated the separation of powers and created a dangerous precedent, stating in an op-ed that he would vote to reverse it (*Politico Playbook*). On Thursday, the North Carolina Republican flipped and sided with Trump on the border vote. While a dozen Senate Republicans joined Democrats to support a resolution undoing Trump's move to fund a border wall, Tillis and all but one other Republican up for reelection in 2020 — Sen. Susan Collins of Maine — stuck with the president. The list includes Sen. Cory Gardner of blue-trending Colorado and Sen. Martha McSally, who was appointed this year but will

face Arizona voters again in 2020 after losing a tough race in 2018. The vote underscores how little Republicans on the ballot in 2020 want to break with the president, even on an issue that divided the party and in states where Trump's approval rating is low.

State

WEATHER: 27K WITHOUT POWER FOLLOWING CYCLONE BOMB - Storms packing high winds, hail and possible tornadoes have swept across Indiana, leaving thousands of power customers without service ([AP](#)). Indiana utilities reported more than 27,000 customers without service Thursday evening. The National Weather Service issued several tornado warnings, mostly in southern Indiana, but none were immediately confirmed. The weather service recorded a 60 mph wind gust at Indianapolis International Airport.

GOVERNOR: CROUCH SCHEDULE - Below is Lt. Governor Suzanne Crouch's public schedule for March 15, 2019. Crouch speaks at grand opening of the Indiana NeuroDiagnostic Institute and Advance Treatment Center, Indiana Family and Social Services Administration, 9:45 a.m. - 11:00 a.m., ET, with Crouch remarks at 10:15 a.m., ET, 5435 E. 16th St., Indianapolis. Crouch speaks at Hoosier Homestead Awards, Indiana State Department of Agriculture, 1:00 p.m. - 2:30 p.m., ET, with Crouch remarks at 1:05 p.m., ET, Indiana Statehouse, Second Floor South Atrium.

OCRA: TO HOST GREAT LAKES MAINSTREET CONFERENCE - The Indiana Office of Community and Rural Affairs will host the inaugural Great Lakes Main Street Conference from August 18-20 in downtown South Bend. The conference will offer networking for leaders in downtown and historic commercial district revitalization from all over the Great Lakes and asset-based strategies to community and economic development (McLaughlin, [Inside Indiana Business](#)). Multi-track sessions will focus on sustainability, economic vitality and cultivating quality places. Local tours and networking opportunities will also be featured. "The conference will explore techniques and practices for downtown revitalization and economic development in our communities," said Jodi Golden, executive director of OCRA. "Communities will hear success stories, best practices and innovations from experts from the field focusing on the National Main Street model. We are thrilled to offer an opportunity for our Midwest Main Street partners who may not have the ability to attend the national conference."

HEALTH: STATE REVIVES TOBACCO QUIT LINE - The Indiana Tobacco Quitline is open once again to give Hoosiers free nicotine replacement therapy ([WTHR-TV](#)). The hotline will be open until supplies last. Last year, nearly 7,500 Hoosiers received a two-week supply of the medication for free. To participate, Hoosier tobacco users must first enroll. Then, participants will get a coach and a personalized quit plan, which includes a two-week supply of gum or patches and online counseling. While the season of New Year's resolutions has passed, it's never too late to make a change to a healthier lifestyle. According to the Indiana State Department of Health, Hoosiers quit smoking every day, and there are more former smokers than current smokers nationwide. To enroll, call the Indiana Tobacco Quitline at 1-800-QUIT-NOW or go to [QuitNowIndiana.com](#).

DNR: BROWN COUNTY CAT KILLED BY MOUNTAIN LION - A Nashville family said a large cat attacked and killed their beloved house cat. They chased the animal through the woods with a gun because they believed it to be a mountain lion ([Fox59](#)). "I've seen multiple bobcats. I've lived here in these woods for 37 years, I work in the woods," James Halcomb said. "I've seen multiple bobcats, very large bobcats, there was no confusion." James Halcomb came face to face with the animal. He said the big cat was nearly waist high and appeared to weigh roughly 100 pounds. He and their dog went after the animal and eventually got it to run up two trees. The Indiana Department of Natural Resources (DNR) is investigating the body of their house cat for clues, but saw no additional evidence in the woods near Yellowwood State Forest. Mountain lions are more than double the size of bobcats and have a long rope like tail. The DNR said they are not native to Indiana with the last confirmed sighting coming in 2010 in Greene County. Data suggests they have appeared outside of their normal ranges over the past decade, but the possible one in Brown County cannot be confirmed yet.

JUSTICE: APPEALS RULING RESTORES PART OF 2016 ABORTION LAW - A federal appeals court has ruled portions of a 2016 Indiana abortion law are not unconstitutionally vague and has reversed an injunction blocking them ([AP](#)). The 7th Circuit U.S. Court of Appeals ruled 2-1 Thursday that U.S. District Judge Jane Magnus-Stinson should have ruled against plaintiffs Indiana University and three of its researchers challenging the law that requires aborted fetuses to be buried or cremated. Magnus-Stinson found a section of the law dealing with the acquisition, receipt and transfer of the fetal tissue to be too uncertain to have legal force. But the appeals court opinion written by Judge Frank Easterbrook says, "Some uncertainty at the margins does not condemn a statute."

EDUCATION: FORMER ST. MARYS PRESIDENT SUES OVER DISMISSAL - The former president of Saint Mary's College has filed a lawsuit against the college claiming she was pushed out by the head of the board of trustees and that an agreement to stay on as a tenured faculty member has been violated ([South Bend Tribune](#)). Janice Cervelli in her lawsuit claims she resigned in October 2018 after being pressured to do so by Mary Burke, chair of the Saint Mary's College Board of Trustees. Burke instructed Cervelli to tell people she was on sick leave and "indicate that she was resigning because her mother needed more care," according to the suit. Those reasons were "not true," the lawsuit claims. Statements that Burke

made to The Tribune — saying the board did not influence Cervelli's decision, that her resignation came as a surprise and that the board asked if "there was something we could do" to keep Cervelli — were also false, the suit says.

SAFETY: INDY DUI CHECKPOINTS SATURDAY - The Marion County Traffic Safety Partnership announced that local law enforcement agencies will conduct DUI checkpoints on Saturday ([WRTV](#)). Starting at 6 p.m., Indianapolis Metropolitan Police Department, Indiana State Police, Speedway, Cumberland, Lawrence, Beech Grove, Airport and IUPUI PD plan to conduct the checkpoints throughout Marion County. The "Driving Under the Influence Indiana" project is aimed at reducing alcohol-related automobile and motorcycle crashes.

SPORTS: PAINTER NAMED BIG TEN COACH OF THE YEAR - After leading Purdue to its second Big Ten title in three seasons, head coach Matt Painter was selected as the league's Coach of the Year in voting done by league coaches and media ([Purdue Exponent](#)). In addition, junior guard Carsen Edwards was voted unanimously to the All-Big Ten first team on both coaches and media ballots. Edwards and Michigan State's Cassius Winston were the only unanimous selections on either ballot.

Nation

WHITE HOUSE: TRUMP BUDGET CONFLICTS WITH HIS GOALS - As President Trump stood before a joint session of Congress for his State of the Union address in February, he urged Republicans and Democrats alike to support the audacious goal of stopping the spread of HIV within a decade. "Together, we will defeat AIDS in America and beyond," he declared ([Washington Post](#)). The White House's 2020 budget request, issued this week, does propose an additional \$291 million as a down payment for a new HIV initiative. Yet the \$4.7 trillion budget also calls for sharp spending reductions to Medicaid, the public insurance program for the poor on which more than 2 in 5 Americans with the virus depend. Such a contradiction — giving while also taking away — runs through the budget arithmetic for many of the Trump administration's health-care priorities. In addition to combating HIV, the president has taken aim at childhood cancer and the opioid crisis, but his budget would undermine all those efforts by shrinking the health infrastructure that people struggling with those issues rely on while throttling back national cancer research spending — even as it offers discrete pots of money for those causes, policymakers say.

WHITE HOUSE: NORTH KOREA EYES SUSPENDING TALKS WITH U.S. - North Korea is considering suspending talks with the United States and may rethink a ban on missile and nuclear tests unless Washington makes concessions, news reports from the North's capital on Friday quoted a senior diplomat as saying ([Reuters](#)). Vice Foreign Minister Choe Son Hui blamed top U.S. officials for the breakdown of last month's summit in Hanoi between U.S. President Donald Trump and North Korean leader Kim Jong Un, Russia's Tass news agency and the Associated Press said. "We have no intention to yield to the U.S. demands (at the Hanoi summit) in any form, nor are we willing to engage in negotiations of this kind," TASS quoted Choe as telling reporters in the North Korean capital.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 10:45 a.m. en route to the Pentagon to meet with national security officials. He is having lunch with Secretary of State Mike Pompeo at 12:30 p.m. in the private dining room.

TREASURY: MNUNCHIN SAYS HIS TAX RATE WENT UP - Treasury Secretary Steven Mnuchin said today that his taxes went up in the wake of the Republican tax rewrite thanks to its cap on state and local tax deductions ([Politico](#)). "I can tell you I did not personally benefit" from the Tax Cuts and Jobs Act, Mnuchin told the House Ways and Means Committee. "I personally pay taxes in New York and California and my tax rate did go up because I no longer have the SALT deduction," he said.

CONNECTICUT: SANDY HOOK MASSACRE VICTIMS CAN SUE GUNMAKER - The gun industry suffered a potentially significant legal setback Thursday when the Connecticut Supreme Court said that a leading maker of AR-15 rifles can be held legally responsible for marketing practices that allegedly made the semiautomatic gun the weapon of choice for mass shooters ([Wall Street Journal](#)). The Connecticut Supreme Court ruled that Remington Outdoor, the maker of the AR-15 style rifle used in the Sandy Hook Elementary shooting, can be sued over the deaths of children killed there. In a 4-3 ruling, the court overturned the dismissal of a wrongful-death lawsuit brought by families of victims killed in 2012 at Sandy Hook Elementary School against Remington Outdoor Co., the maker of the weapon Adam Lanza used in the 2012 rampage in Newtown, Conn.

MEDIA: SUNDAY TALK - CBS "Face the Nation": Preet Bharara, Sen. Tim Kaine (D-Va.). Panel: Mark Landler, Ramesh Ponnuru, Jamal Simmons and Amy Walter. CNN

"State of the Union": Sen. Amy Klobuchar (D-Minn.). Panel: [Rep. Jim Banks \(R-Ind.\)](#), Karen Finney, Mia Love and Waleed Shahid. **CNN "Inside Politics":** Julie Hirschfeld Davis, Toluse Olorunnipa, Lisa Lerer and Manu Raju. **"Fox News Sunday":** South Bend Mayor Pete Buttigieg, Panel: Karl Rove, Jerry Seib, Katie Pavlich and Mo Elleithee. Power Player: T. Denny

Sanford, billionaire businessman and philanthropist. **NBC "Meet the Press":** Panel: Yamiche Alcindor, Arthur Brooks, Jose Diaz-Balart and Susan Page.

World

49 KILLED IN NEW ZEALAND MASSACRE: New Zealand police said a man in his late 20s had been charged with murder after 49 people were killed and 48 others injured in shooting attacks at two mosques in the city of Christchurch, Axios' Dave Lawler and Rebecca Falconer write. An account believed to belong to one of the attackers featured a link to an 87-page manifesto filled with anti-immigrant, anti-Muslim ideas" (*CNN*). Australian Prime Minister Scott Morrison described one alleged gunman, who had Australian citizenship, as an "extremist, right-wing" terrorist (BBC).

Local

CITIES: MARTINSVILLE MAYOR HAS CANCER - Martinsville Mayor Shannon Kohl tells RTV6 she has been diagnosed with breast cancer. "It's not something anyone ever wants to hear or expects to hear, but I am facing this head on," Kohl told [RTV6](#) Thursday. "I have a great support group around me of family and friends." The city's first female mayor in nearly 200-years, will not seek re-election, which means the Morgan County community will have a new mayor in 2020. However, it's unclear if Kohl's decision not to run for re-election was prompted by her cancer diagnosis. "Of everything I have won, this battle is the most important and I plan on winning this one too," said Kohl. Several people have already announced their candidacy for Martinsville mayor including businessman Kenny Costin as well as Kevin Coryell.

COUNTIES: CLARK HAS OVERDOSE SPIKE - Health officials in Clark County are asking the public to be alert to more potent strains of fentanyl-laced drugs in the area after a spike in overdoses late last week (Rickert, [News & Tribune](#)). The Clark County Health Department issued a public health notice Saturday afternoon to alert the community of increased overdose activity, which had started about mid-week, health officer Dr. Eric Yazel said. The notice states that while verification is still pending, it is believed the increase may be due to a drug supply with higher fentanyl content than usual in the area. Yazel said the roughly five cases over five days last week may include multiple fatalities, pending coroner's results; this is about the same number the county has been averaging in a month's time over the past year. In February, the health department reported a total of 50 suspected overdose death cases in Clark County in 2018, which was 15 percent lower than 2017 and the lowest total since 2013. He said the number of overdoses last week were enough that he believed it warranted an alert to help stop subsequent overdoses if there is a stronger strain of drugs in the area. He said Monday he was not aware of more overdoses since the weekend.

COUNTIES: VANDERBURGH COMMISSIONERS DIVIDED OVER SOLAR ZONING - A possible code amendment some saw as anti-solar power likely won't be considered anytime soon (Wilson, [Evansville Courier & Press](#)). A draft ordinance that would have placed commercial solar developments under Vanderburgh County's zoning code provoked a flurry of concerns and confusion when it surfaced last week. Unsupported by two of the county's three commissioners, the ordinance was withdrawn from consideration. Currently, land use decisions for energy production projects of any kind are considered a special use. As such, proposed projects must petition the county's Board of Zoning Appeals for approval.

COUNTIES: OWEN ROADS IN CRISIS - February flooding along with frequent swings in temperature has put a strain on county resources ([Indiana Public Media](#)). Director of Owen County's Highway Department Greg Melton says the biggest problem is the lack of proper drainage throughout the county. "I have 697 miles of country road that need to be ditched," he says. "Times two because I have to do each side." Melton says crews have been out in force since early February trying to make roads passable for emergency personnel and local residents.



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INDIANA EDUCATION INSIGHT

End to power struggles nears

A Secretary of Education 2021 appointment is on a fast track

About 60 education-related bills – 30 each from the House and Senate – survived to the second half of the 2019 legislative session, out of the 175 or so education measures originally introduced.

Moving on greased skids: House Bill 1005, which would allow the Governor to select and appoint the state's top education official four years early.

This was the first bill that the Senate Committee on Education and Career Development approved during the second half of session. The measure advanced to the full Senate on Wednesday by a vote of 5-3.

Two years ago, as you'll remember, the General Assembly converted the superintendent of public instruction to a gubernatorial appointment but delayed the effective date until 2025 so as not to offend Superintendent of Public Instruction Jennifer McCormick (R). The 2017 measure also changed the name of the position going forward to Secretary of Education.

After Dr. McCormick announced in October that she would not run again in 2020, "rather than bringing in someone for a four-year term with no hope of re-election, it seemed to make sense to move the date forward," says the bill's author, House Speaker Brian Bosma (R) of Indianapolis, a former Department of Education employee in the administration of Dean Evans (R).

Both political parties have had the appointment as part of their political platforms over the years, and it was even a plank in the re-election campaign of then-Gov. Joe Kernan (D), said Bosma. In the late 1980s, a bill to appoint the state superintendent passed the House but fell one vote short in the Senate.

Ironically, Indiana has elected a Republican superintendent of public instruction more often than a Republican governor, noted Sen. Jean Leising (R) of Oldenburg.

Only 13 states elect a state superintendent, and of those, only nine elect the state superintendent on a partisan basis, explained Speaker Bosma.

Former superintendent of public instruction Suellen Reed (R) appeared before the Senate education panel to advocate for an amendment that would require a governor to appoint an individual with education experience. The Senate committee declined to follow Dr. Reed's advice.

The Secretary of Education is the only cabinet position with statutorily defined criteria limiting who a governor may appoint, noted Speaker Bosma.

Lee Ann Kwiatkowski, senior education advisor to Governor Eric Holcomb (R), told the committee that moving to an appointed education leader in 2021 will make it clear to education constituents that the governor is responsible and accountable for education policy in Indiana. The appointment ensures alignment of executive branch education functions, added Dr. Kwiatkowski, and will put an end to the power struggles that have beset Indiana education in state government over the past half-decade or so.

Dr. K, who also serves as executive director of the State Board of Education, is a front runner to be appointed as Indiana's first secretary of education. The former IDOE chief of staff is very highly regarded inside and outside state government.

No FAFSA, no graduation

Only Louisiana requires FAFSA for diploma

There's been surprisingly little pushback on the provision in House Bill 1629 that would require all Indiana high school seniors to file the Free Application for Federal Student Aid (FAFSA) as a graduation requirement.

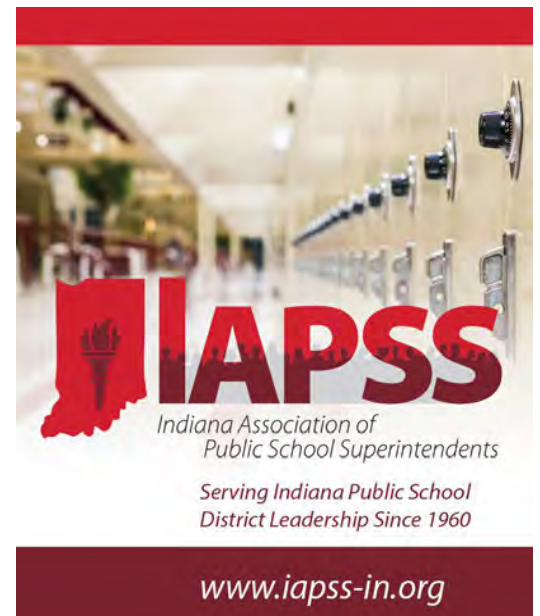
The bill was amended before leaving the House to provide students, parents, and principals with opt outs.

Louisiana is currently the only state which mandates FAFSA filing for high school graduation.

The mandatory nature of FAFSA seems to have paid off for the Pelican State; Louisiana led the nation in the 2018-2019 FAFSA cycle with 77.1% of high school seniors completing the form.

By contrast, Indiana ranked 27th nationally for the 2018-2019 academic year with 56.4% of high school seniors completing the FAFSA process.

HB 1629, which passed the House 67-33, was authored by House Committee on Education Chair Bob Behning (R) of Indianapolis and is sponsored in the Senate by Senate Committee on Education and Career Development Chair Jeff Raatz (R) of Centerville and Sen. Dennis Kruse (R) of Auburn.



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IN Elementary & Secondary Ed

IN General . . .

- Approximately 10.5% of Hoosier students attend a school with a police presence but no counselor, according to the report *Cops and No Counselors* from the American Civil Liberties Union. That's the third-highest rate among states, trailing only Alaska (13.0%) and Utah (10.7%).

- The annual teacher salary survey compiled by the National Education Association reports that Indiana's rank for teacher salaries dropped again to 36th in the country. When adjusted for inflation, Hoosier teacher salaries have dropped by 10% from the 2007-2008 to 2017-2018 school years.

IN Administration . . .

- The Indiana Public Access Counselor concludes that the Board of Trustees of the North Vermillion Community School Corporation violated the Open Door Law in January by conducting a secret ballot vote to fill a vacancy on the school board.

IN Budgets & Finance . . .

- The October 2018 snapshot of student enrollment in TANF, SNAP, and foster care shows a 14% statewide decline, which translates into a \$100 million cut in complexity index funding over the biennium. The change results in quite a few school corporations experiencing a loss in total per pupil funding in the first year of the biennium, although it appears that only three will see their per-pupil funding decline over the two year period (one of which is the school district that already has the lowest average teacher salaries in the state!).

□ Superintendent of Public Instruction **Jennifer McCormick (R)** tweets Wednesday about HB 1021: "Circuit breaker waiver threshold being raised from 10% to 40%. Total projected loss of \$45M impacting 71 districts. In conjunction with HB 1003 & current complexity index challenges, this is a serious fiscal concern."

- On March 21, Western Wayne Schools will go to market with \$1.29 million of General Obligation Bonds of 2019. George K. Baum & Co. is the financial advisor.

IN Compensation . . .

- Teachers in the Huntington County Community School Corporation will no longer be able to accumulate additional days off in exchange for covering an absent teacher's class. Currently, teachers can earn one day of vacation for every eight classroom periods they cover. The perquisite is costing the district too much money and is being eliminated. HCCSC will buy out the remaining credits that teachers have accumulated over the past dozen years.

IN Non-Public Schools . . .

- University High School in Carmel promotes Alicia LaMagdeleine from assistant head to head of school, effective July 1, 2020. She has been at UHS for 15 years. The founding head of school, **Chuck Webster**, plans to retire at the conclusion of the 2019-2020 school year.

- Andean High School announces that **Tony Bonta** will shift from principal to president. He will oversee finance, development, enrollment, and admissions.

□ **Jaycob Knazur** will take over as principal and will focus on academics and curriculum.

- The 2018-2019 school year saw an increase in participating students to 36,290 and 329 participating schools, the most in the history of the Choice Scholarship Program for both categories. There are 2,074 students in kindergarten who received a Choice Scholarship.

□ Only 44 students qualified for a voucher by virtue of enrolling in the On My Way Pre-K program, the least-utilized of the eight tracks to a voucher. About 1,291 vouchers were awarded to students who qualified on the basis of special education. Less than 42% of students in the Choice Scholarship Program have a record of previously attending an Indiana public school. Approximately 12.01% of participants are African-American, 21.29% are Hispanic, 58.06% are white, and 6.05% were multiracial. Due to the amount charged for tuition and fees being less than their qualified 90% or 50% award amount, most Choice students were awarded the full tuition and fees for their Choice school. The average actual award amount for all Choice students participating in the 2018-2019 Choice Scholarship Program is \$4,448.75. The average tuition amount for all Choice students is \$5,948.49.

□ Thirty-five non-public schools received at least \$1 million worth of school vouchers. The three largest recipients were Cardinal Ritter (\$2.24 million) for 415 students, Bishop Dwenger (\$2.01 million) for 461 students, and Crossing Educational Center (\$2.00 million) for 368 students.

IN Charter Schools . . .

- After giving preliminary approval to revoke the charters for Indiana Virtual School and Indiana Virtual Pathways Academy, Daleville Community Schools hires Administrator Assistance to help implement required closure protocol. The two charter schools have a combined ADM of more than 7,000 students. The operator of the virtual schools will meet with the school board on April 1 to present its case for why the schools should not be closed.

□ Retired superintendent **John Williams** of Administrator Assistance would lead the closure on behalf of the district.

- Charters enroll 49% of public school students in the Gary Community School Corporation, according to a newly released report covering the 2017-2018 school year from the National Association of Public Charter Schools. That's the second-highest charter penetration rate in the country, behind only New Orleans at 95 percent.

□ Charters account for a 36% enrollment share of public school students in the Indianapolis Public Schools.

IN Programs & Curriculum . . .

- In the partnership between the South Bend Community School Corporation and Education Resource Strategies for a Transformation Zone to drive academic improvement at Navarre Middle School, which has earned six consecutive F grades, SBCSC and ERS have agreed to share control over Navarre's feeder elementary schools.

- The Emergency Manager of the Gary Community School Corporation proposes to make the Frankie McCullough Girls Academy a co-educational facility.

- If you've scouted the national board of ReThink Education now that the State Board of Education has approved allowing Manual and Howe to be converted from turnaround academies to charter schools, you should keep in mind that there will be a separate local board.

- The Indianapolis-based Kennedy King Memorial Initiative (KKMI) has been awarded \$10,000 from The Mind Trust to provide training and curriculum support to Indianapolis educators on the Robert F. Kennedy Human Rights Speak Truth to Power curriculum. KKMI will use the funds to conduct a one-day training and offer curriculum support for 30 educators.

- The Bill & Melinda Gates Foundation awards a \$750,000 grant to Indianapolis-based Crossroads Education (CRE) to implement its Learning Commons model at Ignite Academy, Matchbook Learning, and Indianapolis Academy of Excellence beginning in January 2019 and at Paramount School Excellence starting in August 2019.

IN Policy . . .

- The South Bend Community School Corporation informs its five athletic directors that their positions are being eliminated at the end of the school year. They will be reassigned to teaching positions at a lower salary.

□ Instead of employing athletic directors, each high school will have a new position labeled as dean of students and athletics.

- The redesign of the Kings crown logo for the Lewis Cass Schools was poorly received by the community. In response the district held an open house in the high school auditorium to allow the public to vote on which of several crown designs they like best.

IN Construction & Facilities . . .

- The Carmel Clay Schools will go to market with \$22.415 million in General Obligation Bonds on March 27 to finance construction to replace Carmel Elementary School and Orchard Park Elementary School as well as other various building improvements, safety- and security-related renovations, and technology upgrades throughout the district.

- The School Town of Munster selects Performance Services Incorporated to design-build a facility that will house the district's IT services, select maintenance staff, and an adult transitions program for individuals with special needs ages 18 to 22. The school board hopes to approve a final design in the coming months so that construction can get underway and conclude by the end of the calendar year.

- The School City of Hammond is said to be contemplating whether to close Miller Preschool and Columbia and Lafayette elementary schools after enrollment declines.

- Barr-Reeve Community Schools Inc. plans a pair of public meetings this week on the district's plans for an \$11 million dollar construction project.

□ The district's website says the Barr-Reeve Middle and High School project calls for a new gym, locker rooms, concession, band room and three classrooms, an expansion of the cafeteria to include seating for 352 people, the conversion of the multi-purpose room to five classrooms and a music room, and all new mechanical equipment (including chillers) and electrical system overhauls (much of the infrastructure dates back three decades or more).

- The Alexandria Community School Corporation expects to receive bids on April 4 and award construction contracts on April 8 for a \$19 million project that includes a new primary wing for the intermediate school, new classroom space at the junior/senior high school for Project Lead The Way and agriculture science, and renovations to both buildings.

- The Fort Wayne Community Schools school board approves a \$948,991 contract with Motz Group to install a synthetic turf field at Spuller Stadium for Fort Wayne Northrop and Snider high schools. The project is expected to be completed in time for the 2019 football season, and should last for 10 to 12 years.

IN Transition . . .

- Dr. Lewis Ferebee was officially confirmed by the city council of Washington, D.C. as chancellor of the D.C. public school system, two months after he departed from the Indianapolis Public Schools.

- Aleesia Johnson, the interim superintendent of Indianapolis Public Schools, is selected to join

the fourth cohort of the Chiefs for Change Future Chiefs program.

- As Indianapolis Public Schools drafts the application for its next superintendent, Stand for Children touts the results of its recent community survey showing that only 28% of respondents prefer an outsider for the superintendent job over someone from the within the community.

- Indianapolis Public Schools promotes Kristian Little Stricklen to chief communications and engagement officer. She most recently served as interim public information officer and will continue to oversee all marketing and communications functions.

- Southeast Fountain School Corporation will be losing Superintendent Doug Allison to the Tippecanoe School Corporation, where Allison will replace the retiring Susan DeLong as assistant superintendent of personnel effective July 1. Allison has also served as an elementary and middle school principal.



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- The Mind Trust hires Sara Marshall as senior director of talent. She will oversee The Mind Trust's work with Relay Graduate School of Education, including their National Principals Academy and the development of Relay's Teaching Residency in Indianapolis. She most recently served as director of TNTF's Indianapolis Teaching Fellows program.

- Rachel Hathaway has been promoted to interim executive director for Teach Plus Indiana. Rachel joined Teach Plus four and a half years ago as policy associate and has most recently been serving as program manager.

- Expect the Southeast Dubois County School Corporation to announce a successor to retiring Superintendent Rick Allen at the school board's April meeting. Allen leaves after 36 years with the district.

- Indianapolis Public Schools announces Dennis Tackitt as the new chief of transformation. His appointment is part of a three-year partnership with the Indianapolis Chamber of Commerce to balance the district's budget. He spent 20 years as CFO of the M.S.D. of Wayne Township and recently served as a senior consultant with Policy Analytics, LLC.

- Michelle Brittain-Watts will be the new principal at Bloomington High School North beginning April 1. She is the former principal at Northwest Community High School and Tindley High School.

- Leonard Moody resigns his post as chief financial officer for the Gary Community School Corporation. A former internal auditor with the Chicago Public Schools, he was hired by the former emergency manager in 2017 on a six-figure salary.

- The Madison-Grant United School Corporation Board of School Trustees hires Shaela Smith as director of business affairs. She will begin work late this month.

- Due to term limits, Teresa Meredith will not be running for re-election as president of the Indiana State Teachers Association, and two candidates are vying to succeed her. The next president will be selected by the ISTA Representative Assembly when delegates meet on April 27. Keith Gambill has spent the past six years as ISTA vice president and is a middle school music and drama teacher in the Evansville Vanderburgh School Corporation. Paul Farmer is a science teacher in the Monroe County Community School Corporation and president of the Monroe County Education Association.

□ ISTA's Meredith, currently a kindergarten teacher from Shelbyville, will wrap up her term on July 31, 2019.

IN Government . . .

- U.S. Rep. Jim Baird (R) teams with Rep. Haley Stevens (D-MI) to introduce the Building Blocks of STEM Act (HR 1665), legislation to ensure that children, but especially young girls, have access to effective programs in science, technology, engineering, and mathematics (STEM) at an earlier age.

□ The Baird bill would create two additional grant programs: one to accelerate research into why young girls do or don't participate in STEM activities, and a second to develop and evaluate programs in pre-K and elementary schools that lead to increased participation by young girls in computer science.

- U.S. Rep. Jim Banks (R), a member of both the House Committee on Education and Labor and the Committee on Armed Services, reintroduces his education savings accounts for military families legislation providing military families with more options to customize their child's education.

□ The Banks bill would afford portability to military families that they currently do not have and would enhance peace of mind for families in the event of a reassignment. Participating families would receive \$6,000 deposited into their Military Education Savings Account for each dependent child in the first year. The amount deposited in subsequent years would be increased by an inflationary factor. Withdrawals could be spent on the costs of attendance of a private elementary or secondary school, private online learning program, private tutoring, services provided by a public elementary or secondary school attended by a child on a less-than-full-time basis, instructional materials, educational technology, school uniforms, assessment or exam fees, summer education programs and specialized after-school education programs (but not after-school childcare), educational therapies, transportation for travel to and from an educational service provider, costs associated with attending higher education, apprenticeship program, fees for industry certification exams, contributions to a college savings account, or any other expenses approved by the U.S. Secretary of Education. The bill would also require the U.S. Department of Education to enter into a contract with a private entity to establish and operate an online marketplace that enables the holders of a Military Education Savings Account to make direct purchases from qualified educational service providers using funds from their account. The Military Education Savings Account of a student terminates if and/or when the student enrolls in a public elementary school or secondary school on a full-time basis, complete a postsecondary education, turns 22 or in the case of a student with a disability turns 26, or after two years of inactivity. Both contributions and distributions to the savings account would be tax-free.

- The *Kokomo Tribune* reports that lawmakers and teachers clashed during a Third House session that took place one day before the Red for Ed rally at the State House. When questioned about the amount of funding in the House-passed budget for alternatives to public education, Rep. Mike Karickhoff (R) of Kokomo responded, "I think there's a misconception that students that use a choice scholarship, what's commonly referred to as a voucher, cost the state money or take money away from public schools. And that's just simply not true." Choice Scholarships save the state about \$70 million compared to what it would have cost to educate the same students in the traditional public schools, he added. "Again, we're talking about a very small percentage. Yes, the dollar amount is high, but in the context of the billions that we put into traditional K-12 education, it's very small." An empathetic Rep. Karickhoff later went on to say, "I feel for the teachers that haven't gotten raises. Name me what public sector employee ... our county employees haven't gotten raises, our city employees haven't gotten raises. Anybody in the public sector have not gotten substantial increases of pay in the last decade."

- As it left the Senate, Senate Bill 546 authored by Sen. Victoria Spartz (R) of Noblesville would create a task force to examine, among other topics, "recommendations regarding the feasibility of merging SBOE, ICHE, and the Governor's Workforce Cabinet."

- The teacher compensation commission convened by Governor Eric Holcomb (R) met for the first time. “I was very pleased with the conversation that occurred and the goals that were set at that first meeting,” says the Governor. “Long term, we are looking at recommendations that systemically would address, really, cultural changes that would occur with the local level’s authority, which I favor, by the way.”

- Gov. Holcomb’s characterization of the teacher pay review evoked the government efficiency commissions for K-12 and higher education established more than a decade ago by his former boss, Gov. Mitch Daniels (R). “I hope the teacher compensation commission will give more data to local communities to be able to make that judgment call themselves,” explains Gov. Holcomb. He served up hypothetical questions the commission may endeavor to help local schools answer: “Are we operating in the most efficient manner? Our school vs. next door: How are we different? What are they doing differently? How is more pay getting into teacher pay checks next door and not here?”

- During the March business meeting, State Board of Education member Tony Walker of Gary said the State Board should create a new category of academic standards on nutrition and healthy eating to help combat the epidemic of sugar consumption.

- The State Board of Education votes to support the conversion of Howe and Manual high schools from turnaround academies to charter schools, spurning a request from the Indianapolis Public Schools to delay the decision. On the day of the vote, IPS revealed that the new school board and district leadership are open to Howe and Manual becoming Innovation Network Schools. In addition, IPS warned that the use of the Howe facility for a charter school could violate the tax-exempt status of the outstanding bond debt.

IN Courts & Conduct . . .

- At 8:05 a.m. on Wednesday, March 6, a school bus from the South Dearborn Community School Corporation traveling on S.R. 350 between Moores Hill and Aurora crashed into a stopped garbage truck. About 20 students were taken to the hospital with minor injuries or as a precaution, most of whom were released the same day, although one student did suffer two broken legs.

IN Higher Education

IN General . . .

- The presidents of 17 of Indiana’s independents colleges and universities write a letter to House Speaker Brian Bosma (R) of Indianapolis urging passage of a bias crimes bill with a list of enumerated characteristics.

- Passage of Senate Bill 12 without a list would “detract more talent from coming in,” they write in the letter dated March 13. In August 2018, the presidents of 24 independent colleges and universities signed on to a letter endorsing a hate crimes bill. Which schools dropped off from the first to the second letter? Ancilla College, Anderson University, Calumet College of St. Joseph, Grace College, Indiana Wesleyan University, Oakland City University, University of St. Francis, and Valparaiso University.

- Saint Mary-of-the-Woods College was not a signatory to the first letter but did join the new one.

- DePauw University announces that the SAT/ACT will no longer be required for admissions beginning this Fall. Excepted from the policy are home-schooled students, for whom test scores provide a standardized measure for the highly individualized transcripts, and international students, for whom test scores assist with verification of credentials.

- Indiana State University students approved a referendum on a new \$75 per semester health and wellness fee to support the expansion of mental health services and the Student Counseling Center. The vote was 835 in favor (68.2%), 243 against (19.8%), and 146 abstain (11.9%). The fee still needs the approval of the ISU board of trustees.

- The commissioner of the Indiana Commission for Higher Education, Teresa Lubbers, is one of 13 national leaders serving on the advisory council of Level Up, a new non-profit coalition of K-12 and higher education organizations aimed at improving the transitions between high school, college, and the work place, and increasing the number of high school students, particularly from underrepresented groups, who are prepared for and successfully complete postsecondary education and training.

- The Indiana Commission for Higher Education partners with the Nudge⁴ Solutions Lab at the University of Virginia to apply advanced analytic strategies to identify residents most in need of state financial aid programs or workforce training opportunities. The multi-year initiative is funded by the Lumina Foundation and Overdeck Family Foundation.

- Indiana University Bloomington spent \$106.1 million on athletics in 2017, an increase of 52% since 2012, according to the Knight Commission on Intercollegiate Athletics. The Big Ten Conference median spend for 2017 was \$117.5 million, a five-year jump of 33 percent. Purdue University West Lafayette spent \$87.2 million on athletics in 2017 – the lowest in the Big Ten Conference. Purdue athletic spending has increased by 28% since 2012, the lowest rate of increase of the eight Big Ten schools that spent under \$100 million on athletics in 2012 (and the second-lowest rate of growth among all Big Ten schools after the 24% increase by the Hawkeyes at the University of Iowa).

- PWL spent less on athletic facilities and equipment in 2017 than any other Big Ten school, while IUB spent the third-least on athletic facilities and equipment. PWL spending on coaches compensation grew by 53% from 2012 to 2017, the fourth-largest increase in the Big Ten. Between 2012 and 2017, IUB saw athletic ticket sale revenue jump by 40%, the largest increase in the conference. PWL suffered the largest percentage decline in athletic ticket revenue over the same span and was the only Big Ten school to earn less than \$10 million in athletic ticket revenue in 2017.

- Ball State University spend \$27.4 million on athletics in 2017, up by 36% since 2012 – the third-largest rate of growth in the Mid-American Conference after the University of Toledo and Western Michigan University. Ball State is one of only four schools in the conference to spend less than \$30 million on athletics in 2017 (the others were Bowling Green, Kent State, and Northern Illinois). In 2017, BSU collected the lowest revenue from athletic ticket sales in the Mid-American Conference.



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□ Indiana State University spent \$15.3 million on athletics in 2017, up by 15% since 2012. The median athletic spend for the 75 public institutions from the Football Championship Subdivision in the Knight Commission database was \$15.4 million. IUPUI spent \$9.7 million on athletics in 2017, ascending by 38% over 2012.

● The Purdue University Back a Boiler Income Share Agreement program is unique among traditional four-year colleges in that the repayment terms vary based on major, according to *The Future of Income-Share Agreements: Policy and Politics*, a new report from the Manhattan Institute.

□ Most institutions offering ISA programs set the same income-share rate regardless of a student's major (i.e., the less a student earns, the less he or she must pay). But at Purdue, students enrolled in more remunerative majors carry lighter repayment terms. For example, a chemical engineering major in the class of 2019 at Purdue pays 0.26% of his income for every \$1,000 received, and the obligation lasts for nine years and four months after graduation. In contrast, an English major pays 0.45% of income for every \$1,000 received, with the obligation lasting for nine years and eight months. "Despite the stricter terms, Purdue estimates that the average English major will pay only slightly more in total than the average chemical engineering major, due to the English major's lower income," according to the Manhattan Institute. Overall, Purdue students who finance their education through an Income Share Agreement are expected to pay back 1.5-1.6 times the amount received.

□ The authors assert that "Congress should lower existing barriers to ISAs by providing them with legal clarity. Basic consumer protections are important, but lawmakers should be careful to provide flexibility for experimentation, lest regulators strangle this infant market in its cradle. Academic institutions should continue to experiment with ISAs as an alternative to Parent PLUS and traditional private loans, following the lead of institutions such as Purdue University and the University of Utah."

● Ivy Tech Community College President Sue Ellspermann tells the Senate Appropriations Committee that 68% of its students are part time; the age of the average student is 27; 50% of students are Pell-eligible; and a quarter of students have a dependent. One year after graduation, 45% of graduates are earning a salary above the state median. Since she took over, Ivy Tech has eliminated just over 500,000 square feet of real estate and has shrunk by 148 full-time employees. Ivy Tech doesn't yet track industry certifications, but we should and we will, says President Ellspermann. She notes that Ivy Tech is re-inventing its online approach, which should help address the gap of more than 10% in the pass rates between online and face-to-face instruction. Ivy Tech requested two new line-items in the state budget: one to expand the highly successful nursing program and the other for security and student coaching.

□ The institution has identified a need to retrofit existing facilities with access control to lock down in the event of an emergency, said Dr. Ellspermann. Ivy Tech has had five security-related incidents over the past nine months, including a shooting across the street from the Terre Haute campus one in the woods behind the Richmond campus.

● The Purdue University partnership with the online writing lab and student services company Chegg receives blowback from faculty. "If this were a site that genuinely helped students to master the materials, it wouldn't be a problem," one professor told Inside Higher Ed. "But it's not set up like that - it dangles the solution in front of students." Inside Higher Ed explains that "while Chegg purports to help students do their homework, students on Twitter are quite blatant about using the site to do their homework for them."

● Purdue University President Mitch Daniels tells the Senate Committee on Appropriations that the tuition freeze, entering its eighth year, won't last forever, and that one possibility under consideration is to increase the tuition rate paid by out-of-state students.

● Indiana University President Michael McRobbie explained to the Senate Committee on Appropriations that because the performance funding formula tends to reward improvement, it's becoming increasingly difficult for the Bloomington campus - the highest-performing campus in the state - to see rewards.

● Senate Committee on Appropriations Chair Ryan Mishler (R) of Bremen commended Ball State University President Geoffrey Mearns for being the first public institution in the state to eliminate the SAT/ACT as a factor in admissions. BSU received a record number of applications for this Fall after announcing the test-optional policy and does not expect a decline in its academic profile, said Mearns. He requested an increase in the Entrepreneurial University line-item to, in part, expand immersive, community-based teacher education that places candidates in the community for a full semester of coursework during their junior year.

● Vincennes University President Chuck Johnson tells the Senate Committee on Appropriations that VU trained 7,000 miners over the past year, a significant increase over prior years, as all mines in Southwest Indiana are operating at full capacity. The underground mining simulation environment that the General Assembly funded a few years ago is one-of-a-kind, he said. President Johnson requested increased funding for the Career and Technical Education Early College line item. VU will soon have 18 Career and Technical Early College High School partnerships at various stages of implementation across the state.

● University of Southern Indiana President Ronald Rochon asked the Senate Committee on Appropriations for new line-item funding for a seven-week Summer bridge program to serve about 30 African-American students. The on-time graduation rate for African-American males at USI is less than five percent compared to 30% for all students, said Rochon.

● While presenting the school's budget request to the Senate Committee on Appropriations, Indiana State University President Deborah Curtis emphasized ISU's progress across the board on the metrics in the performance funding formula. Overall degree completion is up 34%; on-time graduation rates for Indiana residents are up 8.6 percentage points; and the number of degrees conferred to Pell-eligible students has risen by 41%. Since 2009, ISU's operating appropriation has declined by \$11.76 million, but it's set to increase this biennium.

IN Rankings . . .

- For the third time in a row, the O'Neill School of Public and Environmental Affairs at Indiana University Bloomington is ranked first nationally for its master's program in public affairs in the *U.S. News & World Report* Best Graduate School rankings.

IN Administration . . .

- The Purdue Alumni Association rolls out a new, tiered membership system that offers different benefit options based on to fit each member's personal, professional and intellectual needs, based on their stage of life, goals, interests, and budget.

IN Programs & Policy . . .

- The Purdue University College of Engineering and Indiana University School of Medicine are launching a new educational and research partnership to develop novel technological solutions for pressing health care problems. The partnership establishes an MD/MS in biomedical engineering program that will provide master's-level training to IU medical students who seek to develop and apply engineering technologies in their clinical practices and related research laboratories. The agreement also creates the Clinical Innovation and Translation Fellowships in Biomedical Engineering, a new program that will immerse Purdue engineering graduate students in clinical settings and provide mentorship from faculty at both institutions so they are better prepared to translate technology directly into hospital and ambulatory health care settings.

- Vincennes University announces a new computer science degree program to be offered at both the Vincennes and Jasper campuses as well as online.

- The University of Southern Indiana Board of Trustees approved a Bachelor of Science in Civil Engineering degree program to be offered through the Pott College of Science, Engineering, and Education beginning Fall 2019. The proposed degree program moves next to the Indiana Commission for Higher Education for approval.

IN Gifts and Fundraising . . .

- Indiana University renames the School of Public and Environmental Affairs (SPEA) in honor of alumnus and former U.S. Treasury Secretary Paul O'Neill, after he donated \$30 million. O'Neill's gift will also establish the Paul H. O'Neill Center on Leadership in Public Service, a dean's initiatives fund, three faculty chair positions, five professorships, a fellowship program for master's, doctoral, and postdoctoral students, and a scholarship program that will continue in perpetuity.

IN Construction & Facilities . . .

- Indiana University delays expansion of residence halls after bids for construction came in above budget.

- University of Notre Dame receives a \$20 million gift from alumnus John Baumer and his wife, Mollie Baumer, for the construction of Baumer Hall, a new men's residence hall that will open in August. The four-story, 78,000-square-foot structure will house 251 men and feature a two-story lounge, reading room, study rooms, community kitchen, chapel, laundry, vending, storage, exercise room and space for food sales on the lower level.

- Ivy Tech Community College will allow the lease for its Rochester Learning Center space to expire at the end of June after eight years.

IN Government . . .

- U.S. Rep. Jim Banks (R), a member of both the House Committee on Education and Labor and the Committee on Armed Services, introduces the Protect Our Universities Act of 2019 designed to protect sensitive academic research from foreign threats. Under the bill, students from nations deemed a threat – China, Russia, Iran, and North Korea – will need to apply for a waiver from the Director of National Intelligence to participate in sensitive research projects funded by the Department of Defense, Intelligence Community, and Department of Energy. Additionally, the legislation would prohibit technology developed by questionable foreign corporations (read: Huawei) from being used in certain federally-funded research projects. In June, Rep. Banks wrote to the U.S. Department of Education Secretary Betsy DeVos requesting the appointment of a working group to examine the threat that China and other adversarial nation posed to the American higher education research apparatus. "The Department of Education's lack of an adequate response to this request prompted me to craft legislation on the issue," said Rep. Banks in a statement. "We must get tough against these covert threats on college campuses and limit the effectiveness of their information-gathering missions. Clear-eyed vigilance is essential if America and our allies are to remain free from Beijing's influence and espionage." The bill would also establish an interagency task force to address the vulnerabilities present on college campuses and provide heightened oversight over federally funded research projects deemed sensitive to national intelligence, including those related to the Commerce Control List, the U.S. Munitions List, and foundational principles developed for advanced military technologies.

- The Senate Committee on Education and Career Development approves House Bill 1245, which repeals three state financial aid programs that have not been funded for several years: the Hoosier Scholar Award (last funded in 2009), Insurance Education Scholarship (not funded since 2009), and Teacher Loan Repayment program (enacted in 2014 yet never funded).

□ The bill would require FAFSA data sharing agreements between high schools and the Indiana Commission for Higher Education so ICHE can help school counselors track which students have filed for financial aid. Currently, 334 public and accredited non-public high schools have data sharing agreements on file with ICHE. Not knowing who has filled out FAFSA creates more work for counselors, says Zach Smith, legislative and program manager for ICHE.

□ HB 1245 was amended to remove language that would have designated Purdue University Northwest as a metropolitan campus after the Indiana Commission for Higher Education agrees to revisit mission differentiation outside of session. Purdue Fort Wayne will remain the only campus with the metropolitan designation, which, when compared to the other regional campuses, bestows additional flexibility to offer graduate programs and to build student housing for more than 10% of students.

- Indiana's CollegeChoice 529 program joins a national campaign led by the 529 College Savings Plans Network to raise awareness of 529 plans. Campaign spots will air before and after episodes of the popular children's television show *Daniel Tiger's Neighborhood* on Public Broadcasting stations.

IN Courts and Conduct . . .

- In *Cervelli v. The Corp. of St. Mary's College, Notre Dame*, No. 71D05-1903-PL-000074, Janice Cervelli, the former president of Saint Mary's College, files suit in St. Joseph County Superior Court against the college alleging breach of contract, violation of state wage laws, and breach of duty of good faith and fair dealing.

□ Cervelli, who resigned her post in early October, now says that she was pressured to resign by the chair of the Board of Trustees, and that the College has since failed to adhere to the terms of her settlement agreement which was said to allow her to remain as a tenured professor with compensation "in an amount equal to the highest paid professor at Saint Mary's." The agreement also promised "certain severance pay and benefits for twelve months, beginning Jan. 1, 2019," and also offered the prospect of a contract buy-out. Cervelli is requesting the compensation and benefits she says she has not been provided, as well as damages for breach of her contract.

□ A statement from the Board explains, "The Saint Mary's Board of Trustees is aware of, but not surprised by, the complaint that has been filed by former president Janice Cervelli. We obviously disagree with the allegations raised by Ms. Cervelli's lawyers, their descriptions of the agreements and their account of the facts. The Trustees have honored all of its agreements with Ms. Cervelli and has fulfilled all of its obligations to Ms. Cervelli as a tenured member of Saint Mary's College faculty."

IN Transition . . .

- University of Southern Indiana President **Ronald Rochon** will be formally inaugurated at a ceremony on Friday, April 5. On Thursday, April 4, Rochon will moderate a conversation on leadership with Ret. Gen. **Colin Powell**. Both events will be the first public events at the new 4,800-seat Screaming Eagles Arena on the USI campus.

- The new chancellor of Western Governors University Indiana will be **Alison Bell**, who has more than 20 years of higher education leadership experience, including four years as general manager of WGU Indiana operations from 2010-2014. She comes to WGU from IUPUI where she served as director of degree completion.

□ Bell succeeds Dr. Allison Barber, who served as founding chancellor until May 2018 when she was named president of WGU Advancement. Barber was just named president and chief operating officer of the Indiana Fever.

- Dr. **Lisa Goodnight**, a 25-year member of the Purdue University Northwest faculty, joins the senior leadership team as vice chancellor of Institutional Advancement, where she will be responsible for all development, marketing and communications, alumni relations, and strategic events functions of the university. Most recently, Dr. Goodnight served as Purdue Northwest's associate vice chancellor of Student Affairs and senior dean of students.

- **Terry Truitt**, dean of the Anderson University Falls School of Business, has been named the new chief executive officer of the Flagship Enterprise Center. He replaces **Chuck Staley**, who retired after leading the Center since its formation in 2003.

- Christian Theological Seminary in Indianapolis announces that **David M. Mellott** has been named the seventh president. He joins CTS from Lancaster Theological Seminary, where he most recently served as vice president for academic affairs.

- State Budget Director **Jason Dudich** will leave his post in May after the conclusion of the state legislative session to serve as the vice president, chief financial officer, and treasurer of the University of Indianapolis. He's a former CFO for the Indiana Commission for Higher Education.

- The Governor appoints Dr. **David Wantz**, president and CEO of Independent Colleges of Indiana, to one of Indiana's five seats on the Midwestern Higher Education Commission for a term expiring next February. The 60-person panel oversees the Midwestern Higher Education Compact.

- **Tim Frey** has been named interim dean of the College of Education at Doane University. Frey earned a Ph.D. from Indiana University Bloomington in 2005.

- **Larry Singell** leaves his post as executive dean of the Indiana University College of Arts and Sciences after eight years to become senior vice provost for resource management at the University of Texas - Austin on July 1.

- **Simon Rhodes**, dean of science at IUPUI, will become provost and vice president of academic affairs at the University of North Florida on June 30.

- **Matthew Hisrich** is the new vice president of Earlham College and dean of the Earlham School of Religion. He has held various positions in the School of Religion, including acting dean, interim dean, and director of recruitment and admissions. His wife teaches Biomedical Science at Richmond High School.

- The next dean of students at the University of Southern Indiana will be Dr. **Jennifer Hammat**, currently a Title IX coordinator at George Mason University.

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Date: Friday, March 22, 2019 11:32:08 AM
Attachments: [Howey 3-22-19.pdf](#)
[GamInsight Mar 22.PDF](#)
[LegInsight Mar 22.PDF](#)

Pillar 1- Diversify our economy

FW Business- [Fort Wayne's Plowshares Food Hub starts next development phase](#)
IBJ- [Two tier economy report says prosperity in Indianapolis is increasing but not for all](#)
AD- [Metal Powder Products Expands Operation in Noblesville, Indiana](#)
Inside IN Business- [Vibrant Communities Report Details Progress](#)
Inside IN Business- [Indiana Lags Behind Neighbors on VC Investment](#)
NWI Times- [Indiana, Illinois rank near middle of the pack in innovation](#)
DC Free Press- [Governor honors area businesses for longevity](#)
News Sun- [Local businesses receive governor's awards](#)

Pillar 2- Upgrade our infrastructure

Hoosier Ag Today- [Southern Indiana Co-op Leading Way in Providing Broadband Over Power Lines](#)
Courier Press- [Braun: Locals must pay for more of their roadwork, feds less](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Making a Difference Through Meaningful Employment](#)

Pillar 4- Attack the drug epidemic

IN Public Media- [Opioid Strategy Meeting Gives Employers Tools To Address Employee Substance Abuse](#)
WLFI- [Conference helps employers understand opioid addiction in the workplace](#)
BSD- [Ball State professor recommends PVN program to help recovering drug addicts](#)
WBOI- [Fentanyl-Linked Deaths: The U.S. Opioid Epidemic's Third Wave Begins](#)

2019 Legislative Session

SB Tribune- [Bill would make it harder to change gender on Indiana IDs](#)
RTV6- [Indiana House amends bill to make driver's license gender changes harder](#)
WIBC- [BMV Binary Brouhaha Bends Bias Crime Bargaining](#)
Indy Star- [Indiana lawmakers want to expand 'stand your ground' laws](#)
My Wabash Valley- [Faith leaders: Put list back in Indiana hate crimes bill](#)
NWI Times- [Region leaders clash at Statehouse over proposed Gary casino move to Borman Expressway site](#)
IN Public Media- [Language Allowing Guns In Churches On School Grounds Revived In House Committee](#)
WNDU- [Indiana school bus safety bill suffers a setback](#)
SB Tribune- [Bill that would have allowed Greene Township to leave South Bend school district voted down in House](#)
Indy Politics- [Statehouse: Week 12 in review](#)

Misc.

CNN- [Indiana teachers were shot with pellets during active shooter drill, teachers association says](#)

CBS- [Indiana teachers' association says active shooter drill caused injuries](#)

Indy Star- ['It hurt so bad': Indiana teachers shot with plastic pellets during active shooter training](#)

Indy Star- [Two Franklin elementary schools closed after test results show toxins above safe levels](#)

SF Chronicle- [Indiana county OKs state-mandated precinct consolidations](#)

Tribune Star- [Attorney General Hill wants disciplinary matter dropped](#)

WTHR- [Curtis Hill responds to Disciplinary Commission complaint](#)

WIBC- [Curtis Hill Fires Back At Charge of Professional Misconduct In Groping Case](#)

Journal Gazette- [Probe puts Hill's law license in limbo](#)

Indy Star- [Indiana CVS locations now selling CBD products](#)

WISHTV- [New Ms. Wheelchair Indiana wants to fight for disability rights across US](#)

Sincerely,

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BIAS CRIME DEBATE 'COMPLICATED' BY BMV CHANGES: Last week, hope was expressed that the bias crime bill could move in the House 'within two weeks', but no progress was made this week (Curry, *Howey Politics Indiana*). That's official progress, at least, according to Speaker Brian Bosma who told reporters that recent developments had caused some reconsideration within the GOP caucus. The cause? Last week, the a 2018 BMV decision that would allow nonbinary-identifying Hoosiers to claim a third option on their driver's license in the form of an 'x' caught public attention. Some Republicans aren't satisfied with the process laid out by the BMV though, and Bosma said that disagreement led to Rep. Sullivan's amendment to a mobile-driver's-license bill earlier this week. The amendment requires persons to obtain a court order allowing them to change the gender on their birth certificate rather than bring a separate form to the BMV. That issue apparently took up enough time to impact the caucus' bias crime discussion, as Bosma said it injected "an entirely different discussion in it", and added that "frankly, it also changed some peoples' minds about where they stood on the bias crime issue." He didn't expand any further on that, telling reporters "just take my word for it."

BOSMA SAYS 'WAIT' ON HILL REACTION: Speaker of the House Brian Bosma is sticking to his guns and saying the House will wait before considering the impeachment of embattled Attorney General Curtis Hill (Curry, *Howey Politics Indiana*). After the Indiana Supreme Court Disciplinary Commission filed a complaint on Tuesday against Hill over sexual assault allegations made against him last year, the stability of his position as AG has again come into question. While the filing itself has re-raised the issue, Bosma told reporters that the intention is to wait for the commission, or potentially the court itself, to come to a final conclusion. The Speaker expressed confidence in the commission as a bi-partisan body, saying "I'm glad it's there, honestly, and we'll wait to see what their conclusion is."

GOVERNORS CAN FILL VACANCIES OF CONSTITUTIONAL OFFICERS: It's clear the governor has the right to fill any vacancies in statewide elected offices (Kelly, [Fort Wayne Journal Gazette](#)). For instance, then-Gov. Mitch Daniels immediately appointed an interim secretary of state when Charlie White was found guilty of felony vote fraud. But the question is whether a temporary 30-day suspension, for instance, would constitute a vacancy. Or how about 90 days? Gov. Eric Holcomb said he is not an attorney and not the one to ask about the logistics of any future discipline. But both he and Bosma agreed the disciplinary commission is the right venue to handle the issue.

REGION LEADERS DIVIDED OVER MOVING CASINO: Leaders of Northwest Indiana communities and casino operators largely picked sides on SB552 based on whether they believe the Region gaming market has peaked and any changes simply rearrange pieces of the pie, or whether they still see room to grow the pie (Carden, [NWI Times](#)). Gary officials fell into the latter camp. They wholeheartedly endorsed the proposed move of one Majestic Star casino from Lake Michigan to a land-based site adjacent to the Borman Expressway, and to send the city's second gaming license to Terre Haute. The nonpartisan Legislative Services Agency estimates the inland move in Gary will generate at least \$8.5 million a year in new tax revenue for the state, and a minimum of \$2.6 million for the city, without even accounting for the potential of luring more Illinois gamblers to a brand new casino just across the state line. Meanwhile, East Chicago and Hammond leaders told the panel they fear the Gary casino move will hurt workers in their communities employed at the Ameristar and Horseshoe casinos, which may lose business due to their unchanging locations on Lake Michigan. "I'll simply say: Let's not do irreparable harm to the Everyday Joe," said East Chicago Mayor Anthony Copeland. "Let's let the rules of engagement stay the way it is." Phil Taillon, chief of staff to Hammond Mayor Thomas McDermott Jr., warned lawmakers that allowing the Gary casino move will destabilize the Region gaming market, and possibly discourage future investment in Indiana by national casino operators.

REP. PENCE SIGHTING IN MUNCIE CONFIRMED: U.S. Rep. Greg Pence met with Central High School government students during an unpublicized visit to Muncie on Wednesday — possibly his first stop here since taking office. Pence spoke to more than 30 AP government, dual-credit government and general government students for one period in the school auditorium, said Principal Chris Walker. Pence also answered questions ([Muncie Star Press](#)). The congressman was the guest of government teacher Julie Snider, who always invites U.S. senators and representatives to speak to her classes about their jobs and the legislative process. "It is not about issues or political agendas," she told The Star Press. "I ask them to discuss a day in the life of a legislator. Neither Pence nor his office has responded to Star Press requests for information or interviews, including whether Wednesday was his first visit to the 6th district's largest city. Pence, who won election in a landslide, spends a lot of his time in his hometown of Columbus.

BRAUN SAYS LOCALS NEED TO PAY MORE FOR ROADS: He declared Washington "really needed" the shakeup it got with the election of Donald Trump as president. He predicted voters will recoil at the outlandishly expensive price tag attached to Democrats' Green New Deal climate change proposal — and that will pave the way for Trump's re-election (Langhorne, [Evansville Courier & Press](#)). But U.S. Sen. Mike Braun didn't seem to ruffle anyone's feathers at the Southwest Indiana Chamber Thursday until he said it's a good thing that local governments are ponying up more money for roads

projects while the federal government pays less. Noting that some localities are paying 50 percent or even more in aid packages with the state's Community Crossings grant program, Braun said the traditional 20 percent local match for federal aid on road projects is untenable. "We've never been in a worse shape federally to even continue the current road funding plan of 80-20," he said. "All we're doing is lying to the public and putting more debt on future generations if we try to do infrastructure now without showing real reform on bringing our deficits down."

FARMERS FACING TOUGHEST TIMES SINCE 1980s: The worst agricultural downturn since the 1980s is taking its toll on the emotional well-being of American farmers ([Transport Topics](#)). In Kentucky, Montana and Florida, operators at Farm Aid's hotline have seen a doubling of contacts for everything from financial counseling to crisis assistance. In Wisconsin, Dale Meyer has started holding monthly forums in the basement of his Loganville church following the suicide of a fellow parishioner, a farmer who'd fallen on hard times. In Minnesota, rural counselor Ted Matthews says he's getting more and more calls. "Can you imagine doing your job and having your boss say 'Well you know things are bad this year, so not only are we not going to pay you, but you owe us,'" Matthews said by telephone. "That's what's happened with farmers." Glutted grain markets have sparked a years-long price slump made worse by a trade war with top buyer China. As their revenues decline, farmers have piled on record debt — to the tune of \$427 billion. The industry's debt-to-income ratio is the highest since the mid-1980s, when Willie Nelson, Neil Young and John Mellencamp organized the first Farm Aid concert.

TRUMP CONTINUES ASSAULTS ON THE LATE SEN. MCCAIN: President Donald Trump on Thursday continued his verbal attacks on the late Sen. John McCain, claiming that the Arizona Republican gave to the FBI an explosive dossier on Trump and Russia "for very evil purposes" ([Politico](#)). The president, in an interview with Fox Business, was asked by host Maria Bartiromo why he "spent a good portion of your time in Ohio the other day trashing" McCain when the senator is dead. "It's not a good portion of my time, it's a very small portion," Trump claimed in an excerpt of the interview released Thursday. He spent several minutes during his rally in Ohio on Wednesday railing against McCain, remarks that did not receive cheers or applause from attendees. The president claimed McCain drew his ire after reports that the late senator had access to the Steele dossier, a mostly unverified document focusing on Trump's alleged ties to Russia, and for his vote against repealing Obamacare. "They gave it to John McCain, who gave it to the FBI for very evil purposes. That's not good," Trump told Fox Business. "And the other thing, he voted against repeal and replace — now he's been campaigning for years for repeal and replace."

DEMOCRATIC VOTERS WANT EXPERIENCE: Democrats are already boasting a diverse crop of candidates for the party's presidential nomination, including a gay millennial veteran with no prior national political experience, two African-Americans and five high-profile women. But more than any of that, Democratic voters are prioritizing experience when thinking about their nominee to challenge President Donald Trump next year, according to a new [Morning Consult/Politico](#) poll. Two-thirds of Democrats surveyed March 15-17 said it's important that the party's eventual nominee has decades of political experience under his or her belt. And while Trump stormed the gates of the GOP during the 2016 presidential primary riding his outsider status to victory, Democrats are putting a premium on proximity to the establishment. Fifty-two percent of the party's voters said it's important that the Democratic presidential nominee be a political insider, compared with 29 percent who preferred an outside operator.

TOP 10 DOGS: Labrador retrievers aren't letting go of their hold on U.S. dog lovers, but German shorthaired pointers are tugging on the top ranks of doggy popularity, according to new [American Kennel Club](#) data. Labs topped the list for the 28th year in a row. Yet there's been plenty of movement over time on the purebred pup-ularity ladder. After Labs, the top five breeds nationwide are German shepherds, golden retrievers, French bulldogs and bulldogs. Rounding out the top 10 are beagles, poodles, Rottweilers, German shorthaired pointers and Yorkshire terriers. Beagles, now No. 6, can boast they're uniquely beloved. No other breed has made the top 10 in every decade since record-keeping began in the 1880s. Why? "They're a good general family dog," lively, friendly, relatively low-maintenance and comfortable with children, says breeder Kevin Shupenia of Dacula, Georgia. Beagles also work sniffing out contraband meat and plants at airports, detecting bedbugs in homes and doing their traditional job: hunting rabbits. "They have a sense of humor, and they're just characters," Shupenia says.

HPI DAILY ANALYSIS: Per the Morning Consult Poll revealing Democratic voters want a presidential nominee with government experience, this comes after Republicans and many independents opted for the reverse, bringing President Trump to power with a blow it up mentality. We're hearing that similar sentiments are surfacing here in Indiana. - *Brian A. Howey*

SMITH RUNNING TO COMPLETE DOWNTOWN ANDERSON PROJECT: During his final year in office as mayor in 2015, Republican Kevin Smith announced "Operation Downtown." Now he is running again to complete the project ([de la Bastide, Anderson Herald-Bulletin](#)). Smith is seeking the GOP nomination to return as Anderson mayor a third time, facing Madison County Auditor Rick Gardner and JoAnna Collette, director of JobSource, in the May 7 primary. The winner of that race will run against either incumbent Democrat Thomas Broderick Jr. or Terry May in the general election in November. Meeting with residents of Parkview Apartments on Tuesday, Smith said he wants to see those projects continue. His slogan for the campaign is "Bring Back Smith." This is his fifth campaign for the city's highest elective office having won in 2003 and 2011 and losing campaigns in 2007 and 2015. The 17 projects in his "Operation Downtown" proposal included two-way streets, an amphitheater along the White River, roundabout at 17th and Jackson streets, and soccer fields at Athletic Park. It's a \$40 million to \$50 million proposal to revitalize the city's core district. "It takes more than four years to accomplish anything," Smith said. "Continuity is important for downtown."

LAKE COUNTY CONSOLIDATES PRECINCTS: Election officials in northwestern Indiana's Lake County have approved a state-mandated consolidation of the county's small voting precincts. Lake County's elections board approved a new precinct map Tuesday that shrinks the county's precincts from 523 to 364 ahead of the May 7 municipal primary elections. The [NWI Times](#) reports the precinct consolidations mean nearly 90,000 voters will have a new polling place. Lake County Democrats had resisted a 2017 state law requiring the county to develop a plan for consolidating precincts with fewer than 600 active voters, arguing that it would most heavily impact the county's heavily-populated northern Democratic strongholds.

MODELS INDICATED TRUMP LANDSLIDE VICTORY: Donald Trump has a low approval rating. He is engaging in bitter Twitter wars and facing metastasizing investigations ([Politico](#)). But if the election were held today, he'd likely ride to a second term in a huge landslide, according to multiple economic models with strong track records of picking presidential winners and losses. Credit a strong U.S. economy featuring low unemployment, rising wages and low gas prices — along with the historic advantage held by incumbent presidents. While Trump appears to be in a much stronger position than his approval rating and conventional Beltway wisdom might suggest, he also could wind up in trouble if the economy slows markedly between now and next fall, as many analysts predict it will. And other legal bombshells could explode the current scenario. Trump's party managed to lose the House in 2018 despite a strong economy. So the models could wind up wrong this time around.

PENCE RECRUITS HASLAM FOR SENATE RUN: Former Tennessee Gov. Bill Haslam met with Vice President Mike Pence on Wednesday to discuss potentially running for Senate next year, according to a source advising Haslam (*Politico Playbook*). Haslam, who left office earlier this year after two terms as governor, has been publicly weighing whether to run to replace Sen. Lamar Alexander, who is not seeking reelection next year. Haslam and Pence spoke for about an hour at the White House, and Pence encouraged him to run, according to the source, who requested anonymity to discuss a private conversation.

General Assembly

SUPERINTENDENT CHANGE ON HOLCOMB'S DESK: The Senate Education and Career Development Committee heard several hours of testimony on some high-priority schooling bills this week, but the biggest education development came from House Bill 1005's passage through the Senate (Curry, *Howey Politics Indiana*). Now awaiting signature by Gov. Eric Holcomb, HB1005 moves up the timeline for changing Indiana's Superintendent of Public Instruction to an appointed position from January 2025 to January 2021. Most Republicans have lauded the action, while Dems expressed disappointment (their Senate amendment to keep it as an elected position also failed this week). Senate President Pro Tempore Rod Bray called it an "efficient" move, especially in light of current State Superintendent Jennifer McCormick's decision not to run for reelection. This means McCormick will be the last official elected to her position, barring any reversals that might come in future years. Of course, it also means the 2020 gubernatorial race will be the first where the appointment of the superintendent will be a campaign issue.

SENATE ADVANCING ELECTION BILLS: The Senate's Elections Committee passed two bills, which are now heading into third reading next week (Curry, *Howey Politics Indiana*). House Bill 1311 makes a few changes to Indiana's absentee ballot process, such as moving the application deadline from 8 days before the election to 12 days. Democratic Sen. J.D. Ford filed an amendment Thursday to allow voters statewide to track their mail-in ballots through the USPS, but Republicans shot that down just as they had when it came up in the House. Republican Senators had fiscal impact concerns on implementing the program and also questioned its record in practice throughout the country, including in St. Joseph's County. Unlike HB1311, the second bill has garnered bipartisan support (and small bipartisan detraction). HB1597 makes an addition to campaign finance reporting law, extending electronic report filing requirements to legislative office candidates.

GAMING BILL GETS FIRST HEARING IN HOUSE: The House Committee on Public Policy heard about five hours of testimony on the comprehensive gaming bill, Senate Bill 552, this week (Curry, *Howey Politics Indiana*). Chairman Ben Smaltz received merits from quite a few speakers for the committee's stamina on Wednesday, but beyond that the testimony-givers had their share of disagreements. Still, the points brought up in the hearing weren't all that different from the ones raised while the bill was in the Senate. They were, perhaps, a little more organized though. Two large groups came

to the Statehouse, each equipped with their own campaign-style buttons, to show support for and against plans to bring one Gary riverboat casino on land and move the other – with both claiming livelihoods and local economies are at stake. Sports leagues and independent gambling sites also sparred again over control of statistical data for sports wagering, which SB552 places solely in the hands of official leagues. Whether any of that moved the needle is unclear, but Rep. Smaltz's committee will consider the bill once more in an upcoming committee meeting, before sending it off to Ways & Means where we're likely to see it all repeat again.

CHURCH GUN BILL REVIVED: A House panel this week revived legislative language on firearm regulations that had stalled at the 2019 session's halfway point (Smith, [Indiana Public Media](#)). The provisions would open the door to guns being allowed in churches on school property, putting that decision in the hands of the property owner – whether that's the school or the church. A similar proposal garnered significant controversy last year. But this year, that change hasn't gotten much pushback from lawmakers, as Rep. Terri Austin (D-Anderson) notes. "I mean, I had actually several ministers reach out to me and say, 'We would like to be able to make that decision for ourselves,'" Austin says.

BMV GENDER STUNT PULLED: The already thorny hate crime issue got an unexpected disruption this week from an unexpected source: A dustup over driver's licenses ([WIBC](#)). The BMV gives transgender Hoosiers the option of an "X" on their driver's license instead of M for male or F for female. An amendment to remove that option brought the House to a halt for an hour this week before it was withdrawn. Speaker Brian Bosma says it's also thrown a wrench into behind-the-scenes hate crime discussions. Bosma won't go into detail, but says injecting an issue that's an emotional one for many legislators complicated the debate, and prompted a couple to change their position. Bosma says he believes the driver's license issue has been settled. People who don't identify with a single gender and want the "X" would first need to get their birth certificate changed, which Bosma says most people transitioning to a new gender do anyway. He says only two Hoosiers have pursued the X in the last year.

Congress

SEN. McSALLY CALLS TRUMP OVER MCCAIN CRITICISM: Arizona GOP Sen. Martha McSally spoke privately to President Donald Trump about his attacks on John McCain on Wednesday evening, McSally told reporters in Arizona on Thursday ([Politico](#)). Trump has repeatedly disparaged McCain, the late longtime Arizona senator and Vietnam veteran, including new attacks on Thursday. McSally said Trump listened to her. "There is a lot of disrespect going on out there all the way around. I did talk to the president yesterday. I wanted to make sure he understood how I felt about Sen. McCain and how Arizona felt about Sen. John McCain. And he heard me," McSally said.

State

ADDICTION: 50K SEEK TREATMENT - According to the Indiana Chamber of Commerce, as many as 50,000 Hoosiers seek treatment each year for a substance use disorder – and most of them are employed (Horton, [Indiana Public Media](#)). About 60 employers filled a room at Lafayette's Ivy Tech campus Thursday to learn what they can do to manage their employees' substance issues. The Employer Opioid Strategy Meeting is designed to teach managers a how to handle the tens of thousands of Hoosiers who hold down jobs while seeking treatment for substance abuse. "We want to make sure that employers know what's on their side of the fence and what they need to do to be an active participant in these conversations," says Indiana Workforce Recovery director Mike Thibideau. He says the sessions help break down some of the existing barriers.

ECONOMY: INDIANA LAGS IN VENTURE CAPITAL - A new report from Indianapolis-based Elevate Ventures says Indiana remains behind other states in the Midwest for venture capital investment. The 2018 Indiana Venture Report shows the state accounted for only 0.22 percent of all venture capital dollars last year (Brown, [Inside Indiana Business](#)). Ting Gootee, chief investment officer at Elevate, says while there is room to grow, Indiana is on the right path. In an interview with Inside INdiana Business, Gootee said a venture community requires different types of ingredients to grow. "Our general business climate is still very much ahead of many other states around the country and also on our neighboring borders," said Gootee. "The next set of ingredients we're looking at are ideas, talent and capital and all of those are necessary to create the type of businesses that will grow from one entrepreneur to a great team and experience hyper growth." Indiana venture capital deals totaled \$253 million in 2018, which is up nearly 70 percent from the previous year. The report says Indiana remains below the national average for VC investment as well.

ECONOMY: INDIANA IN MIDDLE OF PACK ON INNOVATION - Indiana ranked 28th with a WalletHub State Innovation Index of 38.93, nearly half of first-place Massachusetts's 72.31 score ([NWI Times](#)). The Hoosier state ranked 32nd in human

capital and 26th in innovation environment, according to the study.

MILITARY: ARMY SECRETARY TOURS AM GENERAL - Humvees for the U.S. Army are made in only one place in the United States, the AM General Plant in Mishawaka ([WIBC](#)). For the first time, the Secretary of the Army, Dr. Mark Esper, toured the facility Thursday. He said it's imperative that he understand where the Army's tools come from and how he can help to make them better moving forward. "The humvee is a very capable light truck. It's one of many tools in the tool kit," Esper said. "We're going to have 100,000 light trucks in the Army for some time to come. Humvees will be a big part of that fleet so I need to make sure we keep that robust industrial base." Esper, who toured the facility with Indiana Rep. Pete Visclosky (D), went on to say the Army is in a "Renaissance" or sorts when it comes to the technology it uses and the Army is looking to outfit many of the humvees it needs with this new tech.

CLIMATE: GREAT LAKES REGION VULNERABLE - A scientific report says the Great Lakes region is warming faster than the rest of the U.S., which likely will bring more flooding and other extreme weather such as heat waves and drought ([AP](#)). The warming climate also could mean less overall snowfall even as lake-effect snowstorms get bigger, according to the report released Thursday by a team of researchers from universities primarily from the Midwest. The report also predicts more severe algae blooms in the Great Lakes, which make it unsafe for swimming and increase the costs of treating the water. Farming could be hit especially hard, with heavy rains delaying spring planting and dry spells requiring more irrigation during summer. Beaches, dunes and shorelines will be more vulnerable to erosion.

MEDIA: ZALTSBERG JOINS WFIU - Starting April 1, veteran journalist Bob Zaltsberg will join with WFIU-WTIU News team on a part-time basis ([Terre Haute Tribune-Star](#)). Zaltsberg recently retired from the Herald-Times, where he worked for more than 40 years, including 33 years as the editor of the paper. In his new role at the WFIU-WTIU newsroom, Zaltsberg will lead a community-driven journalism project called "City Limits: Bloomington." This series provides an opportunity for audiences to ask questions about Bloomington and its future, and then the WFIU-WTIU News team searches for answers. "With his impressive Rolodex and deep knowledge of Bloomington I can't think of a better person to lead this project than Bob," says WFIU-WTIU News Bureau Chief Sara Wittmeyer.

SPORTS: A DEEP RUN COULD BRING BUCKS TO PAINTER - A deep run in this year's NCAA men's basketball tournament could position Purdue University among the nation's elite college programs, and it also could provide a big payout for head coach Matt Painter. The coach would receive about \$780,000 in bonuses for Purdue's on-court accomplishments this year if the Boilermakers win the title—and possibly more (Shuey, [IBJ](#)). Purdue defeated Old Dominion 61-48 in the first round Thursday night. The terms of Painter's contract, which runs through the 2021-2022 season, includes an abundance of performance-based bonuses worth tens of thousands of dollars, including several related to how well this season's 23-9 team could do in this year's tournament.

Nation

WHITE HOUSE: TRUMP SIGNS CAMPUS FREE SPEECH ORDER - President Trump on Thursday signed an executive order to promote free speech on college campuses by threatening colleges with the loss of federal research funding if they do not protect those rights ([Fox News](#)). "We're here to take historic action to defend American students and American values," Trump said, surrounded by conservative student activists at the signing ceremony. "They've been under siege." "Under the guise of speech codes, safe spaces and trigger warnings, these universities have tried to restrict free thought, impose total conformity and shut down the voices of great young Americans like those here today," he said.

WHITE HOUSE: TRUMP BACKS ISRAEL SOVEREIGNTY FOR GOLAN - President Trump on Thursday endorsed Israeli sovereignty over the Golan Heights, marking what would be a sharp U.S. policy shift over the disputed territory decades after Israel seized the land from Syria in the Six Day War ([Wall Street Journal](#)). "After 52 years it is time for the United States to fully recognize Israel's Sovereignty over the Golan Heights, which is of critical strategic and security importance to the State of Israel and Regional Stability!" Mr. Trump said on Twitter.

WHITE HOUSE: PENCE UPBRAIDS ATLANTA MAYOR OVER ICE - Vice President Mike Pence had strong words for Atlanta Mayor Keisha Lance Bottoms during a stop in Atlanta Thursday ([GPD News](#)). Speaking to a crowd of Immigration and Customs Enforcement agents at an Atlanta-area office, Pence said he had just heard about Bottoms' 2018 decision to move detainees from the city jail and not accept any new ones. "It is amazing to think the mayor actually said — in her words — not be complicit in an immigration policy that intentionally inflicts misery," Pence said. He continued by saying instead that "criminal illegal immigrants and gang members," the flow of drugs like cocaine and fentanyl and human trafficking inflict misery on the country, and ICE agents bring safety and security to Atlanta and beyond.

WHITE HOUSE: CARTER BECOMES OLDEST PRESIDENT EVER - Jimmy Carter was the first U.S. president born in a hospital. Today, he marks a new milestone as the oldest living former president ever. At 94 years and 172 days old, Carter has passed the previous record held by the late President George H.W. Bush. "He and Mrs. Carter take walks, and they have followed a healthy diet for a lifetime," Deanna Congileo, a spokeswoman for the Carter Center, told [CNN](#).

WHITE HOUSE: BUSH SINKS AN ACE - Former President George W. Bush has made a hole-in-one at a Dallas course that will soon host his institute's Warrior Open honoring wounded U.S. military personnel (*AP*). A photo posted Wednesday on Bush's Instagram account shows the beaming 43rd U.S. president holding a golf ball on the par-3 12th green of Trinity Forest Golf Club. Bush was with Kenneth Hersh, who's president and CEO of the George W. Bush Presidential Center, plus board members Mike Meece and Bill Hickey. Bush's post says he made the ace "with coaching" from the trio. The 72-year-old Bush, who lives in Dallas, says his next goal: "Live to 100 so I can shoot my age."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 9:30 a.m. en route to Joint Base Andrews on his way to Mar-a-Lago. He will arrive at Mar-a-Lago at 12:25 p.m. Trump and first lady Melania Trump will meet with leaders from the Bahamas, the Dominican Republic, Jamaica, Haiti and Saint Lucia at 2 p.m.

PENTAGON: 2 AMERICANS KILLED IN AFGHANISTAN - Two U.S. service members were killed in Afghanistan on Friday while conducting an operation, the NATO-led Resolute Support mission said in a statement ([Reuters](#)). It gave no further details and withheld the names of the service members until next of kin were informed. The U.S. military's mission is focused on guiding and aiding Afghan forces battling the Taliban, who were ousted from power in 2001.

CLIMATE: FLOODING THREAT IN VAST PART OF NATION - Vast areas of the United States are at risk of flooding this spring, even as Nebraska and other Midwestern states are already reeling from record-breaking late-winter floods, federal scientists said on Thursday ([New York Times](#)). A map shows that Indiana faces a moderate to minor risk, particularly in the southwestern tip of the state. Nearly two-thirds of the lower 48 states will have an elevated risk of some flooding from now until May, and 25 states could experience "major or moderate flooding," according to the National Oceanic and Atmospheric Administration. "The flooding this year could be worse than anything we've seen in recent years, even worse than the historic floods of 1993 and 2011," said Mary C. Erickson, deputy director of the National Weather Service, in a conference call with reporters. The major flooding this month in Nebraska, Minnesota, Iowa and elsewhere is "a preview of what we expect throughout the rest of the spring," she said.

MEDIA: SUNDAY TALK - CBS "Face the Nation": Rep. Hakeem Jeffries (D-N.Y.), John Allen. **CNN "State of the Union":** Panel: Rep. Pramila Jayapal (D-Wash.), Scott Jennings, Karen Finney and Bill Kristol (host: Dana Bash). **CNN "Inside Politics":** Jackie Kucinich, Karoun Demirjian, Abby Phillip and Matt Viser. **"FOX News Sunday":** Debut of new Fox News polls on 2020 and the Mueller report ... Panel: Jason Chaffetz, Donna Edwards, Barbara Comstock and Juan Williams. **Power Player:** Susan Rickman, CEO of World Pediatric Project. **NBC "Meet the Press":** Panel: David Brooks, Janet Napolitano, Carlos Curbelo and Kristen Welker.

TERROR: MAIL BOMBER PLEADS GUILTY - A Florida man pleaded guilty Thursday to sending a wave of pipe bombs to CNN and prominent critics of President Donald Trump, attacks that harmed no one but created fear as the devices turned up, day after day, at locations across the country ([AP](#)). Cesar Sayoc sobbed as he entered the plea before a federal judge in New York. "I'm truly sorry," he said. He faces the possibility of a life sentence on 65 criminal counts, including using weapons of mass destruction and illegal mailing of explosives with intent to kill.

HISTORY: RFK'S INDY SPEECH ADDED TO REGISTRY - A recording of a speech Robert F. Kennedy delivered in Indianapolis following Martin Luther King Jr.'s assassination is being inducted into the National Recording Registry ([Indiana Public Media](#)). The Library of Congress announced Wednesday that Kennedy's April 4, 1968, speech is among 25 recordings being tapped for preservation this year because of their cultural and historic importance. Kennedy learned of King's death shortly before he arrived at an Indianapolis park for a presidential campaign stop. He shared the news of King's assassination with a mostly African-American crowd and called for a nonviolent reaction before mentioning the 1963 assassination of his brother, President John F. Kennedy. The library says Kennedy's extemporaneous speech recalls "a frightening time of political violence as well as a dream for a better future."

MEDIA: LETTERMAN STAYED AT CBS TOO LONG - David Letterman says he stuck around on network television about 10 years too long. He made that admission during an appearance Thursday on [Ellen DeGeneres'](#) talk show. Letterman quit in 2015 after 33 years as a late-night host on CBS and NBC, and is beginning his second season on his more leisurely paced Netflix show. "That's not true," DeGeneres told him. "Yes, it is true," Letterman replied. "It turns out nobody had the guts to fire me."

KENTUCKY: GOV. BEVIN EXPOSED HIS CHILDREN TO CHICKEN POX - Kentucky Gov. Matt Bevin says he deliberately exposed his children to chickenpox so they would catch the highly contagious disease and become immune ([NBC News](#)). During a Tuesday interview on Bowling Green radio station WKCT, Bevin said his children were "miserable for a few days"

after contracting chickenpox but said "they all turned out fine." Bevin and his wife, Glenna, have nine children, four adopted. The Republican governor said parents worried about chickenpox should have their children vaccinated. But he said government shouldn't mandate the vaccination.

MICHIGAN: NILES MARIJUANA GROWERS GET GREEN LIGHT - The city of Niles marked another milestone Thursday on the road to commercial marijuana when two medical marijuana growers got the green light from the state ([South Bend Tribune](#)). HDS Investments and MichiCann both received preliminary approvals from the Michigan Medical Marijuana Licensing Board — the first medical marijuana businesses in the city to do so. "This is the first real step toward having somebody up and running so that we can begin to serve the needs of the community," Community Development Director Sanya Vitale said. The first-stage approvals put the businesses on track to join the state's newly regulated marijuana market, which has seen \$46 million in provisioning center sales since Nov. 1, according to the state's Bureau of Marijuana Regulation.

Local

CITIES: HAMMOND COP ABRUPTLY QUILTS AFTER SLUR - A 26-year Police Department veteran abruptly retired Thursday, just hours before he was to be interviewed by his peers about allegations he made homophobic and racist slurs and death threats against a man while off duty at a local bar (Reese, [NWI Times](#)). "It's impossible to be a police officer with words like that coming out your mouth," Mayor Thomas McDermott Jr. said in the wake of the retirement of Sgt. Anthony Hill. McDermott said Hill faced termination over the comments that were captured on audio recordings shared by sources with The Times. McDermott said he would fire a city sanitation employee over those types of comments, much less a police officer. "Once those words came out of his mouth, there was no doubt in any of our minds what we needed to do," said McDermott, who had called on Hill to resign.

CITIES: INDY HAS 2-TIER ECONOMY - Indianapolis' economy is performing well when it comes to increasing prosperity compared with other top U.S. metropolitan areas, but it's near the bottom of the pack for how it serves people near the bottom of the economic ladder, according to a new Brookings Institution report (Colombo, [IBJ](#)). The Indianapolis metropolitan area, which includes Marion County and 10 surrounding counties in central Indiana, ranks 17th of 100 top metropolitan areas on Brookings' "prosperity index," which compares key metrics for cities from 2016 to 2017, including changes in productivity, the average standard of living and average annual wages paid to workers. But the Indianapolis area ranked poorly compared to other U.S. metro areas—76th out of 100—on Brookings' "inclusion index," which measures how cities performed between 2016 to 2017 on median wage growth, the employment rate, and the relative poverty rate, meaning the share of people earning less than half of local median wages. Indianapolis' performance "seems to indicate the presence of a two-tier economy in the region," said Alan Berube, senior fellow at Brookings and the author of the report.

CITIES: INDY SELLING BONDS IN NEW YORK - Representatives from the city of Indianapolis were in New York City on Thursday selling more than \$600 million worth of bonds to investors to fund the new criminal justice center—a milestone in the giant public project (Colombo, [IBJ](#)). About \$610 million in income-tax backed bonds and \$12 million in property-tax backed bonds were put on the market Thursday to fund the construction of the \$571 million project, along with funding a nearly \$40 million debt service reserve fund and the cost of bond issuance. The city expects to close on the bond sales in a few weeks. Sarah Riordan, director of the Indianapolis Bond Bank, told IBJ the city has seen "overwhelming recognition" by investors on the bonds. "We have worked very hard to build investor interest based on the nature of the project and the goals of the project, but also based on the fact that the city is a good investment because we have a good credit rating," Riordan said.

CITIES: MISHAWAKA MARIAN STUDENT ARRESTED FOR THREAT - A Marian High School student was taken into custody Thursday after reported threats to the school ([South Bend Tribune](#)). An email sent to parents said several students came forward to staff after they reportedly overheard an conversation that included threats against the school community. The Mishawaka Police Department was notified and the student was taken into custody. "Please know that safety is a top priority for our school community. I want to thank the students who reported this information and encourage others to do the same if similar instances should arise," the letter to parents read.

CITIES: 2 FRANKLIN SCHOOLS CLOSE FOR TESTING - Students at two elementary schools will have an e-learning day Thursday after recent environmental testing led to a call for more testing, Franklin Community Schools announced Wednesday ([WIBC](#)). Students at Needham and Webb elementaries will have e-learning days on Thursday. All other Franklin students will attend classes as scheduled Thursday. Spring break for students in the district begins Friday. Franklin Schools officials said in July they would test air, water and soil in the area after data showed alarming levels of toxic chemicals in homes near the schools. An Indianapolis-based environmental firm, EnviroForensics, first did testing in July on the grounds at Webb and Needham elementary schools. Both are on the city's east side near Hillview Country Club.

CITIES: MICHIGAN CITY COUNCIL PASSES WHISTLEBLOWER PROTECTION - A new whistleblower ordinance will be added to the city's municipal code after it passed 5-2 at the Michigan City Common Council's regular meeting Tuesday (Smith, [Michigan City News-Dispatch](#)). Sean Fitzpatrick introduced the ordinance last month as a means of making city

employees who want to file complaints against their coworkers or superiors feel better protected against retaliation. The two dissenting votes came from council representatives Tim Bietry and Sharon Carnes, each of whom took issue with some of the language in the ordinance.

CITIES: BLOOMINGTON RAISES TOWING FEES - Bloomington's towing fee for illegally parked vehicles is almost doubling to a maximum of \$125 ([Indiana Public Media](#)). City Council members voted 8-0 in favor of the amended legislation during Wednesday night's meeting. The raise in the maximum towing service fee is a steep shift from the original \$55 maximum day fee and \$65 maximum night fee. Several Towing Companies and City Attorney Mike Rouker brought the request to city council. "It's important for this city to keep the maximum permissible rates that our partners may charge fair," says Rouker. "We value the relationships that we have with our towing partners and we also want to make sure they can pay their employees a fair wage."

CITIES: ELKHART VIBRANT CITIES PROJECT MAKING PROGRESS - A new report from Elkhart County says the Vibrant Communities initiative is making progress. The report outlines the efforts identified in the Action Agenda released by the initiative in 2016 and says 52 of the 77 items listed in the agenda aimed at improving quality of life in the county are either complete or in progress (Brown, [Inside Indiana Business](#)). Some of the projects highlighted in the report include the Elkhart Aquatic Center, the Goshen Theater renovation and the Wa-Nee Vision 2020 plan. In an interview with Inside Indiana Business, Arvis Dawson, co-chair of Vibrant Communities, said the entire effort is about the community. "We want to make sure that they know that they are what makes us vibrant and the fact that they can set a plan, follow it, stick to it and complete it is what vibrant communities do," said Dawson.

CITIES: PARTIAL FUNDING FOR TERRE HAUTE CONVENTION CENTER - The Terre Haute Redevelopment Commission has approved a financing agreement for the new downtown convention center. The *Tribune Star* reports the agreement calls for the city's Redevelopment Department to provide \$3 million up front for the facility and \$500,000 for 19 years in backup financing if the city is unable to meet its obligations (Brown, Inside Indiana Business). The project is now estimated to cost \$32.5 million, up from the original \$25 million estimate. Both the city and Vigo County had previously agreed to pay \$10 million each for the project when it was at the previous cost estimate, according to the publication.

CITIES: SPIN SCOOTERS COMING TO INDY - There could soon be more scooters on the streets of Indianapolis ([WTHR-TV](#)). City leaders just approved the business license for a third company called Spin. Spin will join competitors Bird and Lime, who came to Indy last year. It's still unclear how soon the new scooters will be available in Indy, but Spin can add up to 200 scooters, according to city rules. That could bring the total up to 600 in the city.

CITIES: LOOGOOTEE BREAKS GROUND ON LIBRARY - The small city of Loogootee broke ground Thursday on a new library that will be three times the current facility's size ([Indiana Public Media](#)). The project's been years in the making, and a more than \$1 million loan from the U.S. Department of Agriculture is making it possible. It's part of a program that invests in rural communities. The new library will be on Park Street, next to the St. Vincent de Paul store and food pantry. The organization donated the land, and another business donated a gravel lot adjacent to the space. Library Director Darla Wagler says plans for the new library include much more space for community activities.

COUNTIES: FORMER FLOYD PROSECUTOR FAITH DIES - Stan Faith, who served as Floyd County prosecutor for 16 years before losing to Keith Henderson in 2002, has died. He was 74 ([News & Tribune](#)). Faith was still in private practice operating Stan Faith Law at 412 E. Main St. in New Albany. He lived in Crawford County with his wife Judy and was vice president of the Crawford County Historical and Genealogical Society. Faith prosecuted the first David Camm triple-murder case in 2002.

COUNTIES: SUIT V. BROWN COUNTY INN SETTLED - The State and the former owner of a Brown County hotel have reached a settlement in a 2017 lawsuit stemming from a \$350 fee charged to a customer who left a negative online review ([Indiana Public Media](#)). The settlement, reached in February, grants the customer \$350, and the state \$5,000 in legal fees and \$5,000 in civil penalties. Katrina Arthur says after her stay in 2016, she posted an online review that said there was hair and dirt on the sheets in her room and other cleanliness issues. Indiana's attorney general's office contends that Andrew Szakaly, the owner of Abbey Management Inc. and the former operator of the hotel, violated the state's deceptive consumer sales act by charging guests \$350 if they posted negative reviews but didn't inform management about problems during their stay.

COUNTIES: ST. JOE SUED OVER JAIL DEATH - The St. Joseph County Sheriff's department is being sued for negligence in the death of an inmate who killed himself while in a medical unit at the jail last year. Multiple jail staff members are also named in the suit, which alleges the inmate killed himself while suffering withdrawal (Wright, [South Bend Tribune](#)). Raymond McCarty was arrested and detained in the jail Feb. 21, 2018. He was booked by jail officer Taylor Hammock Leda and went through an intake interview with officer Kurt Vanlandingham, according to the federal lawsuit. During the screening, Vanlandingham reportedly noted McCarty suffered from depression and requested McCarty be further evaluated by a

counselor. McCarty also reportedly told the officer he was prescribed five medications, two for depression, one for blood pressure and two for severe back pain, one of which was an opioid.

COUNTIES: NEW PORTER ELECTION BOARD OFFICIAL - Less than two weeks after a confrontation prior to a meeting resulted in the resignation of the Porter County Election Board president, the newly configured board had a quiet, quick meeting Thursday ([NWI Times](#)). David Welter, of Chesterton, a local attorney and Valparaiso University law professor, was welcomed by fellow board members Republican Dave Bengs and County Clerk Jessica Bailey. Welter, a Democrat, replaced longtime member J.J. Stankiewicz, who resigned Monday. Stankiewicz resigned after a pre-meeting confrontation with Bailey on March 8. Several Porter County Democratic officials called for Stankiewicz's resignation in a letter to Democratic Party Chairman Jeff Chidester on Sunday. They cited what they called unacceptable behavior by Stankiewicz as he pointed his finger and raised his voice at Bailey during the discussion, which was caught on video.



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INDIANA GAMING INSIGHT

Gaming the gaming jobs numbers

Federal benchmarking of 2018 monthly data changes perceptions

We don't typically discuss the monthly gaming employment numbers in this front page space, but we also can't recall such a significant readjustment of direct gaming employment numbers by the U.S. Department of Labor's Bureau of Labor Statistics as we saw this month for 2018 . . . and the revised federal benchmark numbers for Indiana's gaming employment call into question some of the assumptions you may have made about the state of gaming employment in the Hoosier State during any given month last year, and for 2018 as a whole.

While we do see changes in the gaming employment numbers on an occasional basis when the feds pound on the side of their job-crunching computer and rejigger things, the changes that we have seen on both a micro (monthly) and macro (annual) level during 2018 are far more extensive than recent years, and suggest that direct gaming employment in Indiana last year wasn't quite as rosy as we may have led you to believe from the preliminary numbers.

Adjustments tend to be in the 100-job range when we've seen them, with the occasional 300-job change outlier month, but a 500-job change is, as best as we can recall, a relatively unusual event. But if you look at the 2018 revised numbers, if you exclude January and February (which we believe were benchmarked earlier), you'll find that they vary from 100 to 900 . . . and all of the revisions were downward, in contrast to many months in 2017 which had enjoyed increases in direct gaming employment following the federal revisions.

2018 Indiana Direct Gaming Employment Numbers - Preliminary and Revised

Month	Preliminary	Revised	Difference
December	11,800	11,300	(- 500)
November	12,000	11,500	(- 500)
October	12,600	12,100	(- 500)
September	12,500	11,900	(- 600)
August	12,500	11,600	(- 900)
July	12,600	11,700	(- 900)
June	12,500	11,800	(- 700)
May	12,300	11,800	(- 500)
April	12,200	11,900	(- 300)
March	12,000	12,100	(- 100)
February	11,900	11,900	- 0 -
January	11,900	11,900	- 0 -
Average	12,233	11,800	(- 433)

These new figures show that average monthly direct gaming employment in 2018 was just 11,800, down by 433 jobs from the 12,233 preliminary assessment. While nine of the 12 months of 2018 (75%) had appeared to boast at least 12,000 gaming jobs, that number plummets to just two such months after the revisions. Revisions hit the Summer months particularly hard, with May through September seeing the number of jobs written down from 500 to 900 jobs in any given month.

With the revisions, you can see the gradual annual ramp-down in direct gaming employment since the 2008-09 fiscal crisis . . . and that if the 2018 preliminary numbers had held up, 2018 would have boasted the largest number of direct gaming jobs since 2013.

For more, please see the following page . . .

IN Hoosier Bracketology

Where we reveal the Guv's top NCAA pick

A new Morning Consult survey conducted for the American Gaming Association finds that 47 million American adults will wager \$8.5 billion on the NCAA Division I men's college basketball tournament. And while we hate to NIT-pick, there was no word on whether wagering would have topped \$10 billion if Butler University, the University of Notre Dame, and Indiana University had made it to The Big Dance®, as had once been customary.

The NCAA tourney could draw \$400 million in legal wagers at online and retail sportsbooks across the country (led by \$300 million in Nevada and \$75 million in New Jersey), according to analysts for TheLines.com.

Delaware, Mississippi, New Mexico, Pennsylvania, Rhode Island, and West Virginia are expected to generate some \$25 million in NCAA tournament bets.

According to the new Morning Consult findings, 23% of Hoosiers intend to fill out a bracket or place a bet on the tournament, a higher percentage than any of our neighboring states save Kentucky's 30 percent (there are multiple teams from the Bluegrass in the tournament).

Spoiler alert: Governor Eric Holcomb (R) picks Purdue University as national champs!



Note that 2008, the first year of the recession, coincided with the mid-year opening of the racinos.

2018	2017	2016	2015	2014	2013	2012
11,800 + 500	11,300 - 100	11,400 - 400	11,800 - 400	12,200 - 600	12,800 - 400	13,200 - 700
2011	2010	2009	2008	2007		
13,900 - 0 -	13,900 - 200	14,100 - 100	14,200 + 100	14,100 - 300		

The only over-the-year increase in direct gaming employment came with the opening of the state's first Native American casino (in January 2018), an establishment that is included in the employment figures. While there was a 500-job increment, the preliminary numbers had indicated a gain of 933 jobs over the prior-year average (numbers that probably would have been higher if we used adjusted January and February figures). Since the Pokagon Band of Potawatomi Indians indicated that the property opened in January with 1,200 employees, that suggests - in a simplistic sense - that even with partial new land-based options at some other casinos, the 13 other commercial properties ended up down by a net 700 jobs during 2018.

The 2017 and 2018 numbers also showed improvement due to staffing up of land-based components at assorted properties. But for these new gaming options, chances are employment numbers would still be tumbling as they also did after the Rivers Casino debuted in Des Plaines, Illinois in mid-2011; Illinois started adding video gaming terminals in September 2012; and the Ohio land-based casinos began opening in the first half of 2012, followed by the first quarter 2013 market-changing entry of a downtown Cincinnati land-based casino.

IN General

● As SB 552 was readying for its House debut with a hearing in the House Committee on Public Policy Wednesday afternoon, the panel chair, Rep. Ben Smaltz (R) of Auburn, approached the event saying, "We'll hear the bill as written, get input from all the stakeholders and the public on what they think about the gaming bill in its entirety, and use what we learned to make adjustments to the bill if necessary," as he told Matthew Kredell of the Legal Sports Report the week before the hearing. "The first step will be to hear the bill as is, and the following step to work on changes."

□ Rep. Heath VanNatter (R) of Kokomo, who was one of those behind a House sports wagering bill that did not receive a hearing in deference to the Senate action, told Legal Sports Report that SB 552 cannot pass the House without losing some of the omnibus measure's current baggage. "We didn't realize how big that bill was going to get and what they were going to shove into it. I'm not saying that bill won't pass, but it's not going to pass in the current form that it came out of the Senate." However, Rep. VanNatter "also warns that removing elements from the bill will shake up stakeholder support, which could doom Indiana sports betting's prospects this year. 'Everybody is in favor of the bill because there's something for everybody,' VanNatter said. 'But there's no way it's all going to stay in so, as soon as some of it drops out, you're going to have people dropping support of the bill. It's going to be a lot more difficult to pass in the House than in the Senate,' " which has always been the understanding.

□ Rep. Smaltz told Kredell that he supports legalizing and regulating sports betting. "I think it's an easy reach for allowing sports wagering in the casinos. That seems similar to adding any other table or video game." Rep. Smaltz indicated his discomfort with the mobile wagering component that emerged from the Senate. He "contends there are places in Indiana - including his district and Indianapolis - that choose not to have casinos. He expressed interest in hearing what the public thinks about mobile wagering. 'I think that the public has to make the decision on if they want wagering available throughout the four borders of the state of Indiana. I think the answer to that in a lot of places is probably not.' Rep. VanNatter, however, "whose district including Kokomo is 50 miles from a casino, sees accessibility to casinos as the reason why mobile wagering is necessary. 'I think we've got to have mobile betting too,' VanNatter said. 'There's no way it's successful without mobile. Very few people drive to the casinos to do it.' "

● The House Committee on Public Policy heard testimony Wednesday afternoon (and through chunk of the evening) on SB 552, the omnibus gaming bill, before a packed House chamber (a few hundred were citizens of Terre Haute and employees of Ameristar Casino East Chicago). When the hearing began, 42 people had signed up to offer testimony on the matter, and with about three hours that were initially allocated for the hearing, speakers were asked to voluntarily limit their respective comments to no more than four minutes each. Work on the bill began close to 3:45 p.m. and stretched, however, some five hours, until almost 8:45 p.m. Amendments and discussion are on tap for a future committee meeting - likely on March 27, because the measure must still head to the House Committee on Ways and Means, and the House committee report deadline is April 9, leaving only two regularly scheduled dates for Public Policy panel members to meet.

□ Back on his old stomping grounds in the House chamber, the bill's author, Senate Majority Floor Leader Mark Messmer (R) of Jasper, opened the discussion by proclaiming this to be a "once in a generation opportunity to reset the gaming industry in Indiana," and bring in more money without expanding the number of statutorily limited gaming positions. He explained that this was a collaborative effort that began in July between the industry, regulators, and local government officials. Sen. Messmer ran through the specific provisions of the bill and concentrated on the specifics of the "competitive process" for a Vigo County license to ensure that Vigo County gets the best option possible, which includes the removal of the ownership cap (which he said makes no sense in light of the Caesars Entertainment Corporation ownership of two casinos and both racinos). Federal antitrust law and provisions allowing the Indiana Gaming Commission to consider competition in granting a license would ensure equity. Hammond, East Chicago, Michigan City, and LaPorte County would be afforded a hold harmless clause with local money from Gary, and Evansville and horsemen would also be protected. The historic hotel preservation fund would also be replenished with some tithing. At the request of the Department of Child Services, winnings from sports betting will be subject to collection for overdue child support, just like casino win, and operators will receive an increase in their free play deduction while retaining the ability to sell unused credit to other operators.

□ Sen. Jon Ford (R) of Terre Haute, who prepared the sports wagering provisions, explained that aspect of the bill, including the \$100,000 initial fee from applicants and \$50,000 annual fee for renewals. Official league data would be used to determine outcomes of in-play bets, and the Gaming Commission could consider prohibitions of wagering on certain events. IGC staff could also act on information they receive from a league about unusual betting patterns. Mobile sports wagering would help eliminate illegal sports betting, estimated as a \$300 million industry locally. Amateur, high school, and esports betting would be barred.

□ Rep. Peggy Mayfield (R) of Martinsville asked why there was a \$25 million cap on the historic hotel preservation fund. She was told by Sen. Messmer that it could build higher than that, but diversions of AGR to the fund would be halted at that point. Rep. Justin Moed (D) of Indianapolis asked about the 75-mile exclusion zone and its impact on Indianapolis. Messmer told him that the exclusion zone would impact Indianapolis and sites near casinos for “stability of the casino industry.” Rep. Moed asked if local agreements existed with other properties to share revenue with Indianapolis; Sen. Messmer said he did not believe there were any such local revenue-sharing agreements. This was just the first of several times that Rep. Moed raised a rhetorical question about this to point out that Marion County residents would likely frequent an Indianapolis casino if that were an option instead of visiting other out-of-the county properties – but Indianapolis recoups no revenue from nearby properties. Rep. Dan Forestal (D) of Indianapolis asked Sen. Ford to describe the mechanics behind mobile sports wagering apps. He wanted to know if the app had to be downloaded at a physical location, and Sen. Ford told him a patron would not have to do so at a physical site because they wanted to make it more convenient so as to be easier to capture some of the illegal market. Rep. Sean Eberhart (R) of Shelbyville asked Sen. Messmer why Vigo County was considered, and Messmer explained that it was the largest population center furthest away from other casinos, “and the Spectacle Entertainment, LLC owners saw the potential for pulling quite a bit of their revenue from Illinois” without impacting much of the Indiana market. Asked about 2015 Senate support for the live dealers at racino table games, Messmer acknowledged that there was “substantial support; it was not a close vote,” while in the House 77 ayes constituted “overwhelming support.” Rep. Mayfield asked about why Allen County wasn’t considered as a casino site, and Sen. Messmer told her Fort Wayne was closer to other properties, and the Summit City had not been as interested in relocating a license as Terre Haute. Some at the hearing, however, were old enough to recall that three-term Fort Wayne Mayor Tom Henry (D) had asked lawmakers several years back (as Steuben County was poking around for a potential license) to allow a referendum on a casino in Allen County, but could not gain legislative acquiescence.

□ House Majority Floor Leader Matt Lehman (R) of Berne asked about the provision in Section 39 on removing the prohibition on lobbying with horse racing money and the rationale behind it. He noted that “we have prided ourselves on trying to keep lobbying and money coming from the casinos apart.” Sen. Messmer told him that nothing in the law prohibits casinos from lobbying (with riverboat dollars), but horsemen were barred, and the horsemen asked for the change. Asked about moving the live dealers date up and changing it “from a may to a shall,” Sen. Messmer recalled that this was something that had evolved from a last-minute 2015 demand by then-Gov. Mike Pence (R) – in the “11th hour of conference committee time” – and was inserted simply to avert a veto. Moving the effective date up to 2019 in SB 552 “was a logical request for the racinos to get that, because it was only done at the last hour to get that through ... there was no reason other than trying to satisfy the governor on that.” He did not directly address the mandatory vs. discretionary question, but an inquiry about CIB-related language was met with an answer indicating that an amendment would excise that language.

□ Rep. Smaltz asked about the breed development advisory commission language and was told by Sen. Messmer that it came “at the request of the people in the horse program.” Members would need to have a valid breeder’s license for eligibility. Rep. Smaltz asked Sen. Ford why sports wagering dollars were removed from AGR, and asked how sports wagering would be taxed. Sen. Ford replied that the senate deferred all tax issues to the House Committee on Ways and Means. Sen. Messmer noted the distinction between higher rates on AGR and the six percent to eight percent rate imposed on sports wagering in other states and the 25%+ tax on AGR in Indiana.

Smaltz also followed up on the appraisal provisions. Messmer said the process would value the second Gary license, not inclusive of the land, which was part of SB 66, but other owners needed to know the value of the one license and to be able to compensate Spectacle if needed. The 10-day requirement seemed short to Smaltz, but Messmer assured him “that’s pretty typical.”

□ Formal testimony kicked off with Paul Martin, president of the Quarter Horse Racing Association of Indiana, Inc. Supporting SB 552, he said that it would be an “understatement” to say we’re excited about the opportunities it offered. Rep. Smaltz asked him about the need for change in composition of the breed development panels . . . Bruce Murphy of Crawfordsville, representing the Indiana Thoroughbred Owner’s and Breeder’s Association, said that the changes proposed would lift all three breeds and the “industry will continue to grow.” Rep. Terri Austin (D) of Anderson asked if ITOBA supported moving up the date for live dealers at the racinos, and Murphy told her that “it would help us drastically.” She also asked him about the most recent



agri-business impact for each dollar wagered at the racinos. Rep. Smaltz followed up to ask why it would help the industry, and was told by Murphy that it would mean more gamblers and more money as part of the 12% share for horsemen . . . Nat U. Hill IV of Bloomington, representing the Indiana Standardbred Association, expressed ISA's support, noting that not every provision was perfect or even understandable, but this would be a plus for the state, especially as Kentucky and Ohio tracks venture into similar operations. Moving up the date for live dealers at the racinos would mean a 20% increase to breed development, as well as a \$2 million horse race industry tithe from a Terre Haute casino. He and Rep. Smaltz engaged in a brief colloquy about the permanence of the tithe . . . Brian Elmore, the former Centaur Racing official who now leads the Indiana Horsemen's Benevolent and Protective Association (INHBPA), the entity representing 2,000 owners and trainers in Indiana, reviewed the growth of the agri-business racing-related industry thanks to legislative leadership over the past 30 years. He asked for table game revenues from the racinos to be distributed in the same manner as slot wagering dollars from the two properties . . . Michael Phelps, a Thoroughbred breeder from Fountain County whose wife is a veterinarian, added his support for the bill, complimenting the growth of the horse racing program and praising "the stable but flexible and fair" system for distribution of slot wagering dollars from the racinos, and asked that table game dollars follow the same path.

□ Lake County Councilmember Charlie Brown (D) of Gary, a former 36-year House member who was the House member most responsible for the 1993 riverboat authorization, provided a tutorial for members about the history of the law, after being told by Rep. Smaltz that he could have all the time he wanted - "but I can tell you, people are going to get hungry." Brown began by saying "I am here with one single mission: That is to see that Gary has the opportunity to move one of its licenses off the water, and develop the land where boats currently exist." He called the casino move "an economic development project for the City of Gary." Brown added that SB 66 deserved a hearing as well. He dismissed talk that Gary had been given too many opportunities without being successful, suggesting that "outside forces" typically intervened to keep Gary down. "If Gary does not succeed, the state does not succeed," he added. "We need to look at this as a statewide project that will be physically located in Gary, Indiana, but will also be helpful to the state and the region as well," was how he concluded. Rep. Moed asked about sources of funding for the Regional Development Authority, and Brown deferred to Gary's mayor. Rep. Austin referred to the "fragility" of gaming legislation, and how it was "like herding cats," and asked for his thoughts on potential negative implications for other properties from a Terre Haute casino. Brown told her there would be increased state and local revenues, and others are "taken care of in the legislation," and would be "held harmless" from a new land-based Gary casino. She pressed him on whether the former Majestic Holdco owners had invested appropriately in the Gary property, and Brown politely acknowledged that "visions of development in and around the boats has not been to the level we wanted, hoped for," but the new site should help bring in more revenue. Rep. Lehman served up his concern about changing from moving off the footprint and from the community where a casino was licensed - questioning what would happen if the Hammond boat wanted to relocate to Lafayette. "Nothing is permanent in this body," acknowledged Brown, but the fact remains that

"Gary was first" in this process, "is struggling financially, and we need this economic development" which will inevitably follow from the move to the better inland site. Rep. Lehman observed that Southeast Indiana was also complaining that they were struggling mightily because of Ohio competition. "How do we keep the 12 licenses in their respective spaces if we let them (Gary) out?" "Why should we?" shot back Brown. "Why should we not allow it" if they can show the need, he asked in return. "if they can show you it is better for them, let them." They should however, be required to go through the same kind of process as this, suggested Brown . . . Mayor Anthony Copeland (D) of East Chicago came to the podium wearing his bright red oversized "SAVE OUR JOBS" Ameristar button, arguing that lawmakers should "protect the people" through expansion of gaming, just as they had been asked to save the horses. "This is surely about the expansion of gaming," Copeland asserted, asking "When we expand gaming, whose dollars [are] supporting this risk?" The working person, he responded to his own question. The City of East Chicago played by the "within our footprint" rules, but "Gary had two pairs of shoes." East Chicago wants the casinos to stay within their respective footprints. "Let's not do irreparable harm to the Everyday Joe. Let's let the rules of engagement stay" they are, he stressed. Rep. Moed asked Mayor Copeland about how much local money was sent to the RDA, and Mayor Copeland told him \$3.5 million had to be directed that way, and was spread out to projects around Lake County - "and we've been enriched by it" . . . John Vickerman of Vickerman and Associates, a port consultant retained by the legislature last year to review the economic development potential of the site in question, cited a "transformational capability" for the city at the Gary waterfront site, shaping it into "a world-class intermodal logistics hub," and "North America's intermodal gateway." He detailed how an intermodal site would interact with and complement sites in Chicago. Rep. Austin asked him if there had been any initial discussions with the Indiana Port Commission. "We are very early in the process," he responded. "We have not fully discussed this with all of the Port Commission issues (sic)," but Vickerman added that some major rail operators are interested . . . Gary Mayor Karen Freeman-Wilson (D) thanked everyone for the opportunity to testify in support of SB 552, saying it would help address jobs, crime, and infrastructure issues in the city by providing more financial resources and amenities taken for granted in other communities. "Our focus is on the gateway" facilitated by the casino relocation - which itself offers "a separate economic growth opportunity with a halo effect" - and "this is not a pipe dream." She added that in the mid-1990s, "The Gary boat was misplaced. This is not the highest and best use of the land in Buffington Harbor." We are "not attempting to improve Gary's fortunes on the backs of our neighbors," the mayor asserted, suggesting compensation for them via a hold harmless provision - albeit with "a clear methodology" that would allow a true assessment. "There is a way to frame this bill in the end that will help us all," Mayor Freeman-Wilson concluded . . . Phil Taillon, chief of staff to Hammond's mayor (who had to leave early), testified that this proposal to move the Gary casino off its footprint would "destabilize the gaming industry in the Chicagoland market." We do not believe that relocating one of the Gary licenses to the 80-94 expressway increases the pie," he continued. "It just changes the size of the pieces between each casino property and each local community." The proposal "substantially, inequitably, and unfairly changes the rules." He urged that the port proposal and commitment and capital requirements undergo much closer scrutiny, and the former city economic

development official questioned the signal that the changes would send to those seeking to conduct business in the area. The hold harmless provisions under discussion do not go far enough, Taillon added. "The state cannot afford to make a misstep with this bill," he said. "Let's just not create the problems in the first place," Taillon urged legislators . . . Ameristar Casino East Chicago General Manager **Matt Schuffert**, a lifelong Hoosier, came to testify on behalf of parent **Penn National Gaming, Inc.**, which also operates **Hollywood Casino Lawrenceburg** and employs some 2,000+ people in Indiana. He outlined the importance of stability in the market in his company's decisions to invest almost \$100 million in the East Chicago property in recent years, as well as strong and stable state and local taxes (\$1.8 billion in state gaming taxes) and LDA payments - on top of more than \$1 billion paid out in wages. He said this stability "and hundreds of jobs at Ameristar" would be at risk from the newly created "uneven playing field that will solely benefit one company" by allowing one casino to relocate to a "premium location" and cutting off traffic to another. The \$35 million to \$60 million cut expected in Ameristar revenues would also cost 175 to 300 jobs, according to Schuffert. Moving up the date of live dealers at the racinos would also cost \$7 million in annual revenue and a significant number of jobs at the Penn National Dearborn County property. Rep. **Vanessa Summers (D)** of Indianapolis asked about how live dealers at racino table games would cause Hollywood to lose patrons. **John R. Hammond III of Ice Miller, LLP** told her that about 15% of Hollywood's table game market is derived from Central Indiana, and some of those patrons would be diverted to the racinos. Rep. **Eberhart** asked if the bill would result in a larger positive impact to the state, and Schuffert told him it would "simply shift around money from other operators around I-94" to the new casino. Hammond suggested that promises made in the law should be kept. Eberhart asked about the investment Penn National made in 2009 - which Hammond told him was almost one-half-billion dollars worth - and changes in the marketplace. Eberhart asked whether Penn National had involvement in the Ohio referendum and expansion, and Hammond told him several companies were involved. Eberhart suggested Penn National had invested \$50 million in the Ohio referendum, and questioned the validity of the market stability argument after that referendum was approved, while noting that Penn National had adapted. "This bill is not just about table games" for Penn National, Hammond explained, but Eberhart questioned that. "I heard the words market stability several times. I'm wondering why market stability applies at one point in time but not another point in time." Rep. Eberhart threw out some numbers about the impact of Ohio casinos and racinos on Lawrenceburg, and suggested it was a much bigger problem for HCL than the two Indiana racinos. "This is a very tough signal to give" entities nationally who might be looking to enter Indiana, added Hammond, warning about the slippery slope" . . . the self-declared "Earline the Casino Queen," former Sen. **Earline Rogers (D)** of Gary, representing the City of Gary, reminded those in the chamber that Gary had led the way on casinos. The Mother of Casino Gaming walked committee members through the history, beginning with a suggestion from Gary native **Bob Spolyar**, a veteran lobbyist, for a Gary land-based casino in 1989. She noted that there were 46 votes the first time through in the House for a land-based Gary casino. After seeing Gary's efforts on gaming over the years, "they rewarded us" with the ability to skip a binding referendum, awarded two boats to the Steel City, and offered the opportunity to be first in the water. "We need to move the casino" today because the

footprint now is where the intermodal port needs to be developed. As for I-80/I-94, "The traffic goes through there, and you know it's location, locations, location," as we have seen from the Hammond casino being next to Chicago. She recalled that Gary lawmakers voted for dockside gaming in 2002 because it was good for the state overall, even though the Gary casinos - which had an advantage under the original must-cruise requirement - were the only ones hurt by the change. Rep. **Moed** asked her about the RDA and the decision to shift local casino revenue into the RDA. She said it was a deal forged between then-Gov. **Mitch Daniels (R)**, herself, then-Sen. **Luke Kenley (R)** of Noblesville, and then-Rep. **Chet Dobis (D)** of Merrillville . . . Sen. **Eddie Melton (D)** of Gary rose to briefly explain how the SB 66/SB 552 package came about as part of the need to turn around deplorable local economic conditions. "It's no secret that we had some fiscal issues," he acknowledged, but that was exacerbated by a declining population and loss of important industry. This is an opportunity to transform the community based off of existing assets. "We are not asking for the state to 'bail us out.' We're asking for a partnership and an opportunity," said Sen. Melton. "I challenge that notion" that this is "pie in the sky," as some have claimed, he continued. "I don't see this as a gaming opportunity solely, for Gary." He says that this is a bigger opportunity that can boost the tax base and increase local employment. He tells his "family and friends" in Hammond and East Chicago that he wants to work through a fair process to compensate them, but this is a big opportunity for Gary and the state "to move forward in partnership," address "everything that we hear whispered in the background about Gary," and "to move Gary to the next level." Rep. **Moed** expressed his faith in Sen. Melton and Mayor **Freeman-Wilson**, and noted that they were putting "skin in the game" by offering up a casino license. "If in fact it is not successful in its second effort," asked **Moed**, would he favor moving it to another place where it would be more viable? "I would say no," answered Sen. Melton . . . **Denise Dillard** of **Methodist Hospitals** in Gary, a former regional workforce development administrator and a current Gary/Chicago International Airport commissioner, spoke at length to how she and her colleagues assessed the need for change, and addressed it within the context of the hospital certificate of need process. There were no questions for her . . . **Terry Peck**, president of **FOP Lodge 61** in Gary, testified about the unique public safety needs of Gary and the lack of resources for "adequate public safety." Everything save "demand for service" in Gary "is in decline," and "the situation is, well, dire." He lauded the potential for the economic development to "help develop the tax base for the city." Peck believes "There is potential on every corner of the city" for a local "renaissance." He faced no questions . . . Mayor **Duke Bennett (R)** of Terre Haute thanked lawmakers for the opportunity to discuss the bill. "This is a complicated matter; there's no question." He outlined the new three-legged stool: (1) economic development from the proposed Gary port, (2) the boost from a Gary casino move inland, and (3) growth from the new casino for Terre Haute, and referenced the 100+ Vigo County residents who had joined him in the chamber. "I can give you a few stats that would show some of our hardships," the mayor began, "however, I'm focused on our ways to diversify our economy and bring in dollars to address those concerns. I do think Terre Haute and West Central Indiana is on the path to be one of the most competitive regions in the state, and we can certainly use the new revenue to build out aspects of our community." He highlighted recent and

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planned tourism development in Terre Haute and the positive fiscal projections from the bill – as well as the potential for more than 1 million annual visitors. “Our community has rallied together” on the casino proposal, Mayor Bennett added, as he outlined local initiatives that it would complement. “I just want to remind you all that Terre Haute is ready for this opportunity,” he continued. “We will make great use of this revenue to enhance our city, our region, and our state. We believe that we’re best positioned to be ‘All-in.’” Rep. Eberhart asked about his confidence level in passage of a local referendum, and hizzoner suggested it would pass easily, with informal media polls showing 80% support. The mayor added that he “can’t go to the grocery store without being asked about the casino.” No one asked him why Terre Haute doesn’t even have a Target store . . . Vigo County Commissioner Brad Anderson (R) added the support of the county commissioners for the project, and pointed out negative local poverty rate data. “We can’t afford to resist any new opportunity in Vigo County,” he told panel members. Anderson also was excited about how an increase in tourism offers a chance to retain dollars locally through the innkeepers’ tax and food and beverage taxes, as well as money flowing into businesses by tourists. There were no questions for him . . . Melvin Burks of Terre Haute, the Hamilton Center CEO who grew up in Hammond, East Chicago, and Gary in poverty, talked about what he learned from his doctorate in “Streetology” in Terre Haute, and the “underdevelopment of things” locally. He said a local casino “would do more than what we could imagine” to “uplift” the community. “People need a way out of a horrible life.” There were no questions for the official . . . Sara Smith, representing local TH business leaders, spoke to the recent economic changes and challenges in the Terre Haute area, and how a casino would boost the local service industry. “We need a lifeline . . . we need your help to take the next step because our community is definitely ‘All-in’ in making this work.” There were no questions . . . Saint Mary-of-the-Woods College President Dottie King asked “for a little boost from our friends in Indianapolis,” adding that “for us, it will be far more than just the casino,” and “constitute a vote of confidence.” She promised lawmakers that they would see a positive impact far outside just Terre Haute proper. There were no questions . . . Mayor Thomas Broderick (D) of Anderson reviewed the local job losses of the 1980s and 1990s from General Motors departures, and what the city did to respond and rebound. He highlighted the difference that Hoosier Park made when it opened in 1994, and how things progressed even more when Anderson became home to Indiana’s initial racino. “A lot of the ‘negativities’ and concerns” voiced initially about a gaming facility have not come to fruition, and the racino has been “a stable business.” Mayor Broderick continued, “We feel like we need to be part of the community of Indiana and to offer that we have no objection to the bill.” He explained that moving up the date for live dealers would have no impact on the number of positions at the property. “I think we need to be flexible and move with the times and stay competitive with the other states that are obviously putting pressure on gaming in Indiana,” the mayor concluded. There were no questions for the mayor . . . Sally DeVoe, executive director of the Madison County Community Foundation, spoke to the importance of the racino in the philanthropic work in Anderson and Madison County – “they have become ingrained in the community” – a relationship which has continued through Caesars assuming ownership. The bill would mean 650+ new jobs in Madison County, important to philanthropy, DeVoe noted. There were no questions . . . Dirk Webb, CEO of the Madison County Chamber of Commerce, spoke in favor of

SB 552 and the “300 substantial jobs” that it would bring. He noted that Hoosier Park employees had provided more than 14,000 hours of volunteer support in the community. There were no questions . . . Chris Hoke, president of the Shelby County Chamber of Commerce and superintendent of the Northwestern Consolidated School District of Shelby County, spoke on behalf of SB 552, offering his perspective on live dealers at table games and the jobs that it would bring. He said “it would be a boon” to the community and offer jobs to graduates of his school corporation. Hoke said adding live table games would move Indiana Grand Racing & Casino from a regional attraction to a “first-class” national – “and potentially international” entertainment destination that would draw other investment and jobs. He raised the prospect of the Indiana Derby serving as a Triple Crown qualifying race. There were no questions for him . . . Shelbyville Mayor Tom DeBaun (R) introduced local officials in attendance and discussed how racino dollars were used locally for improving quality of life issues, including college scholarships. He noted the international nature of his local business community. Mayor DeBaun talked about local revenues also being directed to the community foundation, and called SB 552 “a jobs bill” that “will diversify our employment base” that is now currently oriented toward manufacturing. There were no questions . . . Lisa Hutcheson of the Indiana Collegiate Athletic Network and vice president of policy and programs for Mental Health America of Indiana, said her organizations were “neutral” on SB 552, but outlined the numbers related to problem gambling in Indiana, and the limited amount of funding available to address the concerns. Indiana ranks 27th out of the 50 states in residents most addicted to gambling; approximately 70,000 people are problem gamblers. She also asserted that some six percent of college students are problem gamblers. Indiana only allocates \$1.8 million to the Division of Mental Health and Addiction from gaming taxes, while problem gambling costs are estimated at about \$10,000 per person. She encouraged funding of annual data collection and analysis of problem gambling and its costs, and comprehensive “evidence-based” training for casino employees. A portion of any new revenue should also be earmarked for problem gambling treatment. Hutcheson further requested strong regulatory policies and structures for sports wagering. There were no questions . . . Christina Gray of the Indiana Council on Problem Gambling, Inc., sought a study of the number of problem gamblers, urged that the percentage of funding pegged at 25% in the bill be boosted to 75%, and that more dollars be devoted to actual treatment. Only 51% of the Gambler’s Assistance Fund currently is used for awareness, prevention, and treatment of problem gambling. Full 40% of the Fund is directed toward substance abuse even though Indiana receives federal funding for this function. She noted that in 2013, the money was supposed to be phased back to problem gambling treatment, but that has not happened. There were no questions . . . NIPSCO Director of Economic Development Don Babcock spoke enthusiastically about the economic development package, touting both the land and the competitive advantage that it offered. He promised full cooperation by NIPSCO “to make something happen up there.” “We want to be a supporter” and grow Northern Indiana, and told lawmakers that \$2.2 million of a new \$3.275 million DINO grant was available for the Gary project. Rep. Eberhart asked Babcock about the power lines on the property and was told that the pipelines and wires there primarily are NIPSCO’s, and that the utility promised to work with developers to expedite the project.

□ Spectacle Entertainment LLC's John Keeler introduced Spectacle and its team, noting its all-Hoosier roots and leadership under Terre Haute's Greg Gibson and Centaur Gaming's Rod Ratcliff. He described Majestic Star Casino's assets and their history dating back to Don Barden and Donald Trump at the 1996 launch. According to Keeler, "the conditions of the 130 acres of Majestic assets" led to a dearth of interest in their purchase, even though the property has been up for sale for some time. The issues included declining revenues, a one-star hotel in a sad state, 25-year-old boats in need of upgrades, three railroads operating on the footprint, environmental issues at Buffington Harbor, and the inability for patrons to easily find and access the property. "This property involves tremendous risks," including Illinois legislation that could allow gaming to come to Chicago, and significant local competition from Caesars and Penn National. While in the short-run Spectacle is working to stabilize or even grow revenues, and looks to make a profit, the long-term objective is, of course, to move one license to an inland site and invest \$300 million in a new casino and 200-room hotel (complemented by with restaurants, retail, and meeting rooms) with 400 more jobs than at the combined two boats today. The boats at the Buff would not be shut down until the land-based facilities are complete, so no jobs will be lost and the Sate will not lose revenue. They also want to move the second license to Terre Haute and impose "a natural business barrier" to a Danville, Illinois casino by getting into that market first, and serving an underserved area with a new facility costing at least \$100 million and adding at least 400 jobs. Keeler estimates that this casino would generate approximately \$24 million in new gaming and admissions taxes. Based on an uncapped number of positions (unlike the bill proposes today), Spectrum Gaming projects a net new revenue gain of \$75 million in new state taxes. Rep. Lehman questioned him about "allowing all casinos to move wherever they want to move." Keeler told him his experience suggested that all gaming changes in Indiana were incremental, but Keeler added that he saw no reason why decisions should not be made to "artificially limit" a casino to its footprint. Rep. Eberhart followed up on some of the Spectrum numbers. He asked if there would ever be a time when there would be a negative impact to the state in taxes under all the SB 552 provisions, and Keeler confirmed that there would not. Asked if he would be okay if not picked to be the Terre Haute operator, Keeler said "I wouldn't like it," but would expect to be compensated for the loss of that second license. "When we bought Majestic, we bought two licenses," he said. "That's a pretty valuable asset that sits on your balance sheet," noted Eberhart, and needed to be recognized as valuable. "We paid a lot of money for this asset" which included two licenses said Keeler, and "we are taking a big risk." Rep. Mayfield asked about the valuation of the license and appraisal process. "Is there not a value already assigned to your license? This would require an appraisal of it." Keeler explained that the deal was a "merger" process, but eventually the licenses will be valued for tax purposes. He told her that the appraisal was only needed because of the public policy decision to allow others to compete for the Terre Haute license. Other operators would have to file a declaration of interest within 30 days of a Spectacle petition for license move, and that they would have to know how much they would have to compensate Spectacle as part of their proposals if Spectacle was not chosen. Rep. Mayfield asked about how the extent to which Spectacle was sure that it could to secure the desired Gary inland property, and was assured that Spectacle was confident about it. Rep. Matt Hostettler (R) of Fort Branch asked if both licenses would be valued the same. Keeler said

only the license to be moved to Terre Haute would be valued, and it would be valued as if it were sitting in Gary - "its location where it is today," interjected Sen. Messmer. Rep. Hostettler asked for a guesstimate on the value, and Keeler told him that while he was contractually bound to confidentiality, he reluctantly ventured \$30 million to \$50 or \$60 million as an appropriate range. Keeler acknowledged that in the case of competition for the Terre Haute license "We start out with an advantage because we've already paid for the license," and that cost would have to be built into the bid of a competitor Matt Bell of the Casino Association of Indiana indicated that his members were current neutral about the broader bill, but strongly supported the increase in the free play deduction from \$7 million to \$10 million . . . Alex Stolyar, senior vice president of Full House Resorts, Inc., parent company of Rising Star Casino • Resort, made it clear that his company "unequivocally support[s] SB 552." He said, however, that they would like to see it "improved for the benefit of the other seven casino operators." Stolyar note that "Two of the seven operators are winning in a very large way," and "we'd like to see more parity," particularly with respect to Terre Haute, which Full House began pursuing more than two years ago. He asked solons to devise "a fair and open competitive process" to provide Terre Haute and Vigo County the best deal. As currently structured, he told lawmakers, SB 552 "would not allow us or other operators to compete in a fair way" for the Terre Haute license. Stolyar detailed the \$150 million package Full House had proposed for a casino that included 750 to 800 jobs, with both sides of the equation topping the numbers bandied about by Spectacle. "Terre Haute and Vigo County would just be leaving money on the table without a change" in 552. There were no questions . . . Gretchen Gutman with Cook Group and Chris Leininger of the French Lick property appeared before the panel, and Gutman shared some history about the "unique and innovative public policy decision" that resulted in a public partnership for an Orange County casino, and told the committee that the French Lick property - which employs 1,700 people - would be adversely affected by the move of the Gary license to Terre Haute and by moving up the effective date for live dealers at the racinos. She reminded solons that the Cook family commitment was to make a civic contribution with no return expected, and asked that lawmakers remain respectful of the "uniqueness" of the community and property, the longstanding commitment to local historic preservation, and preserving the economic vitality of the Springs Valley. There were no questions . . . Ryan Soultz of Boyd Gaming, owner of Blue Chip Casino and Belterra Casino Resort, spoke to the \$350 million+ in investments his company had made in Michigan City and current \$11 million in event center expansion. He noted the loss of revenue his LaPorte County property would suffer if a Gary casino moved inland. Traffic that it has focused upon generating from Chicago to fight off Native American competition in South Bend would have to pass by the new Gary casino if SB 552 is approved . . . Trent McIntosh of Harrah's Hoosier Park Racing & Casino said table games and sports wagering would mean 650+ jobs and \$30 million in new payroll for Hoosier Park and Indiana Grand Racing & Casino, as well as require substantial new investment in physical property development, and would allow them to offer complete gaming experiences and attract new players from out of state. We currently enjoy the benefits of a \$1 billion horse racing industry in the state of Indiana, the Caesars official added. Rep. Moed asked about revenue-sharing with Marion County. Rep. Eberhart asked a leading question about a strong

Indiana Grand property being good for the region, and related it to the Indianapolis and Marion County economic development bill that he would support because it too was good for the region . . . **Nicholas Bonarrigo**, deputy general counsel at **Carmeuse North America**, which operates an industrial facility adjacent to the Majestic property at **Buffington Harbor**, discussed how his company would like to add 70 acres from the Majestic Star footprint to its limestone operations, and “open up space for additional development” . . . **Travis Spotts** of the **World Trade Center Indianapolis** spoke to the Buffington Harbor site being made available for investment and transformation into an Intermodal Gateway. he was the final speaker of the night. He assured lawmakers that “the interest in this project is very real.” There were no questions.

□ As for the sports wagering provisions in the bill, **Dan Emerson**, chief legal officer of the **Indianapolis Colts** appreciated “the thoughtful approach of the Senate” to respecting the integrity of the sports – “quality legislation that could help to shape Indiana as a model for the balance of the nation in legalized sports betting.” Rep. Moed asked him if he would prefer no betting at all or if the proposed framework was better. Emerson slammed the “pernicious” effect of illegal betting on NFL players, fans, and the sports itself. “We are in favor of legalized sports wagering,” he then flatly told Rep. Eberhart. Asked about official league data, Emerson said the team felt “very strongly” about use of official league data for in-game or in-race wagering, because ambiguity is a concern. Yardage or speed could be viewed differently by different observers, and “Without a single resolution by way of the governing body of the particular sport, you run the risk of conflicting results.” Eberhart pressed him on other states that require official data – “Do you know of any issues that they’ve had where the dispute has involved the lack of official league data?” – and was told that most legalized betting to date had been largely for readily determinable items like final results and point spreads. Would the value of the franchise rise if sports betting was legalized? “I left my crystal ball in my other suit,” Emerson replied. He eventually allowed that it would likely result in a marginal increase, but he was concerned that the league was putting its integrity at risk. Rep. Eberhart pursued the Colts’ position on daily fantasy sports, and was told that the team monitored the debate but did not weigh in. He told his questioner that the fantasy sports operators did not use official league data. Asked about the expectation about what the league or team might charge for that data, Emerson responded that there was “not a plan in place, but it wouldn’t be in anyone’s best interest to impose any kind of onerous charge.” He concluded, “We have to remember, the whole idea of this legislation is to wean the illegal bettors away from what they are doing in the illegal environment” and to the regulated structure . . . **FanDuel’s** director of governmental affairs, **Andrew Winchell**, explained that certain steps needed to be taken to move people from the illegal to regulated markets. Mobile gaming is definitely needed to complement in-person gaming, and attract patrons. Few will go through the hassle of driving to a casino to place a sport bet when they can easily access an off-shore website from their phone at home. New Jersey sports betting has far outpaced that of Mississippi due to online betting options, he told lawmakers. With the industry being technology-driven, multiple operators are also necessary to compete for a customer’s business, and taxes must be reasonable and set low enough to drive out illegal operators. Rep. Eberhart elicited an response from Winchell about a 10%

tax rate being at the high end, with an 8.5% in-person to 13% mobile tax rate. Winchell said FanDuel was not taking a position on mandating official league data, saying his company was “agnostic” on the question of just who should provide the data to operators, and that it should be a legislative policy decision . . . **Mark Miles**, president and CEO of the **Hulman Company**, founded in Terre Haute and owner of the **Indianapolis Motor Speedway** and **IndyCar**, spoke in favor of the Terre Haute casino, and said “generally we are in support” of the spots wagering provisions to continue to advance fan interest in his sport. The online mobile gaming option “is very important,” and “we believe that official data is essential” for in-race betting. “I don’t know how it’s possible to offer in race betting without it,” Miles said, at least without a “chaotic effect.” He explained that timeouts cannot be called in racing, and IMS collects 80 million data points, “real-time, during the Indianapolis 500.” There were no questions . . . the Casino Association’s **Bell** said his members were strongly in favor of mobile options for sports wagering. However, “One area where we struggle and cannot support, is on the issue of official data.” He told lawmakers, “You’re being asked as a body to be the first jurisdiction to create a monopoly-data situation for a league. Leagues have said that they have to do this because the market is exploding. Globally, it is estimated that sports betting is about a \$104.3 billion enterprise. Sixty to 70% of that is mobile. At that level of wagering today, if there were integrity problems that had ensued, we would read about them all over the place.” Bell continued: “As operators, we have a profound interest in making sure that any data that we use is accurate and reliable. We don’t simply sit people in garages and call them to ask them what the score was.” He then added, “Remember, you have a world-renowned Indiana Gaming Commission to regulate this activity. In Nevada, the statute is ‘thin,’ and they left a lot of the work of defining and regulating this to the regulator. I encourage you to consider that model,” as well as its excluded person provisions. Rep. Lehman asked him about in-play wagering, and noted that the Commission would first have to approve any type of bet before it could even be offered. Bell called for private contracts to be negotiated between leagues and operators, given that leagues will already benefit to the tune of billions of dollars from increased interests in their respective products. Rather than be about simple win-lose bets, Rep. Lehman suggested that the market is headed to more specific wagers. “It’s about the next pitch, it’s about next this, the next this,” said Lehman. Bell spoke about the prospect of corruption being increased with the limited number of data sources. Rep. Eberhart asked Bell if what he was saying was that the legislation should simply “Let the regulators do their jobs and don’t get too deep into the weeds,” and just deal with the big picture and taxes. Bell largely confirmed his perception. Rep. Austin asked him about whether statutes covered who was barred from wagering at a casino, and Bell explained the exclusions and noted that while someone might not be barred from betting, but the property could be prohibited from accepting the wager. He offered a bifurcated approach on detailing who could be barred from wagering . . . **Soultz** of **Boyd Gaming**, owner of **Blue Chip** and **Belterra**, asked that official league data not be mandated. He cited court rulings holding that such information is in the public domain. Rep. Eberhart asked about how the sports wagering provisions might ultimately impact a compact between the State of Indiana and the **Pokagon Band of Potawatomi Indians**, and was told in a detailed response by Soultz that much hinged on

exclusivity issues . . . Mark Webb, representing Circle City Beverage, explained that his client wanted to develop a sports wagering app, and asked that SB 552 offer some hope for Indiana-based companies to do so. He faced no questions . . . David Miller representing the PGA Tour, Major League Baseball, and the National Basketball Association, supported mobile wagering, noting the significant economic benefits, but raised cautions about consumer protections to reduce problem gambling. Official data should be required for live betting, Miller testified, and the U.S. will trend toward international numbers with as much as 60% of all wagering being in-game products. He wants to eliminate the black market for data, and suggested that Indiana be a national leader today, and “focus on the policy” behind official data. He promised that monopoly power would not be used to “extort” operators. “We have no intent to use some monopoly power,” Miller said, adding the leagues would be willing see a requirement for reasonable pricing. There were no questions.

□ In closing, Sen. Messmer praised the “robust discussion” and appreciated the “good suggestions on amendments” that would guide future discussions. He said that the “1992 business model” that was “common across the country no longer allows our casino industry to function as well as it should be able to.” He continued, “Watching our state’s gaming market decline for a period of years – and remain flat recently – was my impetus to look at a comprehensive bill that can help revitalize our gaming industry and have a positive impact on our budgets.” Sen. Messmer reminded House members that “The budget impact from SB 552 will be in excess of \$100 million.”

□ Sen. Messmer also took a special shot at what he contended were inaccurate statements by Penn National about a compromise involving casino operators on the 2021 date for live dealers at the racinos . . . and over the Ohio casino referendum, which he said the company helped fund to the tune of \$50 million, “ravaging the three casinos in Southeast Indiana.” Messmer referred to the “slow and measured changes” in gaming laws over the past 25 years, and that this “very delicately” balanced bipartisan-authored measure had passed unanimously in two committees and with bipartisan 38-11 support on the Senate floor.

● Asked about SB 552 on the morning after the marathon hearing, House Speaker Brian Bosma (R) of Indianapolis told reporters “It’s before the committee, and Chairman Smaltz is giving it a hard look just as he should, and the members of his committee will be involved in a resolution. Then it will be, as similar bills have been in the past, reassigned to Ways and Means, and Co-Chair Huston and his team will also have a bite at the apple. So, it’s a big bill . . . I’ve never been a supporter – I’ve been a rare supporter, let’s say that – of significant expansion of gaming in our state. I am of the opinion that we’re pretty saturated at this point. And as I’ve said to some as an engineer that used to read dials for a living, you adjust a knob over here, you literally do change the dials at all of the other gaming facilities. So it’s a delicate balance. That’s why there are so many cross-payments and guarantees in the bill as it exists today that make some people, including myself, uncomfortable. But again – big bill; they’re working through it, and I really don’t have a prediction as to what Chairman Smaltz will – what the work product will be – or exactly what Ways and Means will do to it.

□ Then Speaker Bosma dropped a bombshell of sorts, confirming what we’ve been telling you about the apparent lack of any substantive blueprint for the elusive intermodal port. He revealed that “There’s not even a *remote* development plan at this point, according to the Administration, and there’s some reluctance to accept the harbor as a place for development because of the condition of the harbor. So I know that’s being looked at and I don’t know that any final – it isn’t as big a carrot for me, and I believe for the Administration, as one might think, just because of the condition of the Harbor, the environmental condition, for one thing.”

● Indiana is not among a cadre of 14 states filing *amicus* briefs in the U.S. District Court for the District of New Hampshire in *New Hampshire v. Barr*, No. 1:19-cv-00163-PB. The coalition of states, state lotteries, and state attorneys general, urge the New Hampshire district court to grant a declaratory judgment concluding that the federal Wire Act’s prohibitions against interstate wire transmission of wagering information is limited to sports wagering, and that it does not apply to state-conducted lotteries. The states also seek an injunction against enforcement of the controversial January U.S. Department of Justice opinion.

● Reuters reported Monday that those on-again, off-again combination talks are on again, and Eldorado Resorts Inc. and Caesars Entertainment Corporation “are in the early stages of exploring a merger.” Such merger would require divestment in Indiana unless SB 552 or a reasonable facsimile thereof passes this session, because in Indiana, Caesars owns two casinos, both racinos, and Eldorado owns one casino. SB 552 would lift the two-casino ownership limits (which are complicated by the racinos potentially winning approval for live dealers for table games and becoming full-fledged casinos by early 2021 under current law or this Summer, under SB 552).

□ Even if ownership limits were to be uncapped, the Indiana Gaming Commission could conceivably block a license transfer based upon undue concentration (it presumably wouldn’t want one company to own 90% of all licenses) or market competition issues (all four/three Lake County licenses or all three Cincinnati market licenses presumably should not be owned by the same entity).

□ If the merger were to go through as contemplated, the new Caesars-Eldorado combination would have accounted for 57.75% of Indiana’s January revenue at the five properties, and this would surely surpass 60% with live dealers at racino table games (before accounting for any potential dip in Tropicana Evansville revenues a few years down the road as a result of a new Vigo County casino), likely edging close to raising regulatory eyebrows. The market issues do not seem to be as problematic, because the five Caesars-Eldorado properties would largely be in discrete markets: three of the state’s four corners (Hammond, Harrison County, and Evansville), and in Central Indiana (Anderson and Shelbyville).

● Of some 1.1 million outstanding Indiana Department of Revenue 2018 tax warrants owed by approximately 285,000 distinct taxpayers, we’ve pored through the details and discovered that only 10 total DOR tax warrant issuances deal with any form of gaming-related taxes . . . and all relate to charity gaming or gambling activity in bars, taverns, and fraternal organizations:

Type of Tax Owed	# of Outstanding 2018 Tax Warrants
Gaming Excise	5
Type 2 Gaming	5

● Indiana amassed \$40.8 million in General Fund revenue collections during February from the riverboat wagering and racino wagering taxes, outperforming the December estimates by \$700,000 (1.7%), yet tumbling compared to February 2018 levels by \$9.0 million (- 18.1%). Through the first eight months of Fiscal Year 2019, tax revenue from gaming sources totals \$238.1 million, topping the \$230.6 million that had been forecasted, and exceeding the \$206.7 million in actual revenue that had been registered by the same July - February point one year earlier.

□ Riverboat wagering tax collections totaled \$30.1 million for February, which is \$200,000 (- 0.6%) below the monthly estimate and \$2.0 million (- 6.2%) below revenue in February 2018. That marks the largest year-over-year erosion (on both a percentage and real-dollar basis) so far this fiscal year. Fiscal year-to-date riverboat wagering taxes of \$159.4 million are running ahead of the most recent round of expectations by \$4.2 million (2.7%) and have improved compared to collections during the same eight months in the prior year by \$26.0 million (19.5%).

□ Racino wagering tax collections for February amounted to \$10.7 million, which is \$900,000 (8.7%) above the recent monthly estimates (the fourth consecutive month exceeding expectations) but \$7.0 million (- 39.7%) below actual revenue in February 2018. This constitutes the steepest year-over-year contraction (on both a percentage and real-dollar basis) thus far in Fiscal Year 2019. Fiscal year-to-date racino wagering taxes have outperformed estimates by \$3.6 million (5.3%), and have also improved compared to the same eight-month point in the prior fiscal year by \$5.8 million (8.9%).

FYTD Comparison to Monthly Targets

	Forecast	Actual	\$ Differ.	% Differ.
Riverboat Wagering	\$ 155.2M	\$ 159.4M	\$ 4.2M	2.7%
Racino Wagering	\$ 68.0M	\$ 71.6M	\$ 3.6M	5.3%
Riverboat Admissions	\$ 7.4M	\$ 7.1M	(\$ 0.3M)	(3.4%)

FYTD Comparison to Prior Fiscal Year-to-Date

	2018	2019	\$ Differ.	% Differ.
Riverboat Wagering	\$ 133.4M	\$ 159.4M	\$ 26.0M	19.5%
Racino Wagering	\$ 65.7M	\$ 71.6M	\$ 5.8M	8.9%
Riverboat Admissions	\$ 7.6M	\$ 7.1M	(\$ 0.4M)	(5.9%)

● Indiana's direct gaming employment rebounds in January from December, but only after the bench marking dropped the preliminary December numbers by 500 jobs, as we explained on our front page this week. As a result, the January gain over December is an impressive 400 jobs, a 3.54% over-the-month increase. Compared to January 2018, the first (partial) month in which the Four Winds Casino South Bend was open for business, direct gaming employment fell by 200 jobs (- 1.68%). Still, this is a big improvement from January 2017, when January gaming employment had plummeted to its lowest level in 20 years, dating back to 1997, when only six casinos were floating. The number of direct gaming jobs sinks to its lowest level since August. After benchmarking, only two months during 2018 hit 12,000, and 2019 did not open with even that kind of promise.

□ If we had not factored in the ≈ 1,200 Four Winds jobs, January gaming employment would actually be at its lowest level since 1997, in spite of the number of new jobs created by property additions, renovations, and partial land-side moves. January becomes the 65th consecutive month - more than five straight years - in which the state has seen the gaming employment level linger below 13,000 direct gaming industry jobs.

Direct Gaming Employment - Past 16 Months

01/19	12/18	11/18	10/18	09/18	08/18	07/18	06/18
11,700	11,300	11,500	12,100	11,900	11,600	11,700	11,800
05/18	04/18	03/18	02/18	01/18	12/17	11/17	10/17
11,800	11,900	12,100	11,900	11,900	10,700	11,000	11,300

□ After 2018 became the first time in which Indiana's January direct gaming employment demonstrated over-the-year growth since 2011, it dropped again in January 2019. Compared to January just five years back, Hoosier gaming industry direct employment is down by 500 jobs (- 4.10%) from 2014. Dating back 10 years, the number of jobs are off by 2,400 (- 17.02%) from 14,100 in January 2009, as the national fiscal crisis was making its mark during the presidential transition. Indiana is also down by 4,400 gaming jobs - off by 27.33% - from the peak of January direct gaming employment, a robust 16,100 in 2001 (when all boats were still forced by law to cruise; there was one fewer commercial casino; we were bereft of a Native American casino; and both racinos were not yet open).

Direct Gaming Employment - Prior Months of January

2019	11,700	2012	13,300	2005	14,700	1998	11,000
2018	11,900	2011	13,900	2004	15,300	1997	8,100
2017	10,700	2010	13,700	2003	15,900	1996	1,100
2016	11,200	2009	14,100	2002	15,300	1995	100
2015	11,700	2008	13,900	2001	16,100		
2014	12,200	2007	14,300	2000	14,300		
2013	12,700	2006	14,500	1999	13,100		

IN Sports Wagering

● "Beat Governor Holcomb (with Your Bracket)!" The Indiana Republican Party tells supporters, "It's March in Indiana, so you know what that means. Get your brackets ready, because it's time to Beat the Governor with a spirited bracket challenge as part of the 2019 NCAA Men's Basketball Tournament!" Prizes for the top-placing brackets in this year's Beat the Governor bracket challenge will include:

- First & Second Place
A basketball signed by Governor Eric Holcomb
- Third Place
Any item of your choice from the Indiana GOP store

□ And didn't the Guv let the cat out of the bag with what seemed like a deliberate interjection when he was revealing his NCAA tournament bracket? He joined *Hammer and Nigel* at Emmis Communications to make his picks for the NCAA tournament, and the duo reminded people that "this was just for recreational purposes only, because sports gambling is not in the State of Indiana," when the Governor, with a sly grin, interjected, "yet" . . .

● Sports gaming law attorney **Ryan Rodenberg** writes for ESPN.com that “After decades of public resistance to legalized sports betting – including six years as the lead plaintiff in the lawsuit against New Jersey that eventually made its way to the Supreme Court – the NCAA is moving to address sports betting integrity in new ways.” He also notes that individual conferences are doing the same. “Industry stakeholders point to individual conferences and schools – not necessarily the NCAA – to be uniquely capable of addressing sports betting integrity issues” as result of the fragmented nature of modern college sports as well as more practical reasons. “In order for anything to be addressed in real time, the conferences must be involved,” said **Matthew Holt**, president of U.S. Integrity in Las Vegas. “The individual universities also need to be involved as they are the ones hiring the trainers, interns and associate coaches that get caught for insider information leaks. As it stands now, the conferences only share data when the issues are to the point of the investigation, but the individual universities want the ability to track – in real time – issues that may be arising with any of their employees and not be blindsided after trends have escalated so far that they need to be investigated.”

□ The Indianapolis-based college sports governing authority will convene an internal group to study “how best to protect game integrity, monitor betting activity, manage sports data and expand educational efforts.” Rodenberg relates these efforts “in part, to a confluence of recent events that have highlighted the need for a change in how sports betting is monitored,” including the big shift in team championship futures odds when **Duke University’s** freshman phenom **Zion Williamson** (broke his shoe and) injured his knee, and “Moneyline bets cashing – or not – because of a controversial technical foul call in mid-February after a fan threw a stuffed animal onto the court with less than a second remaining during a tie game between **Georgia and Mississippi State**.” He also cites “Two recent late-game officiating disputes that have left the NCAA considering whether to review all buzzer-beaters, even if the outcome of the game would not be impacted.”

● In advance of Wednesday’s House committee hearing on sports wagering, the **Associated Press** nationally took a look at the mobile element of sports wagering as one of the more unsettled and controversial elements facing states that are addressing sports wagering. Indiana was one of the states that AP noted in the article, finding that while Sen. **Jon Ford (R) of Terre Haute** “wants bets to be taken online as well as at Indiana riverboat casinos and racetracks,” House Committee on Public Policy Chair **Ben Smaltz (R) of Auburn** “said he views mobile betting as a significant expansion of gambling and major policy shift. He fears it could lead to more problem gambling and traditional casino games moving online.”

□ “Everybody’s using mobile to do all kinds of things we weren’t 10 years ago,” Sen. Ford tells AP. “It’s the future. It’s inevitable.” Sen. Ford “co-authored a bill passed by the Senate that now must pass a House committee, but the committee chairman is cool to the idea of allowing sports bets to be placed on mobile devices ‘If you’re allowing sports gaming on a mobile device, what kind of expansion does that lead us to? [Rep. Smaltz] said. ‘I’m comfortable with it in on the properties now, and I’m going to hear the bill. But it would be difficult to imagine a scenario where I, or certainly a large number of people in Indiana, would think it’s a good idea to put mobile out there right now.’”

IN Casinos

Northern Market News . . .

● The Indiana Gaming Commission approves **Larry Kinser** as trustee in waiting for **Ameristar Casino East Chicago**. He had been **Hollywood Casino Lawrenceburg** trustee-in-waiting, which he served as GM in **Argosy Casino Lawrenceburg** days.

● The April issue of *Chicago* magazine explores “Why a Chicago Casino May Never Happen.” Toward the end of the article, which details all the logistical problems (which seem to mirror concerns some have with SB 552 on our side of the border), the author also notes “The exact location of a Chicago casino remains another big-money question that won’t quickly be resolved, if one becomes legal. Convention, tourism, and dining interests crave a downtown presence. However, Mayor **Rahm Emanuel** recently suggested a casino for the Southeast Side’s **Illinois International Port District**. The location would directly compete with the **Horseshoe Casino in Hammond, Indiana**, which draws about \$40 million (sic) in monthly revenues just from players crossing the state border. Not everyone is sold on that strategy. ‘Getting back the money from Indiana is so myopic,’ says **Kim Goluska**, an urban planner who has assisted the **Chicagoland Chamber** on casino issues. ‘The idea is to create a destination anchor in downtown Chicago.’”

□ Fact check: the last time **Horseshoe** topped \$40 million was in March 2018, and it has failed to even reach \$30 million in revenues in two of the past four months. Of course, you would also be hard-pressed to suggest that the amounts estimated in *Chicago* magazine article come exclusively from Illinois gamblers.

● The Indiana Gaming Commission unanimously approves the merger of **Spectacle Entertainment, LLC** with **Majestic Holdco, LLC**, and extracts a \$2 million transfer fee for the privilege, adding to the litany of such transfer fees reaped by the State of Indiana over the past few years from ownership changes in **Evansville, Anderson/Shelbyville, Switzerland County, and East Chicago**. That’s a cool \$5 million with not a lot of heavy lifting.

□ **Peter Rusthoven** of **Barnes & Thornburg LLP** presented the case for the deal on behalf of **Spectacle**, effectively continuing his representation of its principal, **Rod Ratcliff**, which began with the **Argosy Casino Lawrenceburg** license application in 1994-95, in which former **Centaur Gaming** domo **Ratcliff** was a key part of the original proposal with his then-**Pegasus** team. Fresh off his representation of the State of Indiana against **IBM** in another matter involving many tens of millions of dollars, Rusthoven discussed **Ratcliff’s** extensive experience and involvement in Indiana gaming history, and referred to others who are intimately involved, including **Greg Gibson** and **John Keeler**.

□ Rusthoven acknowledged that **Spectacle** hoped to move a Gary casino “to a much superior location” on **I-80/I-94** in Gary, and explained that the current **Buffington Harbor** home of the two **Majestic Star Casino** vessels and pavilion will have substantially more value for The Region as an intermodal facility. He also noted that there is clear support in **Vigo County** for moving a license there and opening a casino. Such a facility would attract **Illinois** patrons, and reduce the incentive for Illinois to open a casino just over the border.

□ When Ratcliff himself spoke, he opened by saying “I’m back,” to laughter. Ratcliff reminisced how he used to haul coal for the father of Greg Gibson, his new business partner. Dana Bennett, chief of staff for the City of Gary, conveyed the support of Mayor Karen Freeman-Wilson (D) for the ownership change and said the city is excited about the opportunity to generate new revenue and substantial economic development from the subsequent change of location. Ron Brewer (D), president of the Gary Common Council and a former employee of Majestic Star, confirmed his support.

□ IGC Commissioner Susan Williams asked if anyone could outline the vision for Terre Haute (Gibson was not in attendance). Ratcliff took the cue and explained, “This would be a game changer for Terre Haute in a lot of ways. The void in the market (in that area) is big for us. And Greg’s big thing is jobs.” He said Gibson would have liked to be at the Commission meeting that day, but conceded, “It’s a tricky situation,” since the General Assembly has not yet decided if or how such a transaction might take place. Otherwise, he suggested, hundreds of people from Terre Haute wearing gray shirts would have made the journey to show that they were All-in with their support. “We are all kind of in a tricky situation,” he reiterated. If a Terre Haute casino opportunity doesn’t come to fruition courtesy of the General Assembly and the Gary licenses don’t move, Rusthoven confirmed, “The commitment is to these boats regardless of what happens in the legislature.”

□ After the ownership transfer was approved, Ratcliff issued a statement saying “Our plans for the Majestic Star I and II have always been dependent on a collaborative effort with city and state government, and this decision allows us to continue to work cooperatively to strengthen Indiana’s economy. This repurposing of existing state gaming licenses will provide job growth and increased tax revenues.” He reiterates that the new inland, off-footprint Gary facility is projected to be a \$300 million investment that would add 400 new jobs to the current 800 jobs at the two existing Majestic Star properties. He adds that the proposed Terre Haute casino – projected to be an investment of more than \$100 million (talk earlier in the day had said it could be as much as \$150 million) – would provide the same economic benefits as the land-based Gary casino, along with more than 400 additional jobs.

● Spectacle Entertainment, LLC Executive Vice President of Operations Jahnae Erpenbach will serve as general manager of the Majestic Star Casino properties in Gary. Erpenbach has more than 26 years of gaming industry experience, having most recently served under Spectacle chief Rod Ratcliff as vice president and general manager at Indiana Grand Racing & Casino and vice president and general manager of gaming at Hoosier Park Racing & Casino.

□ Before joining Ratcliff’s Centaur Gaming team, Erpenbach was executive director of marketing at Penn National Gaming, Inc.’s former Empress Casino Joliet in Illinois, and assisted in the opening and operations of Players International, one of the first riverboat casinos to enter the Midwest market.

● The Majestic Star Casino I and Majestic Star Casino II in Gary went dark about 10:00 p.m. on Tuesday, March 12 to allow the transition from Majestic Holdco ownership to the new Spectacle Entertainment, LLC regime. The boats at Buffington Harbor reopened around 2:00 p.m. Wednesday, March 13 after Indiana Gaming Commission approval.

□ Spectacle’s Rod Ratcliff tells Karen Caffarini of the *Gary Post-Tribune* “I don’t think we’ll remodel the boats, but we want to fix everything that’s broken. There are a lot of broken lights.” According to Caffarini, Ratcliff expects that “the casinos would still be operating in their current vessels for two years, even if the legislature approves the moves this year.”

□ The Gary property’s new GM, Jahnae Erpenbach, tells Caffarini that Spectacle “is taking an immediate three-prong approach that includes replacing several hundred old slot machines with the newest and most popular ones, launching a new guest benefit app for smart phones and quickly introducing a new customer service program. ‘There is some room to grow,’ said Erpenbach As for the name, Erpenbach said it will remain Majestic Star, for now but not for too long. ‘The name change needs to be done at the right time,’ she said.”

● In *Ameristar Casino E. Chicago, LLC, et al., v. Ferrantelli, Sr.*, No. 18A-CT-1174, the Indiana Court of Appeals, on interlocutory appeal, affirms the entry of default judgment by Lake County Superior Court, Civil Division Judge Bruce Parent against Ameristar Casino East Chicago in an 86-year-old man’s negligence lawsuit as a sanction for discovery noncompliance. “This case illustrates the dangers of noncompliance with our liberal and self-effectuating discovery process,” was how the appellate panel opened its 13-page ruling, before remanding the matter to Lake County for proceedings to determine damages on behalf of Joseph Ferrantelli, Sr., the injured man. Ameristar had contended that the trial court abused its discretion both in issuing the default judgment and in declining to set it aside. The appellate panel here was comprised of three highly experienced former trial court judges from Northern Indiana.

□ In a footnote (citations omitted), the appellate panel explains how the case came to be filed: “Ferrantelli explained that he and a ‘lady friend’ of his went to the casino because they had heard about a ‘crab leg deal’ and they wanted ‘to gamble a little bit.’ When they arrived, Ferrantelli’s friend requested a wheelchair, and Ferrantelli was instructed by ‘one of the attendants at a booth’ to take the escalator down to the first level to retrieve the wheelchair. Ferrantelli took the escalator down, and a casino employee gave him the wheelchair. That employee then ‘pointed toward the escalator’ and said, ‘Take the escalator.’ As Ferrantelli was putting the wheelchair on the escalator to go back up, ‘it caught the front wheels and flipped [him] backwards, and [he] landed flat on [his] back.’ ” He sued claiming that Ameristar “failed to properly advise him” and “failed to clearly mark the elevators, among other things.” Ameristar denied his allegations in the complaint, and asserted affirmative defenses, including comparative fault and assumption of risk.

□ The Ferrantelli complaint produced several discovery disputes that dragged on as Ameristar failed to produce witnesses for depositions or relevant documents Judge Parent issued orders directing specific actions by Ameristar, “noting that it appeared that the case ‘has been sandbagged with an older Plaintiff,’ ” as the appellate panel found, even warning “Ameristar’s counsel that the court expected Ameristar to be ‘extremely cooperative here,’ and also twice declared, ‘This Judge hates discovery fights.’ ” He ultimately entered a default judgment against Ameristar as a sanction, and then denied a motion to set aside the default judgment, leading to this interlocutory appeal.

□ The appellate panel was unimpressed with the “specifics of the procedural deficiencies alleged by Ameristar, as we are confident upon review that, even assuming any technical noncompliance with certain procedural rules, Ameristar’s substantive rights have ultimately not been prejudiced.”

□ On the substantive concerns, the intermediate appellate court found that “Ameristar failed to respond and/or was entirely uncooperative with regard to numerous discovery requests, over a protracted period of time, which caused the trial court to intervene and issue its first order to compel discovery. In entering that order, the trial court held the issue of monetary sanctions under advisement and warned Ameristar that it expected full compliance and cooperation moving forward. Although Ameristar complied, for the most part, with that order, it was later revealed that Ameristar had withheld certain witness information, and further that many of Ameristar’s prior discovery responses had been, in the trial court’s opinion, intentionally incomplete and misleading The trial court here made a detailed oral record explaining its frustration with Ameristar’s behavior, as well as its prior warnings to counsel to stop what the court viewed as the intentional sandbagging of the case considering the plaintiff’s advanced age. We conclude that the trial court did not abuse its discretion in determining that the sanction of default judgment was warranted.”

Southern Market News . . .

● Good news for Horseshoe Casino Southern Indiana: With Kentucky’s legislature set to adjourn at the end of the month, a sports wagering bill – which showed early promise – appears to be dead this year, largely due to special off-year rules requiring larger majorities for revenue bills.

□ That will mean no early start (as feared) to sports wagering at the venerable **Churchill Downs** race track or the **Churchill Downs Inc. Derby City** gaming facility which has been siphoning slot players from HCSI to Louisville’s historical horse racing machines.

● **Harrah’s Metropolis Casino** in Metropolis, Illinois, a market competitor for **Tropicana Evansville**, reopened Wednesday morning, March 19, after being closed since February 18 due to **Ohio River** flooding.

● When Adam “Pacman” Jones, the former Cincinnati Bengals star cornerback, changed local lawyers after his arrest for alleged cheating at **Rising Star Casino • Resort** and conduct-related charges arising from being questioned and taken into custody, the prosecuting attorney for **Dearborn County** and **Ohio County** dropped her request for a gag order (and she seemed to indicate her displeasure for the judge and magistrate judge dragging their feet on the initial request – a delay we pointed out to you in our last issue that appeared a bit anomalous), and the court granted her request.

□ There was a small bit of excitement over a request from law enforcement for arrest-related video from a Cincinnati television station – the defense opposed the release as prejudicial – but the judge declined to get involved and supply pre-release guidance as requested by the prosecutor, explaining that the video was held by law enforcement and not the court, release by law enforcement is discretionary, and the issue was not ripe for judicial intervention.

□ On Thursday morning, Jones moved to withdraw his pending motion that sought to strike what his initial attorney had labeled as “inflammatory and offensive language in the probable cause affidavit, “due to the fact that it was filed in this case by the Defendant’s prior attorney, who has recently withdrawn from this case.” The scheduled Thursday afternoon hearing on that motion “is no longer necessary” as well, Jones’ attorney **David Zerbe** told the **Ohio County Circuit Court**, and it was vacated.

□ Later on Thursday, a joint motion was filed by Jones’ attorney and the prosecutor tendering a conditional negotiated plea. Under its terms, Jones would agree to withdraw his former plea of not guilty and enter a plea of guilty to a Level 6 Felony count of Cheating at Gambling, I.C. § 4-33-10-2(4), and a Class A Misdemeanor count of Resisting Law Enforcement, I.C. § 35-44.1-3-1(a)(3), and the State would agree to dismiss the remaining counts of the charging information in this cause of action.

□ The NFL free agent would receive a sentence of 545 days, of which 531 days would be suspended for the Cheating at Gambling count, and a sentence of 365 days of which 351 days would be suspended for the Resisting Law Enforcement count, concurrently. Jones would receive credit for two actual days served; four days of good time credit. He would be reporting probation for 531 days, and have to periodically check in and keep officials informed of his whereabouts, be banned from possessing a firearm, and may not use alcohol or non-prescribed controlled substances. Jones would also waive extradition to Indiana and voluntarily return when required; surrender to serve 10 days in jail, and submit to DNA collection. He would also be subject to assorted court costs. Under the terms of the agreement, if Jones successfully completes probation without any probation violations, he has the right to petition the court to have the felony conviction reduced to a Class A misdemeanor, at the discretion of the judge.

● Writing at Seeking Alpha, **Vince Martin** isn’t sold on Indiana variables that might positively impact the value of **Full House Resorts, Inc.**, parent company of **Rising Star Casino • Resort**. He suggests that as structured now, **Rising Star** is largely cut out of the competition for a potential new **Terre Haute** casino. “For that to change, **Full House** will have to beat out the politically connected [Rod] Ratcliff - which seems unlikely to happen. Making matters worse, the Senate bill also allows for live dealers to come to two Indianapolis-area racinos ..., before 2021 – and it adds another competitor to **Full House**’s existing **Rising Star** property. That property already is hanging on by a thread. EBITDA in 2018 did rise almost 5%, thanks mostly to a strong Q4. But **Full House** also put some \$6 million into the property, including a new RV park, a ferry across the **Ohio River**, improvements to the entrance, and a new restaurant. EBITDA rose just \$128,000 year-over-year. Margins are under 6%. The ferry, launched in September, doesn’t appear to be moving the needle. Revenue declined in Q4. Indiana state figures show a 10% drop in casino win in January, followed by a flat February. It’s possible returns will improve as spring shows up and more potential users become aware of the ferry (which has uses beyond casino visitation). But those returns could be swamped if Indianapolis racinos take any market share; and margins at this point are so thin that **Full House** really can’t afford any further revenue declines.”

□ Martin adds that “Sports betting could be a help – but Ohio is moving toward legalization as well,” and “Rising Star simply seems boxed in. With Terre Haute unlikely, and more competitive pressure on the way, Full House might be out of options in that market. And it’s exceedingly difficult to assign any value to the property at this point.”

● Looking back over the last three annual reports filed with the Securities and Exchange Commission by Full House Resorts, Inc., parent company of Rising Star Casino • Resort, we learn a bit about the declining employment levels at Rising Star, which is short by more than 80 jobs (almost 15% in just the last two years):

	FTE	P-T	TOTAL
2019 (as of 03/01)	387	123	510
2018 (as of 03/01)	419	132	551
2017 (as of 03/17)	431	161	592

● The new Form 10-K filed by Full House Resorts, Inc., parent company of Rising Star Casino • Resort, adds some details to what we told you earlier this month about the annual numbers for Rising Star. Full House explains that 2018 net revenues decreased “due to adverse weather conditions, most notably during the first quarter from approximately 21 days of heavy snowfall, as well as two days when the casino was closed due to the flooding of nearby access roads. This affected guest volumes, as reflected in a 3.6% decrease of slot coin-in during the year.” Absent an accounting change, “slot revenues decreased by 2.7% and table games revenues decreased by 10.3% due to lower volumes, while promotional allowances decreased by 7.9%. Non-gaming net revenues decreased by 2.0% during 2018, in part reflecting a temporary reduction in the number of available room-nights due to hotel improvements during the year. Average daily room rate remained flat.” While net revenues decreased compared to 2017, Adjusted Property EBITDA increased by \$100,000 (from \$2.7 million to \$2.8 million) “due to improved efficiencies driven by new management, a focus on cost controls, and savings from streamlining labor.”

□ The total investment in certain maintenance and “growth-related capital expenditure projects” at Rising Star during the 2018 calendar year was approximately \$4.9 million. This included improvements to the entry pavilion and the adjoining hotel’s lobby and hallways; new access roads to the ferry landing sites; and implementation of the 10-vehicle ferry boat service to Rabbit Hash, Kentucky.

February State Summary

Statewide win at the 13 Hoosier gaming properties added up to \$172.16 million in February, eclipsing the same month last year by 1.20% (\$2.04 million). Even so, this is the second weakest February win that state has seen over the past 15 years, and also constitutes the second-weakest win overall across the past 12 months. Despite a neutral calendar (both with four Fridays, Saturdays, and Sundays), this was the first time that we have seen consecutive months of February with win south of \$180 million since 2003-04 (when there was one fewer casino and no racinos, and a major weekend snowstorm in February 2003). No February has seen revenues of \$200 million or more since 2013, when the land-based casino opened in downtown Cincinnati.

On the positive side, win grew over the prior February for the first time since 2016. Eight properties enjoyed a more lucrative February this year than in 2018, with the largest percentage growth occurring at Majestic Star Casino II. Hoosier casino win rebounded by 8.37% (\$13.29 million) from the dismal January results (which came in at the second-lowest monthly level over the past 15 years), as 11 out of the 13 properties profited from an over-the-month improvement.

Year-to-date win has eroded vs. the first two months of 2018 by 2.27% (- \$7.69 million). Five casinos are up, while eight are down. Of the six properties with the most January-February revenue, Indiana Grand Racing & Casino is the only one running ahead of 2018’s pace. The state’s perennial leader, Horseshoe Casino Hammond, absorbed the largest year-to-date shortfall on both a percentage and real-dollar basis.

The Lake Michigan region posted revenues of \$72.14 million, up from last year by 1.49% (\$1.06 million), which looks pretty good given that the Illinois Chicagoland boats were down by 4.7% for the month. Three of the five northern tier boats showed improvement over the year, but the two that didn’t were the two largest casinos. The casino closest to the border, Horseshoe Casino Hammond, has not experienced over-the-year improvement in any February since 2012-2013 (when Illinois Video Gaming Terminals were legalized). Weather in Northern Indiana also balanced out over the year, with one week of snow in February 2018 and one week of cold and snow this year. The Southern Indiana region captured revenues of \$58.84 million, sinking marginally vs. one year ago by 0.55% (- \$326,207), a third consecutive February-to-February dip. The southern casinos accounted for only 34% of statewide win, the lowest share since March 2015. The five Lake boats outearned the six southern properties by \$13 million, the largest differential since April. Tropicana Casino endured its largest year-over-year decline since April 2008, surprising given that market foe Harrah’s Metropolis Casino in Illinois closed from February 18 until Tuesday morning, March 19, due to flooding, and remained closed The Central Indiana racino duo accounted for \$41.17 million in February win, hurdling the same month in 2018 by 3.30% (\$1.31 million) – the most fruitful February for the racinos since 2012. The pair accounted for 23.92% of statewide win, a new all-time high.

Illinois earned just \$97.56 million from its 10 casinos, sinking from February 2018 by some seven percent (- \$7 million). On the heels of its miserly \$94 million take in January, the Land of Lincoln has now endured back-to-back months under \$100 million for the first time this century. The 6,842 Video Gaming Terminals in 31,110 establishments generated \$129.07 million (on coin-in of \$1.58 billion, about \$50 million more than we saw in Indiana) during February, resulting in a total Illinois largesse of \$226.63 million. Ohio reeled in \$70 million from its four casinos, outperforming February 2018 by \$2 million (3.5%). JACK Cincinnati Casino, the Cincinnati market leader, saw revenue grow at both its slots and tables over the year, up by \$800,000 (4.7%) overall to \$17.8 million. The Ohio racinos produced an additional \$85 million, surpassing last year’s take by \$5.5 million (6.9%). Every one of Ohio’s four casinos and 11 racinos posted higher numbers in February 2019 than 2018 – even as Belterra Park near Cincinnati was closed for almost half of the month due to flooding. Overall, the Buckeye State accumulated \$155 million in gaming revenue (up by 5.4%), marking the sixth month out of the past seven that our eastern border competitor has narrowed the gap to Indiana’s statewide casino win.

Indiana casinos tallied total February slot win of \$147.54 million, a year-over-year boost of 2.62% (\$3.76 million). This becomes the first February-to-February growth in the slot category the state has enjoyed since 2016, but this is tempered by the realization that it is also the second-weakest February slot take over the past 15 years, dating back to the days before the two racinos and the Orange Country casino. Slot win soared from January by 11.09% (\$14.73 million); every property save Horseshoe Casino Southern Indiana (which was closed for four days due to flooding) saw its slot win increase over January. Players risked \$1.53 billion at the slots, or about 1.5% less than they did in February 2018. February slot play has not been this paltry since 1999, when there were two fewer casinos and no racinos. At Horseshoe Casino Southern Indiana, coin-in slumped to its lowest level in any month this century, due both to the closure and the new competition from historical horse racing machines at Derby City Gaming in Louisville. The statewide slot payback percentage averaged out to an all-time February zenith of 90.37 percent. Rising Star Casino • Resort is home to the state's loosest slot machines for the third consecutive month. Slots comprised 85.70% of overall statewide win – an 18-month acme that seems counterintuitive given the market situation in Indiana: (1) the lack of table games at Four Winds Casino South Bend; (2) growing slot competition from Illinois VGTs; (3) slot competition for HCSI from Derby City Gaming. One would think that these circumstances would cause an increase in the table game percentage of overall win, but that could be mitigated in February because of lower table holds that appear to be just a result of the law of averages working out in favor of players in general, and not any VIP or VVIP player wins.

Statewide win per slot per day averaged \$291 – the strongest showing since April 2018. Every casino improved in this category vs. January except Horseshoe Casino Southern Indiana, which had its weather closure issues. Could the barrage of “Vegas appeal; Indy feel” television spots be paying off for Caesars Entertainment Corporation? Harrah's Hoosier Park Racing & Casino shined with a new property record best of \$392 in daily win per slot machine. Indiana Grand Racing & Casino paced the state with daily win of \$417 per slot machine, the best performance by any property since March 2018. There were 18,093 electronic gaming devices in play across all properties on the last day of the month, a reduction of 695 machines compared to February 2018. This marks the fourth consecutive month in which the slot inventory has shrunk on a prior-year basis by more than 600 units . . . and may help explain the improvement in win per slot per day. The two racinos have ranked first and second statewide in win per slot per day for four consecutive months. Hoosier casinos averaged daily win of \$1,297 per table – a new state record low for the month of February – on a statewide inventory of 678 table games, an eight-month apex.

Indiana casinos were only able to cobble together February table revenues of \$24.62 million, deteriorating from the prior year by 6.52% (- \$1.72 million). This serves as the fourth consecutive year-over-year monthly decline, the longest such negative stretch the state has experienced since the second half of 2016. Table win has not been this low in any month since September 2016. Moreover, this is now the weakest statewide table win for any February since 1997 when there were just six casinos in operation. Six out of the 11 properties with live dealers collected more in table win in February than they did in February 2018. Players ponied up \$120.93 million at the tables, with table drop up from last year by 2.33% (\$2.76 million). Eight properties saw more table activity in terms of

monthly drop than they did in February 2018. The table hold percentage of 20.36% marks a five-month low and the second-lowest over the past 18 months. This appears to be just a factor of normal players largely playing lucky, with no particular casino or any particular game at any property showing particularly aberrational numbers. In particular, the table hold rate at Horseshoe Casino Hammond came in south of 20% for the first time since July 2017 and first February since 2011.

Caesars Entertainment Corporation counted up \$86 million from its four Hoosier properties, good for 49.80% of all statewide casino win. This figure is down from its majority share in January and the amount posted in four of the last five months). The Horseshoe-branded boats have not both reported year-over-year growth in the same month since December 2017. Penn National Gaming, Inc. earned \$31 million from its Hoosier duo, worth 18.23% of the state market. Two of the three Hoosier boats that have seen over-the-year win decline in each of the first two months of 2019 are Penn National boats. Boyd Gaming Corporation collected \$19 million from its Hoosier property pair, equivalent to an 11% state market share. Combined, win for the two Boyd boats ascended over February 2018 levels by just under \$1 million. Majestic Star Casino added up just under \$13 million from the sister vessels at Buffington Harbor, which translated into a 7.35% state market share, the best showing for the corporate parent since June 2016 (this was the first time that both MSC boats had improved in February revenue since 2015-16 – and only the second time over the past 39 months that both MSC boats enjoyed an over-the-year gain).

Hoosier Lottery

- The \$625 million Powerball jackpot that was available for the Saturday, March 23 draw ranked as the seventh-largest jackpot ever up for grabs domestically (and fourth-largest ever for Powerball). The lump-sum cash payout value of \$380.6 million was the eighth-highest in U.S. history (sixth for Powerball). The big bucks were the result of a string of 24 successive draws without a winner that started with a \$40 million prize on December 29, 2018.

- The high Powerball jackpot was also expected to juice up sales for the Hoosier Lotto game, which has also been advancing to Indiana-impressive levels without as much notoriety.

- The Hoosier Lotto jackpot for Saturday, March 23, grew to \$32.3 million, a \$400,000 jump over the previous jackpot, growth that followed the smallest increment of any of the first six March drawings for March 20. That \$300,000 boost followed two successive \$400,000 jumps and a \$500,000 infusion for the March 9 draw, the second \$500,000 addition during March (after the state had not seen that high a jackpot improvement since the November 7 drawing). The March 6-16 run of jackpot infusions constituted the four largest consecutive additions to the jackpot pool since the quartet of draws that spanned October 31 through November 10. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players.

□ The Hoosier Lotto jackpot for March 23 ranked as the third highest offered in any jurisdiction in the world behind only Powerball and Mega Millions. The jackpot was last hit on October 14, 2017, at \$25.5 million, which at the time was the largest jackpot up for grabs since the matrix was revised in May 2014. The March 13 drawing represents the 21st consecutive draw above that previous record level. This is also the largest jackpot available in more than seven years, since the \$34.50 million jackpot hit on February 18, 2012 (a similar-sized jackpot was also won October 30, 2010).

□ The current jackpot also still significantly lags the top two jackpots on record, \$54.5 million (won more than 10 years ago, on November 7, 2007) and \$42 million (won on June 5, 1999). The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for more than a full year, and has become the third-largest on record dating back at least 17 years.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000
SAT	11/24/18	\$22.3 Million	\$300,000
WED	11/21/18	\$22.0 Million	\$200,000
SAT	11/17/18	\$21.8 Million	\$300,000
WED	11/14/18	\$21.5 Million	\$300,000
SAT	11/10/18	\$21.3 Million	\$400,000
WED	11/07/18	\$20.9 Million	\$500,000
SAT	11/03/18	\$20.4 Million	\$600,000
WED	10/31/18	\$19.8 Million	\$500,000

□ The Hoosier Lotto jackpot reigned as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game (by a \$14.1 million margin) since January 24.

● Silver Express in Indianapolis maintains the lottery sales lead for a sixth consecutive month, and continues its remarkable run of not having been lower than first or second statewide since a third-place finish back in November 2015.

□ Troy Foods Inc. in Indianapolis, which had placed first or second in each month since it transitioned from Buck's Market ownership in the mid-July 2018 buyout (and it had largely been on the podium with Silver Express for years before the change), drops to third place in February. Silver Express had held the top spot statewide during a strong run from December 2015 through October 2017 and again from January through April. Troy had jumped from 10th to first in August following the July ownership flip. The Troy Foods predecessor, Buck's, had finished second in February 2018.

Top 10 Hoosier Lottery Retailers - February 2019 Sales Rank

Feb.	Jan	Dec	Nov	Oct	Sept.	Aug
19 18						
1 (1) Silver Express - Indianapolis	1	1	1	1	1	2
2 (6) Grand Food Junction - Fort Wayne	3	4	5	10	8	8
3 (-) Troy Foods Inc. - Indianapolis	2	2	2	2	2	1
4 (8) MCR Short Stop - Portage	6	8	4	6	3	5
5 (4) K & D Marathon - Hammond	5	5	3	3	4	7
6 (10) Phillip's 66 - Indianapolis	4	6	6	9	7	6
7 (5) Lucky's Mart LLC - Speedway	7	3	7	8	5	3
8 (3) Plainfield Dairyland - Plainfield	9	7	9	5	6	4
9 (7) The Hen - Terre Haute	—	—	—	4	9	9
10 (-) Southside Marathon - Fort Wayne	—	10	8	—	10	—

□ Grand Food Junction in Fort Wayne, ends February in second place statewide, its highest showing since we began tracking retailers in 2013, and the first time a Fort Wayne retailer has ranked so high (the Grand Food Junction third-place January rank had tied the highest for that outlet and the Summit City before February's advance). Grand Food Junction had seemed unable to find much traction for many months, mired among the bottom three for several months, but it jumped all the way up from 10th in October (after five consecutive months in eighth place) to fifth place in November, its best performance since April 2018, and improved on that in December with a fourth, stepping up a rung to third place in January - what had been the strongest

performance for this outlet since a third place showing back in April 2017 – before climbing into the second spot in February. Indianapolis retailers had placed first and second on the list since Plainfield Dairyland spoiled the Circle City party in July 2018. Before that, the last time Indianapolis failed to post a win-place showing was back in December 2017.

□ The Hen in Crown Point climbs back on the list after disappearing for three months, The Hen ended October in fourth place, its highest spot on the Hoosier hierarchy since a fifth-place finish in August 2017 (and apparently its best-ever showing) but it dropped off the leader ladder entirely in November, the first time that this outlet had been absent from the top 10 in the second half of 2018, and stayed off the top 10 list in December and again in January. Plainfield Dairyland in Hendricks County, which started the fiscal year with a second-place July finish, dipped to a disappointing ninth statewide starting 2019, and only moved up one notch in February.

□ Maui Stop & Shop in Terre Haute made its first appearance on the list in December since it popped up there in February-March 2018, and remained on the leader ladder for a second straight month, moving up one notch to eighth statewide in January, but it slipped out of the top 10 in February. Also leaving the list was the Bluff Road Shell in Greenwood, which had been on and off the list in the second half of 2018. Southside Marathon LLC of Fort Wayne slipped to 10th place in December after being on the eighth rung in November, and exited the top 10 entirely in January after having registered its first-ever consecutive-month appearances, but it was back on in the last spot during February.

□ Only six different counties are represented among the top 10 retailers, down from seven in January, with four continuing to be found in Marion County. Allen County returns to the multiple outlet list after dropping off in January. After the top three December retailers hailed from Marion County – a phenomenon we had not seen since August – that slipped to the top two spots in January, and first and third in February.

□ Here's your deeper dive into the historical February retailer rubric:

# 2019	2018	2017
1 Silver Express	Silver Express	Silver Express
2 Grand Food Junction	Buck's Market	Buck's Market
3 Troy Foods Inc.	Plainfield Dairyland	K & D Marathon
4 MCR Short Stop	K & D Marathon	Grand Food Junction
5 K & D Marathon	Lucky's Mart LLC	Lightning Food Mart
# 2016	2015	2014
1 Silver Express	Buck's Market	Buck's Market
2 Buck's Market	Silver Express	Silver Express
3 K & D Marathon	Friendly Market	K & D Marathon
4 Lucky's Mart LLC	K & D Marathon	Lucky Stop
5 Grand Food Junction	Grand Food Junction	Lightning Food Mart
# 2013	2012	2011
1 K & D Marathon	K & D Marathon	Lightning Food Mart
2 Safeway Foods #14	Lightning Food Mart	K & D Marathon
3 Lightning Food Mart	Lucky Stop	Buck's Market
4 Buck's Market	Silver Express	Meijer # 124
5 Silver Express	Jerry's Burger Dairy	Dinner Bell Markets

IN Horse Racing & Racinos

● The Indiana Gaming Commission approves Thomas Thanas as trustee in waiting for both Harrah's Hoosier Park Racing & Casino and Indiana Grand Racing & Casino. Thanas, an Illinois attorney who served as regional counsel for Harrah's Entertainment where he handled regulatory matters for the company's Midwest casinos, a Notre Dame alum with a law degree from Valparaiso University.

● Indiana Grand Racing & Casino releases details of its 2019 120-day racing season that runs from Tuesday, April 16 through Wednesday, November 6, with total stakes purses topping the \$4.3 million mark. The 25th running of the Grade III \$500,000-guaranteed Indiana Derby highlights the 35 stakes to be offered during the 2019 season. A total of \$4.3 million in stakes will be available during the 2019 meet, the 17th year of racing at Indiana Grand.

□ The 25th running of the Indiana Derby, Indiana's richest horse race, is slated for Saturday, July 13 and will be accompanied by five other stakes races, including the Grade III \$200,000-guaranteed Indiana Oaks, which is in its 24th running. In all, purses for Derby evening will top \$1.1 million. The state's richest turf race, the 14th running of the \$200,000 Caesars Stakes, a Listed event, is set for Wednesday, September 4. That event will be joined by the \$200,000 Indiana Grand Stakes on the turf, also a Listed event, boosting purses over the \$500,000 mark for the day. In all, more than \$1.1 million in turf stakes will be offered in 2019 with nine of the races set for the seven-eighths mile Rod Ratcliff Turf Course at Indiana Grand.

□ Racing will be conducted Tuesday, Wednesday, and Friday at 2:15 p.m., with Saturday's first post set for 6:15 p.m. Indiana Grand had represented to the Indiana Horse Racing Commission earlier this year that it had intended to run at 2:05 p.m. on weekdays and 6:05 p.m. on Saturdays, but made the change with Commission consent after considering their space "in the very competitive simulcast landscape," with the Thoroughbred and Quarter Horse associations signing off on the change.

□ A majority of the stakes races will be held on Wednesday afternoons. Two Thursday racing programs have also been added to the schedule, with Thursday, July 18 playing host to the \$100,000 Ta Wee Stakes, an open three-year-old filly stakes race on the turf. Racing is also on for Thursday, September 5.

● The track maintenance crew at Indiana Grand Racing & Casino has been working all Winter long on a \$700,000-plus track renovation project for the one-mile dirt course, but Jon Schuster, the veteran director of racing at Indiana Grand, sent a missive to key horsemen's groups in mid-February updating the track renovation, and served up some disappointing news: Since the track surface was packed tight in December and left to settle and the materials to knit, the abundant rain and intermittent freezing temperatures rendered the vendor that mills the race track cushion material unable to undertake any of the activity to get the cushion material manufactured. This knocked the March 11 date to have the track ready for training as "wholly unrealistic."

□ While this did not stop horsemen from beginning to move in on March 9, they were left without a track on which to train, and urged to "make alternate plans."

● The Senate Committee on Public Policy took about 10 minutes on March 13 to learn about the provisions of HB 1196, legislation authored by Rep. Bob Cherry (R) of Greenfield, before sending it to the Senate floor on a 9-0 vote after a technical amendment was added by consent. Rep. Cherry was carrying the bill on behalf of the Indiana Horse Racing Commission. The Commission's new in-house legal counsel, Noah Jackson, ran through the bill for lawmakers, explaining that it was "more technical in nature" than being truly substantive. The proposal would require IHRC to adopt confidentiality rules related to personal information; allow discretion when an individual tests positive for a prohibited substance; permit the Commission to lift a suspension after only partial purse repayments by a violator; change security bond requirements; and includes new language to reflect the Commission's organizational structure and job titles. The bill would also change the section on testing "blood, hair, and urine" to testing of a "biological sample" because current language poses a limitation to state-of-the-art technology. Finally, HB 1196 would establish an integrity fund to help fund costs of testing biological samples, because under certain circumstances IHRC is required to reimburse licensees for these tests.

□ The amendment taken by consent strikes the definition of a claiming race so that claiming races will continue to be exempt from sales taxes; changes conflict of interest rules for veterinarians to allow them to treat other breeds; and eliminates language on the panels themselves appointing chairs for each breed development committee, because that conflicted with current law affording that power to the governor.

□ Sen. Phil Boots (R) of Crawfordsville asked questions about biological samples - "What about fecal matter? Is that one of the testing things?" - and was told by Jackson that excrement could be tested along with hair and urine, and the language will be able to change with changing technology employed by laboratories. The testing litany includes "anything that comes off a horse," as phrased by Sen. Boots. Sen. Lonnie Randolph (D) of East Chicago had questions about the bond requirements that centered on his confusion over what constitutes a "meeting" for horse racing purposes. Rep. Cherry managed to bring the discussion around to the need for the change from a bond "to other types of financial capabilities" because the bond is expensive when based upon the overall receipts of a racino, and was largely overkill. IHRC Executive Director Mike Smith also spoke to this, noting that in practice, it has been "several years since a bond was posted, and suggested that it was "easier to give us the flexibility" of looking at assorted alternatives. That led to a quick discussion of insolvency contingencies.

□ HB 1197 made it through Second Reading unamended in the Senate on Monday. With only a quick explanation by Sen. Alting, who emphasized that this was an agency bill that came through the Governor's Office, the measure passed 46-2 without debate. The two nay votes were from Sens. Rick Niemeyer (R) of Lowell and Jack Sandlin (R) of Indianapolis. Sen. Sandlin's district is home to the Winner's Circle Pub, Grille & OTB.

● At its March 12 regular meeting, the Indiana Horse Racing Commission voted unanimously to prohibit the use of albuterol in American Quarter Horses. The ban will be place in time for the 2019 race meet at Indiana Grand Racing & Casino.

□ Albuterol will be a "level of detection" drug, meaning any detected amount of albuterol in the horse will be considered a violation. If a violation (pre- or post-race) is found, the owners or lessees of the horse in question will have to forfeit any purse money and any trophy or award. If winnings are associated with a qualifying race, a positive test renders the horse ineligible for any subsequent related race.

□ Earlier in the year the Commission asked horsemen to voice their opinions on the possible rule change. The Quarter Horse Racing Association of Indiana board expressed its support of the rule change, as did some owners.

IN Bingo and Charitable Gaming

● HB 1517, the rewrite of the state's charity gaming statute, passed the Senate Committee on Public Policy March 13 on a unanimous vote after about 35 minutes of discussion.

□ Rep. Ben Smaltz (R) of Auburn, the chair of the House Committee on Public Policy, presented the measure, explaining that he had worked in "partnership" with the Indiana Gaming Commission and stakeholders with the goal of simplifying the statute, promoting a simpler licensing scheme, and clarifying some continuing concerns of operators. As drafted, he believes that HB 1517 would allow for some operators to conduct charity gaming activity who haven't been allowed to do so in the past, and eliminate some burdensome regulations. For the "30,000-foot view," he turned the microphone to IGC Executive Director Sara Gonso Tait and General Counsel Greg Small. Tait explained that the current law was replete with redundancies, "is confusing," and "one of the most difficult things for a regulator is to have a confusing statute." Charity gaming issues generated the most calls to Commission staff of any form of gaming. After "significant outreach" to the charitable gaming community, drafters were able to slash 27% of the original statute. "It is an agency bill," she confirmed, and it was "pretty darn close" to being fiscally neutral. The measure would help charities be more successful, but also ensure that there remained significant regulatory tools to help address bad actors and those who might be "diverting charitable funds from these organizations."

□ Sen. Greg Taylor (D) of Indianapolis expressed concern with pull tabs, punch boards, and tip boards (PPTs) and a "lack of regulation." "The annual licenses you do a great job with," he told Tait, but he understood that "more than half" of charity gaming revenues are not going to charity, "and it's been confirmed by what I've been reviewing. these are some disturbing numbers for me." He cited the \$561,000 amount to charity vs. a \$20 million gross, adding, that "really disturbs me." Tait explained the one or two percent sent to charitable organizations represented proceeds sent to charities outside the organization conducting the gaming, and conceded that "We should do a better job of presenting" the data, because it could be "deceiving." A large amount may be retained by the organization conducting the gaming activity for charitable purposes, and in many cases "they rely on this money to keep their doors open." Expenditure examples might also include buying a van to take veterans to their doctors' appointments. She said numbers in the Commission's annual report could be misleading, because "it doesn't show how much [they] are keeping for their own good." "As long as the money's going to charity, I don't have a problem," said a satisfied Sen. Taylor.

□ Sen. Lonnie Randolph (D) of East Chicago, the senator with the longest and deepest interest in charity gaming, asked questions about how 15-20 license types had been “streamlined down” to four. Tait told him that it was done by cutting license types. The bill “eliminated a number of licenses, but we didn’t eliminate any activities.” He also had Tait explain how the new annual affiliate license would work. She told him that the measure didn’t change anything except for the name. The annual comprehensive license would allow affiliates to use the parent license. The affiliate can “piggyback” on to the national license or vice versa. He also pressed her on bona fide veterans organizations. The limitation of \$2,500 for an exempt events, Tait explained to him, referred to situations in which the prize payout is below \$2,500 in net worth., Tait told him that those are matters “that don’t really have a high regulatory concern,” and they are content simply to have notice, with no license required.

□ IGC’s Tait also reviewed the requirements for “good standing” in the eyes of the Indiana Election Commission for political organizations with Sen. Randolph, and also worked through with him the concept that felony convictions could circumvent the felony prohibition at the Commission’s discretion – and “obviously on a case-by-case basis” – with appropriate written documentation, letters of support from organization, an explanation of relevant circumstances, and the like.

□ Sen. Phil Boots (R) of Crawfordsville asked “what constitutes a significant inducement to participate?” – and who defines what this is. Tait responded that the Commission seeks to educate operators on the front end, and “organizations come to us,” although “not a lot of questions” have been asked in the past. This has “Not been an issue that’s been addressed previously,” Tait added.

□ Charitable gaming czar Diane Freeman, who has been overseeing regulation of the activity since it was first authorized under the aegis of the Department of Revenue, explained the breakdown of expenses (payouts and cost of supplies, pull tabs, cards, advertisements, rental costs, and license fees), “profits,” and retention of revenues. At the request of Chair Ron Alting (R) of Lafayette – who wanted to keep things moving – Sen. Taylor agreed to a side bar later with Freeman to get briefed in detail about how things worked.

□ “Organizations use part of net proceeds to support their own lawful purposes,” Freeman explained, while the percentage distributed to charity is the amount given away to other outside charities. “I guess I didn’t think about payouts,” acknowledged Sen. Taylor. “Somebody’s got to win, huh?”

□ Sen. Randolph inquired about how suppliers are selected. He seemed concerned that approval was handled by just one person. Tait assured Sen. Randolph that “we handle” the application and licensure process “through our office.” When Randolph pressed about “who does the selection – who’s ‘we’?”, Tait told him it was “multiple people” – the Charity Gaming Division staff.

□ Sen. Alting was the last senator to speak. He noted that he and Sen. Randolph had concerns about veterans organizations “shrinking.” He said that this measure addressed the matter of “How can we increase that?”

□ The chair of the panel that had reviewed the bill also wanted to look at structuring things to be able to pay employees without opening it to “professional companies that will take more of the money that would have gone to charities,” and confirmed that “It’s not easy.” “We just haven’t mastered yet how to do it,” Sen. Alting said, “but we’ll get there some day.” He believed that the bill met the stated goal: “Make charitable gaming easier and simpler,” and allow these organizations to do good in their respective communities. He added that the bill decreased requirements for full-time employee participation from 90 days to just to 30 days, and operator membership requirements from one year to 60 days . . . even though they were not addressing remuneration.

□ In brief public testimony, representatives of the Disabled American Veterans and Veterans of Foreign Wars supported the changes. DAV noted that there wouldn’t be veterans homes and homes for children without charitable gaming activity, and VFW thanked Tait for having “done a lot for charity gaming just in the last few months,” and that it has “done a lot of good for us already.”

□ The day before the hearing, Sen. Erin Houchin (R) of Salem was added as second sponsor. On Monday, the bill cleared Second Reading in the Senate unamended, and two more senators, Sen. Randolph and Sen. Jon Ford (R) of Terre Haute, were added as cosponsors. On Tuesday, Sen. Jean Leising (R) of Oldenburg, the Mother of Charity Gaming, also signed on as a cosponsor. Sen. Alting presented the bill on Third Reading on Tuesday afternoon, explaining that it was a “user-friendly” agency bill that had remained unamended throughout the process, and saw only two votes against it in the House. Sen. Randolph rose to express his support for it because of what it did for “the American Legions.”

□ The bill passed 41-7, with nay votes from Sens. John Crane (R) of Avon, Travis Holdman (R) of Berne, Eric Koch (R) of Bedford, Dennis Kruse (R) of Auburn, Jim Tomes (R) of Wadesville, Greg Walker (R) of Columbus, and Mike Young (R) of Indianapolis.

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INDIANA LEGISLATIVE INSIGHT

Big shift means locals need cash

SPEA study lays out sustainability concerns in next economic downturn

The disruptions caused by a structural shift in Indiana local government finances that began in 2004, exacerbated by the fiscal crisis and recession of 2008-09, means that local governments across the state are taking in less revenue than they did before 2007.

A Fiscal History of Indiana Local Government, a new research report for the Indiana Fiscal Policy Institute authored by professors Craig Johnson and Justin Ross, public finance experts at the Indiana University O'Neill School of Public & Environmental Affairs in Bloomington, details the shift, which ended an era of some three decades of "remarkable consistency" in local governmental unit fiscal structure in the early 2000s.

Since then, we have experienced "a fundamental transformation" of Indiana's intergovernmental fiscal system.

The SPEA researchers find that the structural shift in "real own-source local government revenue" began in 2004, and local income tax revenues took off and did not stop increasing until 2010, when they were adversely impacted by the recession. Property tax revenues had exhibited "unprecedented growth from 2004-05, but have since showed a dramatic total decline," consistent with the constitutional property tax caps.

"Every other state has largely rebounded from the Great Recession in terms of their local government," Prof. Ross tells Brock Turner of Indiana Public Media. "Indiana has not because of the property tax caps."

These changes in the fiscal input mix – the growth of the local income tax, subject to its "inherent volatility, coupled with the decline and increasing instability of the property tax from both economic and policy factors, have resulted in a less stable revenue structure for local governments."

They believe that "On the revenue side much of the recent changes are fully consistent with the foundation laid by the Bowen tax package in 1973 – property tax relief; an expansion of local government authority to generate revenue from local income taxes; and an increase in the state sales tax to fund local services, programs and provide additional property tax relief."

Unfortunately, they find that "Indiana local income tax and property tax revenues have yet to recover from steep declines following the Great Recession. Both taxes have declined sharply since 2010. In 2015 real property taxes in Indiana are back to where they were in 1996-97, while real 2015 income tax revenues have returned to their 2007 level."

The real-life impact? "Given the real decrease in local income and property tax revenue, local public expenditures in Indiana are now being funded from a substantially smaller pie of local own-source revenues."

Johnson and Ross see a total dichotomy in evaluating the past four decades, suggesting that "The last 40 years of local government expenditures should be viewed as 'before and after 2009.' Since 2009, Indiana has undertaken an exceptional decline in local public expenditures."

For more, please see the following page . . .

Supremes to face Hill

Disciplinary Commission seeks sanctions

The Indiana Supreme Court Disciplinary Commission files a formal 10-page complaint against Attorney General Curtis Hill (R), No. 19S-DI-00156, with the Indiana Supreme Court.

The nine member Disciplinary Commission – which includes among its members some well-respected establishment Republicans – reviews *sine die* party events, and reports for the General Assembly and by the Office of the Inspector General, and special prosecutor, and concludes Hill "committed criminal acts, each of which reflects adversely on his honesty, trustworthiness or fitness as a lawyer" in violation of the *Rules of Professional Conduct for Attorneys*, and engaged in "conduct prejudicial to the administration of justice" as well as "offensive personality" in violation of the *Rules*.

Aggravating factors include his position of trust and "heightened duty of ethical conduct"; "substantial experience" in practice; denial of responsibility; lack of remorse; implying the victims falsified their accounts; "actual or potential injury to his victims and their future careers by forcing them to choose between reporting his conduct or remaining silent"; and having "acted with the selfish motive to arouse his sexual desires."

Cont. under "IN State Circles," p. 4 . . .



The SPEA research team notes that for four consecutive years Indiana's local governments cut back their collective expenditures – in real terms – by an average of more than 3.5% each year. The SPEA team attributes a significant chunk of the decrease in Indiana county expenditures to the change in welfare administration functions in HEA 1001-2008.

Johnson and Ross also point out that the increase in the state sales tax rate rose from 2.0% in 1973 to the current 7.0% rate to allow the state to assume certain local general government and school corporation funding responsibilities – and to provide property tax relief.

They also believe that “A portion of the reduction in local public expenditures from 2007-2012 likely comes from local government consolidation ... where on net 520 independent local governmental units have been shed. Other reductions in spending are related to the trend in Indiana local government employment, the duo writes. “The number of local government employees in Indiana reached its peak in 2008, slightly declined in 2009 and substantively declined through 2012. Nationwide local government employment has begun to rebound while remaining basically flat within Indiana. About 70 percent of the net employment losses in Indiana local government employment have come from education services.”

The researchers conclude that “Indiana's local fiscal structure has demonstrated sustainability partially because the loss of own source revenues has been made up by increases in state revenues, but mostly because of the substantial reduction in local public expenditures.”

While the income declines have been well-documented, there has been far less attention paid since the revolution on the changes on the spending side.

Your key takeaway: “[T]he threat to fiscal sustainability under the property tax cap system is clear even if the mechanisms are convoluted. The purpose of a budget process should be to ensure that appropriated monies have an accompanying financial source. Typically, if revenues are to decrease by a dollar, then the budget process should assist in identifying a one-dollar reduction on the expenditure side. Alternatively, for a newly planned dollar of expenditure, the budget process should identify the funding source of that dollar. So long as a substantive portion of taxpayers have properties that are in excess of the 1-2-3 property tax caps, the budget will always have a shortfall that will require reworking after it is adopted and ‘finalized.’”

Johnson and Ross serve up their antidote . . . and we don't think lawmakers and state officials will be too happy with the big ask.

“We find that the sustainability of local government finances in Indiana should be strengthened in preparation for the next economic downturn. The revenue system is now more vulnerable to the economic cycle, both in terms of lower levels of local, own-source revenues, and is significantly exposed to an elastic state government tax base heavily dependent on sales and income tax revenue. Cutting and transferring local public expenditures has enabled Indiana local governments to keep pace with declining own-source revenues. But it leaves local governments vulnerable to the inevitable revenue losses during the next economic downturn.”

They conclude, “While the authority to levy an excise surtax for transportation funding is helpful, it does not provide the local own-source revenues needed to fulfill the general funding gaps inherent in the structural deficits of Indiana's local governments.”

IN Politics

State Office Races . . .

- With Tuesday's Senate passage of HB 1005, when it is signed by the Governor, the Superintendent of Public Instruction will no longer be an elective position as has been the case since 1852. The last of the elected superintendents, Dr. Jennifer McCormick (R), said after the Senate approved the bill on a 29-19 vote, “The 2020 gubernatorial race will deserve greater attention as our students' futures are dependent upon it. Education impacts all of us. Our children, educators, and school communities deserve a strong, representative voice.”

IN the Presidential Race . . .

- New Morning Consult polling numbers show that since the new administration assumed office in January 2017, the President's net approval in Indiana has decreased by 18 percentage points. The February 1, 2019 net presidential approval stands at +4 percentage points, at 50% to 46%, the same as on January 1, and effectively unchanged from 49% to 46% one year earlier.

- Don't underestimate the extent and importance of a Rhodes Scholar network that has quickly popped up domestically and internationally to support South Bend Mayor Pete Buttigieg (D) in his quest for the Democratic presidential nomination. These current and former Rhodes Scholars are coming together to raise money and work on policy issues for, and spread the word in important circles about, Mayor Pete.

- Populist Pete? Back in the day (2010) when a 28-year-old guy named Pete Buttigieg (D) was running for state treasurer, no one knew how to pronounce his name (some south of U.S. 50 even pronounced “Pete” as if it had two syllables), and few media outlets even bothered to cover his quixotic challenge to the re-election of then-state treasurer Richard Mourdock (R). Those that did focused largely on Buttigieg's strong objections to Mourdock's actions in the Chrysler bankruptcy – using teacher and state police pension funds to purchase e(old) Chrysler bonds in 2008 after they were downgraded to junk status and his objections to the Chrysler bankruptcy, which put Mourdock at odds with the Bush and Obama administrations and the Indiana Republican establishment.

□ But almost a decade ago, your favorite newsletter was one of the few outlets to cover the state treasurer race in some detail, and looking back at our 2010 race coverage, we noticed a populist streak of sorts from Team Pete. He said that his campaign – which ended up raising about \$305,000; the 2014 and 2018 Democratic nominees for the office (both former state lawmakers) barely topped a *combined* total of \$100,000 in contributions – would accept no contributions from banks and bank PACs, and would cap the amount individuals employed in the banking industry can donate at \$2,400, using federal limits as a model. If elected, Buttigieg pledged, “he would also pursue legislation to bar political contributions by banks to anyone running for the office, and to implement contribution limits for individuals who work at banks.”

□ But the pre-mayoral Pete also was thinking in positive policy terms, “advocating that financial institutions doing business with the Treasurer’s Office become more active community lenders.”

● The *Washington Post* writes that South Bend Mayor Pete Buttigieg (D) plans to double his campaign staff from 20 to 40 “in a matter of days,” and his team is narrowing down options for a bigger South Bend headquarters – perhaps an entire floor of a downtown high rise.”

● South Bend Mayor Pete Buttigieg (D) revealed in a March 16 email to supporters that the campaign not only hit the 65,000-donor threshold set by the Democratic National Committee for June debate participation, but it had topped the 75,000-mark. He reveals that “98% of all the donations we received were under \$200, and 66% of the total amount raised came in through contributions under \$200.”

IN Political News . . .

● The Libertarian Party of Indiana annual convention was slated for Fort Wayne March 22-23.

● The Vectren Corporation Employees Federal PAC makes a mid-February contribution of \$5,000 to the Indiana Republican State Committee, Inc.

● The Eli Lilly and Company Political Action Committee makes three February contributions of \$15,000 each to the Democratic Congressional Campaign Committee; the Democratic Senatorial Campaign Committee; and the National Republican Senatorial Committee.

● The Indiana Democratic Party sends an email blast to supporters Tuesday just before tipoff of the Indiana University NIT basketball game with an interesting theme largely overlooked since it was part of the party’s 2018 platform: “It is time we join a majority of the country, and legalize medicinal cannabis. Around the nation, 33 states have passed a measure to allow medicinal cannabis – including our neighbors in Michigan, Illinois, and Ohio. It’s Indiana’s turn.” The email notes the “overwhelming number of Hoosiers support legalizing medical marijuana,” and adds that “The benefits are clear for Hoosiers suffering from epileptic (sic) seizures to relieving stress and pain.” The state party asks Hoosiers to “Sign our petition (sic) if you believe Indiana should legalize medical marijuana.”

● Starke County Democratic Party Chair Kenny Wallace is resigning from his post.

● Cass County Democratic Party Chair Paul Ulerick resigns after almost eight years in the role.

● Almost 10½ years ago – late in the 2008 presidential campaign – your favorite newsletter served up an exclusive little nugget involving two giants of Democratic politics who were back in the news this month.

□ “Former U.S. Sen. Birch Bayh (D) tells us that he believes he was the only then-incumbent member of the U.S. Senate to campaign for Joe Biden (D-DE) in Delaware in Biden’s surprise successful challenge campaign in 1972. Little did he suspect that Sen. Biden would edge out another Bayh for the vice presidential nod (and what it would mean) 36 years later.” And after he told us that, he really did head for the Noblesville Dairy Queen, two blocks away from where we met.

□ Birch Bayh’s passing also marked the end of another era. As we told you a few years ago, he was the last surviving senator to have served in that body during the Kennedy Administration.

IN Brief



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IN Federal Circles . . .

● The Lugar Center, led by former U.S. Sen. Richard Lugar (R), and the McCourt School of Public Policy at Georgetown University released their new Bipartisan Index rankings of members of Congress for the 115th Congress (2017-2018). The non-partisan tool measures the degree to which senators and representatives work across party lines. “Despite serious failures of governance during the 115th Congress, including two government shutdowns, Congress experienced an undercurrent of bipartisan cooperation surrounding bill introduction,” reports Sen. Lugar. The Bipartisan Index measures the frequency with which a member co-sponsors a bill introduced by the opposite party and the frequency with which a member’s own bills attract co-sponsors from the opposite party. Representatives sponsoring fewer than two qualifying bills are excluded, which meant that U.S. Rep. Pete Visclosky (D) and two other House members

(one Republican; one Democrat) were not scored for the 115th Congress.

Bipartisan Rank by Session

115th	114th	
41	24	Susan Brooks (R)
89	148	Jackie Walorski (R)
150	309	Luke Messer (R)
180	190	Larry Bucshon (R)
284	N/A	Trey Hollingsworth (R)
343	N/A	Jim Banks (R)
352	278	Todd Rokita (R)
364	307	André Carson (D)
N/A	121	Pete Visclosky (D)
N/A	424	Marlin Stutzman (R)
4	2	Joe Donnelly (D)
7	N/A	Todd Young (R)

□ Indiana was home to the most bipartisan Senate delegation during the 115th Congress, with then-U.S. Sen. **Joe Donnelly** (D) being the fourth-most bipartisan senator and the most bipartisan Democrat for the second consecutive session. U.S. Sen. **Todd Young** (R) was seventh in bipartisanship, and sixth among Republicans, giving Indians two senators among the most bipartisan 10. Only one other Senate delegation (the two Republicans from Iowa) landed a pair in the top 20.

□ The top two spots in Indiana's delegation didn't change from the 114th Congress to the 115th session, with U.S. Reps. **Susan Brooks** (R) and **Jackie Walorski** (R) leading the way. With the retirement of **Marlin Stutzman** (R), U.S. Rep. **André Carson** (D) becomes the most partisan lawmaker among the Hoosier delegation. U.S. Rep. **Larry Bucshon** (R) remains most consistent in rank between sessions.

● U.S. Sen. **Todd Young** (R) teamed up with U.S. Sens. **Ed Markey** (D-MA), **Jeff Merkley** (D-OR), and **Dick Durbin** (D-IL) last week on a bipartisan letter to U.S. Secretary of State **Mike Pompeo** and U.S. Secretary of the Treasury **Steve Mnuchin** seeking clarification of the Trump Administration's policy on sanctioning the perpetrators of atrocities committed against the Rohingya people during the 2017 security operations by Burmese military forces. Acknowledging the decision by the Administration to already sanction five officials, the senators point out that additional targeted sanctions against the senior-most ranks of the Burmese military – including Commander-in-Chief **Min Aung Hlaing** – is needed to send a strong message to Burmese officials most responsible for the violence. “We believe that it is important for the United States to signal its intolerance for behavior that contravenes fundamental human rights,” write the senators. “In particular, the designation of Min Aung Hlaing under the Global Magnitsky program would carry special significance given his role as the head of the Burmese armed forces. The body of evidence establishing Min Aung Hlaing's complicity in the human rights abuses against the Rohingya plainly warrants designations under both the Global Magnitsky Act and President Trump's sanctions order.”

● U.S. Sen. **Mike Braun** (R) raised eyebrows on Thursday when he told the Southwest Indiana Chamber in Evansville that the traditional 20% local match for federal aid on road projects is untenable, according to the *Evansville Courier & Press*. “We've never been in a worse shape federally to even continue the current road funding plan of 80-20,” Sen. Braun said, contending “All we're doing is lying to the public and putting more debt on future generations if we try to do infrastructure now without showing real reform on bringing our deficits down.”

● U.S. Rep. **Jim Banks** (R) joined **Jake Tapper** on CNN's *State of the Union* on St. Patrick's Day and he told the host that “The President condemned white nationalism and the actions that happened in New Zealand. There's no question about it. None of us can be emphatic ... enough in our condemnation of hate in all of its forms. That's why we have to take a step back and take a minute to talk about what we can do about it. And I'll give you an example: When white nationalism reared its ugly head in the House of Representatives, the Republican leader, **Kevin McCarthy**, stripped **Steve King** of his committee assignments. Today, as we sit here, Rep. **Omar** still sits on the Foreign Affairs committee after her anti-Semitic comments because Democrats and **Nancy Pelosi** refuse to do anything about it.”

□ Rep. **Banks'** office is recognized for a second consecutive year by the Congressional Management Foundation as a finalist for the Democracy Awards, an honors program recognizing non-legislative achievement in operations and constituent service by congressional offices. Banks' office is recognized for “excellence in Transparency, Accountability, and Innovation,” a category honoring offices employing unique or innovative methods to continuously enhance constituent interactions, and provide clear and relevant information on their work and performance, as well as publicly acknowledge related metrics. Twelve House and Senate offices were honored as finalists in three categories: (1) Constituent Service; (2) Transparency, Accountability, and Innovation; and (3) “Life in Congress” – Workplace Environment. The Banks office was a finalist for the Democracy Award for Constituent Service last year. According to CMF, “The office's training program sets them apart by including interns into their constituent services program over the course of the year, both in the Washington and district offices. They've developed a comprehensive manual for new hires and interns to use as a reference point, to provide training opportunities for them throughout their service with the office. The management team has established a process to supervise how actions are handled and processed, enabling them to review opportunities for improvement with new and old staff alike and address sub-optimal practices. By standardizing their input through customizing their CRM (customer relations management), they have developed a process which is more intuitive for interns and staff and, as a result, has reduced the likelihood they will forget to incorporate key information regardless of the type of constituent services operation they need to utilize.”

● U.S. Rep. **Pete Visclosky** (D) was pleased with the Federal Transit Administration's positive rating for the South Shore Rail Line West Lake project. “This action taken by the Federal Transit Administration is outstanding news for the Northwest Indiana economy and would not have happened without the steadfast support of Governor **Holcomb**, Sen. **Young** and our federal representatives, our state representatives,” says Rep. **Visclosky**, who pledges to support full funding for the Capital Investment Grant Program and the Double Track project.

IN State Circles . . .

→ Cont. from page one . . .

Don Lundberg of **Lundberg Legal**, counsel to **Hill** in this personal matter, issued a statement in response to the Disciplinary Commission complaint. “This matter has been investigated three times,” say **Lundberg**, chief legal counsel and executive director of the Disciplinary Commission for 18 years. “There was an investigation undertaken by the General Assembly, another by the inspector general and, finally, one by the special prosecutor. And after having reviewed all the information, all three reached the same conclusion: no further action was warranted. The Attorney General remains focused on serving the people of Indiana. This matter will be addressed through the proper process outlined for disciplinary complaints in the State of Indiana and we are confident it will conclude in a manner consistent with the results of the prior investigations.”

Note how **Lundberg** careful phrases his words. Parse his statement, however, and while each of the investigations may have found that “no further action was warranted,” the Taft Law investigation commissioned by legislative leaders suggested that because “AG **Hill** was a third party” with no supervisory

authority, his conduct had no impact on the legislative workplace, and leaders had no legal obligation to report his conduct to disciplinary officials. The leaders also determined that they had no formal authority beyond impeachment. The OIG investigation involved a special prosecutor who simply decided that he did not think a conviction would result, regardless of whether there was evidence to support a charge. A separate OIG report laid out details that were not in the special prosecutor's explanation of why he declined to prosecute, and concluded, "The public and others will judge whether the evidence in this case disqualifies Hill from holding elected office in the future. This investigation is now closed." Each entity declined further pursuit, but all took other action, such as solons enacting protocols addressing harassment; the special prosecutor saying his decision was based upon likelihood of conviction; and OIG deferring to the public "and others." Presumably that referred to the legislature - which drew up rules - and the Disciplinary Commission, which did act.

We told you exclusively in February the AG's Office retained Lundberg under a contract that began December 26, and runs through June 25, 2020 (a contract amendment serves up a pair of different end dates). Under that arrangement, Lundberg will be paid \$35,000 to "provide services on issues involving conflicts of interest and compliance with ethical professional obligations," a role in which he will "assist the OAG ethics officer." Niki Kelly reports in the *Fort Wayne Journal Gazette* Tuesday that Lundberg explained, "My representation on specific matters is confidential and privileged. I have not been paid with state funds to represent the attorney general in connection with the Disciplinary Commission matter."

While Lundberg had a 30-day period for a response, he effectively fired back immediately at the Commission, using a motion to decline appointment of a hearing officer or hearing panel as the functional equivalent of a motion for dismissal on Wednesday . . . and if the Commission didn't think Hill had expressed remorse before, then they - and the Supreme Court - will certainly not believe he has any such intent to do so now.

In a filing bound to infuriate non-lawyers, Lundberg informs that Court that "The material facts will be contested should this proceeding go forward." He reviews what he says should be the standard by which his client should be judged under the *Rules of Professional Conduct*: criminal conduct that reflects adversely on a lawyer's honesty, trustworthiness or fitness as a lawyer in other respects. He claims that the complaint fails to "aver how the alleged criminal conduct reflects adversely on honesty or trustworthiness. Neither battery nor sexual battery is a crime of dishonesty or breach of trust." Nor, Lundberg claims, does the complaint "aver how the alleged criminal conduct reflects adversely on fitness to practice law."

"In fact," the filing asserts, "the alleged criminal conduct does not reflect adversely on fitness to practice law." Lundberg notes that the "disputed facts" were said to take place at "a social event in the late evening and early morning hours "during a social occasion that was not a government or legal profession function at AJ's Lounge," far from the seat of government.

The Lundberg filing also reviews the findings of the special prosecutor and tells the court to his knowledge, "it is unprecedented for the Disciplinary Commission to charge a lawyer [with a Rules violation] a prosecutor with jurisdiction over making a criminal charging decision concluded that the elements of a crime were not present to warrant filing a criminal charge."

He alleges further that "It violates Indiana's public policy and respect for the office of prosecutor for the Disciplinary Commission, an agency not charged with primary enforcement of the criminal laws, to charge a lawyer with engaging in criminal conduct not directly related to the practice of law, after a duly authorized prosecutor concludes there was no basis for such a charge." He also notes that an Inspector General investigation "determined that Hill did not engage in conduct that fell within any statutes or rules falling within the Inspector General's purview."

The Hill response also draws the attention of the Supremes to the fact that the individuals who alleged they were the subjects of his unwelcome attention are represented by private counsel, and are in the process of seeking money damages against the State, the Office of the Indiana Attorney General, and Hill himself. Lundberg tells the justices that "It is imprudent for the Disciplinary Commission to use the power of a lawyer discipline proceeding to seek an adjudication of factual and legal issues that may benefit the private interests of putative litigants against the State of Indiana." He notes that none of these individuals "sought the Disciplinary Commission's intervention in this matter. In fact, the Commission determined to investigate this matter at the request of Andrew Straw, a suspended Indiana lawyer who was professionally disciplined by this Court"

Lundberg also writes that while the complaint alleges that Hill violated the Rules by engaging in conduct prejudicial to the administration of justice, it fails to allege "how the administration of justice was prejudiced by Hill's alleged actions." Lundberg asserts that "The administration of justice is not implicated by personal conduct of a lawyer who happens to be a public office holder, especially when a duly authorized special prosecutor has determined there was no basis to charge criminal conduct."

According to the response, the professional conduct standard in question, as applied in this case, violates Hill's due process rights because it is void for vagueness for failing to adequately put him on notice of conduct that would violate that rule and open him up to professional discipline.

He also knocks down the contention "that Hill violated the Indiana Oath of Attorneys, by engaging in offensive personality."



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"The Indiana Oath of Attorneys is a promise made at the time of bar admission and not, in contrast to the Rules of Professional Conduct, an on-going professional duty," Lundberg contends. "The *Indiana Rules of Professional Conduct* do not contain a requirement that lawyers abstain from the undefined notion of offensive personality. Use of the lawyer discipline process to punish a lawyer for allegedly engaging in offensive personality violates due process inasmuch as it applies a standard in a manner that is void for vagueness. In addition to failing to put lawyers on fair notice of conduct that falls within that standard, the offensive personality standard leaves too much power in the hands of a judicial branch regulator to punish lawyers, in this case a lawyer in a separate and co-equal branch of government, for illegitimate reasons, including personal dislike or subjective disapproval."

Lundberg's missive explains that "This is an extraordinary case in that it represents an agency of Indiana's judicial branch seeking to professionally discipline a statewide elected official of a separate and coequal branch of government. This is not unprecedented in Indiana, but it is rare. It is especially rare for an agency of the judicial branch of government to bolster the case for judicial branch intervention because of a claim that the contested conduct at issue 'does incalculable harm to the public perception of the Attorney General's office and all the state agencies it represents.'" Indeed, Lundberg contends, "There are layers of accountability mechanisms in the circumstances, including, in this instance, referral to a special prosecutor, referral to the Office of Inspector General, and investigation at the behest of the leadership of the legislative branch, all of which concluded that there was no basis for action against Hill. There are other layers of accountability that will likely or potentially be available, including civil damages litigation brought by the four individuals mentioned in the Complaint, and political accountability should Hill determine to run for re-election or for election to other public office. The lawyer discipline system is the least suited accountability mechanism to address alleged personal conduct that occurred in a non-governmental setting at a non-governmental function, unrelated to the practice of law."

Finally, according to the response, "Whether the alleged conduct, found by a special prosecutor to not warrant a criminal charge, does 'incalculable harm to the public perception of the Attorney General's office' is a political question on which Indiana voters should be heard and not one that should be decided by another branch of government."

So what can the Supremes do with the complaint against Hill? Basically anything they darn well please . . . and on their own timetable.

Even before the introduction of the fascinating general constitutional questions about vagueness and the actual application of the *Rules* and Oath to this type of conduct (though lawyers are regularly disciplined for such offenses as OWI, and are subject to the regular operation of the law for that conduct as would be with any non-lawyer), this was effectively a matter of first impression for the Supreme Court (at least with respect to statewide elective officials, and certainly the one official whose qualifications under I.C. § 4-1-6-3 require the occupant to be duly licensed to practice law in Indiana).

This case and set of circumstances will provide the justices a platform by which to set harassment standards . . . and/or make a bold statement.

The Court can decide that the conduct merits no punishment, or it can impose discipline ranging from an admonishment in the form of a private or public reprimand up to law license suspension or disbarment.

A suspension – however brief – if imposed during his term of office, would almost certainly result in Hill having to leave, given that a condition of holding the office is the ability to practice law in Indiana. House Speaker Brian Bosma (R) said Thursday "My reading of the statute ... is that a qualification – not an *election* qualification, but a *service* qualification – is a valid license to practice law in Indiana, which the Attorney General would not have if it was suspended, so we'll seek some guidance if that should be the case, to be sure that we're following appropriately the law."

Should the AG hold out in the face of such an order, removal proceedings via a writ of mandamus would probably have to be instituted. There are also questions about whether a suspension would require his literal withdrawal from every case being "prosecuted" by the State, because he is technically the person representing the State; others in the office only sign on effectively as representing him on behalf of the State.

The Court is well aware of such contingencies, as well as his ability to prolong proceedings by pursuing all of his appeals, including, we are told, a rehearing and then the option of asking the Supreme Court of the United States to overturn an Indiana Supreme Court action.

As a result, and recognizing the timetable (another month for his response, and perhaps another month or so for deliberation and a ruling and even more time for an appeal) that could mean the AG would only have 18 months or a year left on his term, the Court, if inclined to issue a suspension, could move it to a future point, such as the day after his term is set to expire in January 2021. The Court often allows suspended attorneys a period in hitch to tie up their affairs and outstanding cases without unduly prejudicing the sanctioned attorney's clients, and this could be an equivalent for a public official, while, at least in theory, ensuring that he would be ineligible to run for a second term, and also punishing him, but not the State, for his personal conduct.

Costs of the proceedings will almost inevitably be assessed, even if the punishment ultimately amounts to just a slap on the wrist.

While it's not important that the justices now have all been appointed by Republican governors, as former Chief Justice Randall Shepard once noted, they do not live their lives in isolation, and hear what people are talking about in the grocery store – and in the halls of the State House. They understand the perceptions involved in the #MeToo era, and the reality of responsibility that should be exercised by those in power. They also understand the law, and how each of the investigative entities was limited by its respective mandate, and that such behavior might fall into the category of capable of repetition, yet evading review.

The standards under which the justices evaluate and rule upon disciplinary complaints are not quite as cut-and-dried as statutory or case law (and there are many situations – flagrant and otherwise – where one justice will dissent, holding out for stiffer punishment), and justices are particularly aware of the need to promote public confidence in the law and those who administer it and assist in or contribute to its administration.

Anyone who says they can tell you how this one will turn out doesn't know what they're talking about. There are several justices who have not been on the court long enough for anyone to have developed a feel for how they might approach sanctions, and there really hasn't been a justice or two who has seemed to stand out from his or her colleagues on legal discipline cases as there had been on previous iterations of the Court over the past generation+ (and we'll name-check former Chief Justice Brent Dickson here as one of those we're thinking about).

And, as we noted, this is effectively a matter of first impression on assorted grounds, and there may also be a desire by Chief Justice Loretta Rush for the Court to remain unanimous on such an important case, and simply for that reason, there could be compromise on a lesser punishment to generate a *per curiam* ruling.

The only certainty: However the justices ultimately rule on the disciplinary complaint, it will be picked apart by those unsatisfied with it, just as the leaders of the General Assembly, the Inspector General, and the special prosecutor learned.

- Both Senate Committee on Appropriations Chair **Ryan Mishler** (R) and Senate Committee on Tax and Fiscal Policy Chair **Travis Holdman** (R) have expressed skepticism over the need to add the \$286 million annually requested by the Governor and approved by the House for the Department of Child Services.

□ Sen. Mishler cites an encouraging decline in caseloads and improved retention rates for case managers . . . while Sen. Holdman refers to solvable DCS-internal cultural issues and potential changes to removing a child from a home and involving the courts as a first reaction.

- Fifth Third Bancorp beats out four competitors for the banking services and remote cash and remote deposit management services contract for the Bureau of Motor Vehicles, a four-year deal worth an estimated \$1,110,213. Other bidders were Huntington Bancshares Incorporated; JPMorgan Chase Bank, N.A.; KeyBank, N.A.; and PNC Bank, N.A.

- The justices of the Supreme Court of the United States slate their the next conference for Friday, March 22, and the two big Indiana cases we have been telling you about for a what seems like an eternity now will be on the conference agenda yet again as the justices determine whether to add the matters to their docket.

□ For the seventh time the Court has put off a decision on whether to review the State of Indiana's October petition for a *writ of certiorari* in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. This is the challenge to provisions of HEA 1337-2016 that would (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ Could the Supremes be waiting for the complete filings in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the ultrasound informed consent case to combine the matters? Or perhaps even holding out for a PPINK appeal of the just-decided Seventh Circuit ruling in the fetal tissue research case arising from the same law?

□ A different theory is advanced by Marilyn Opendahl in the *Indiana Lawyer*. She writes that "Linda Greenhouse, *New York Times* columnist and lecturer at Yale Law School, believes the multiple relistings indicate the Supreme Court is not going to take the case, but she suspects someone is writing a dissent. Her guess is that '(Justice Samuel) Alito and his friends are writing a screed' about why the court needs to accept this case to overturn the *Roe v. Wade*, which legalized abortion in 1973. 'We're going to see some kind of writing,' Greenhouse said."

□ Another Indiana case will also be relisted – for an 11th time now – on March 15 after having been rescheduled twice as well. *Newton v. Indiana*, No. 17-1511, involves the 1995 decision of a juvenile offender who, in exchange for the State's agreement to no longer seek the death penalty, pleaded guilty to a sentence of life without the possibility of parole for a murder he committed at age 17 with two older co-defendants. This case appears to have now lingered on the SCOTUS conference agenda more times than any other case up for consideration.

- This month, a panel of the U.S. Court of Appeals for the Fifth Circuit in New Orleans heard oral arguments on whether the Indian Child Welfare Act (ICWA) is unconstitutional. The 41-year old law governs jurisdiction over the removal of Native American children from their families, and was enacted to help remedy longstanding policies that had separated Native American children from their communities. The law affords initial preference to Native American families in placement of Native American children in foster care or for adoption, and the Native American community considers it to be essential to preserving the culture of their respective tribes.

□ Why should you care about it? Because Indiana has joined Louisiana and Texas in challenging its constitutionality, alleging that the law is an unconstitutional race-based statute, and that it fails to account for any emotional bonds that may have been forged between Native American children and their caregivers. Indiana and the other two states also claim that ICWA infringes upon the rights of states to oversee child welfare in their own jurisdictions. In October, a U.S. District Court judge in Texas struck down the law as unconstitutional, holding that it was based upon race and violates the Equal Protection Clause. Indiana and the other two states are defending that ruling against an appeal to the Fifth Circuit. After the oral argument, the Texas Attorney General's Office issued a statement reiterating that ICWA was unconstitutional because it "requires that a child's 'best interest' – normally the governing inquiry in child welfare proceedings – be subordinated to racial considerations."

□ The Indiana, Texas, and Louisiana position is being opposed by more than 20 other states; 325 tribes; almost 60 tribal organizations; 30 child welfare advocacy groups; a bipartisan group of U.S. House and Senate members; and the U.S. Department of Interior's Bureau of Indian Affairs.

- A motion filed by an individual in federal bankruptcy court in Colorado seeks to discharge a debt he owes to the Department of Natural Resources and Natural Resources Commission under a 2010 settlement agreement he entered into with the Commission that obligated him to "plug and abandon" some oil and gas wells in Indiana. The plaintiff seems to believe that a Chapter 7 bankruptcy petition granted in 2011 relieves him from responsibility for paying a 2014 order issued by the Spencer County Circuit Court in which DNR seeks to enforce the 2010 deal.

- The Federal Energy Regulatory Commission denies a complaint lodged by the Coalition of Midwest Power Producers, Inc. against the Carmel-based Midcontinent Independent System Operator, Inc. (MISO) alleging that MISO violated its tariff by not requiring all capacity resources to be deliverable up to their installed capacity levels. FERC determined that MISO reasonably implemented its tariff provisions related to capacity resources finding that MISO had consistently tapped unforced capacity values for resource adequacy and that the practice did not jeopardize system reliability. FERC noted MISO ensures that planning resources are feasible, and that it makes needed adjustments through an iterative process, which reasonably mitigates risk.

- As we told you to expect, the Indiana American Water Company (IAWC), the Office of Utility Consumer Counselor, and all additional parties (the Citizens Action Coalition of Indiana and the Indiana Community Action Association; industrial customers Arcelor Mittal USA, Fiat Chrysler Automobiles, and Praxair, Inc.; the municipal governments of Crown Point, Schererville, and Whiteland; and Sullivan-Vigo Water Corporation) in the utility's pending rate case have reached a comprehensive settlement agreement.

□ The agreement was filed Monday with the Indiana Utility Regulatory Commission, which may accept, deny, or modify the proposed deal - which bridged a huge gap between IAWC's initial substantial rate hike request and OUCC's push for an actual rate cut. An IURC hearing is set for April 11. "Between new evidence presented during the case and the OUCC's strong support for utility investments in aging, necessary infrastructure, we have come to a mutual resolution," says Utility Consumer Counselor Bill Fine. He explains that the pact "provides a reasonable balance between investments needed for safe, dependable water and fair rates to cover the costs." The agreement's terms include:

□ An overall revenue increase of \$17.5 million annually, to be implemented in two phases. IAWC had requested \$38.8 million.

□ A 9.8% authorized return on equity, vs. 10.8% as IAWC sought.

□ Resolution of all issues pertaining to the federal Tax Cuts and Jobs Act of 2017, and sharing of federal tax relief with customers.

□ Approval of a low-income pilot program to be funded with an even balance of ratepayer and shareholder dollars. The pilot program will focus on customers in Gary, Muncie, and Terre Haute.

- In the midst of the major legislative blitz over the Indiana Convention Center expansion and new Indianapolis downtown hotels attached to the project, the downtown convention flagship J.W. Marriott Hotel is back in the Indiana Tax Court with yet another property tax appeal. *Convention Headquarters Hotels LLC v. Marion Co. Assessor*, No. 19T-TA- 00006, sees the J.W. (as CCH) challenge its 2010 assessment, claiming it violates the Constitution's: (1) Equal Protection Clause; (2) Equal Privileges and Immunities Clause; and, (3) Due Process Clause. The hotelier also alleges that it violates 42 U.S.C. § 1983, the provision of the Civil Rights Act of 1871 that that allows people to sue the government for civil rights violations; the Property Taxation Clause of the Indiana Constitution; and the requirement that land be assessed at its market value-in-use.

- Just after we told you about the national attention directed to the Bureau of Motor Vehicles non-binary option for gender identity on driver's licenses and identification cards - and marveled at the lack of legislative pushback, a Third House meeting in Warsaw on March 15 saw two House members address the issue, followed by a move in the House via amendment to put the kibosh on the practice.

□ Rep. Dave Wolkins (R) "brought up the issue during his introduction" at the event, reports the *Warsaw Times-Union*. "He said it appears the policy was intended to accommodate about 20 Indiana residents who were born with both male and female anatomy. Other than that circumstance, the BMV would require approval from a physician. 'The initial reaction is pretty strong. We have a BMV (bill) coming up and there are about ten people who want to add an amendment on to stop this,' Wolkins said. Wolkins said he opposes the policy because it's part of the agenda pushed by the lesbian, gay, bisexual and trans community Wolkins said the new policy would cause difficulties for police when it comes to searching suspects and where to house inmates in the jail. 'There's a lot of other things that could develop. We just don't really need those problems. That's just a personal opinion,' Wolkins said."

□ Rep. Curt Nisly (R) "said he didn't understand the need for it, especially if somebody has gender re-assignment surgery. 'It's really kind of strange,' Nisly said. Nisly added, 'It's not the problem with the letter, it's the direction where it's going.'"

□ On the next day of floor action, Rep. Matt Hostettler (R) had prepared an amendment to SB 324 that would have required BMV to assign a male or female identifier to an individual's listed gender when they applied for a veterans' placard that would allow a holder of a disabled Hoosier veteran license plate to receive a placard that would offer an exemption from metered parking fees, but was dissuaded from doing so after colleagues questioned its germaneness. "X is no type of identification, so they're effectively leaving that portion unanswered," Rep. Hostettler told Erica Irish of TheStatehouseFile.com. "Indiana code asks for those things to be answered. [The amendment] would make it so there is an answer one way or another 'I'm just trying to find a way that this can be clarified. I believe I understand why people might do that, but how does someone who's looking at an ID card use that to help identify you?'"

□ This was a matter that consumed a lot of oxygen behind the closed doors of the House Republican Caucus through the first half of the week, and it clearly Exasperated House Speaker Brian Bosma (R), who acknowledged its impact on the bias crimes bill - and vice versa.

□ On Wednesday, however, an amendment was attached to SB 182, a BMV mobile credential bill (allowing driver's licenses to be accessed on a mobile phone) authored by Sen. Eddie Melton (D), in the House Committee on Roads and Transportation requiring that "An applicant requesting to change the gender appearing on the applicant's driver's license or permit shall provide to the bureau a certified amended birth certificate showing the applicant's change in gender." Republican legislative leaders seem satisfied with this alternative, but the change would render it more difficult for transgender and non-binary Hoosiers to update gender preferences on their principal form of government-issued IDs.

□ A distressed Sen. Melton said “This was never my intent for this bill, and it was already properly vetted in the Senate for its original purpose. I wanted to create a pathway to help Hoosiers with the convenience of a mobile license, but this amendment will only hurt individuals. This amendment was offered at the last second with little notice for the General Assembly and the public to weigh in. I will fight to prevent this bill from becoming a piece of legislation that devalues someone.”

□ ACLU of Indiana Director of Advocacy and Public Policy Katie Blair immediately responded with a statement suggesting lawmakers “will attempt to amend any bill related to the Bureau of Motor Vehicles in order to add hurdles for trans Hoosiers seeking to update the gender marker on their drivers’ licenses. By eliminating a physician’s statement as a valid document in order to change the gender marker on a driver’s licenses, SB 182 will require transgender individuals to go through the burdensome and costly legal process of changing their birth certificate in order to update their ID. In addition, this language will leave some Indiana residents who were born in a state that does not allow birth certificate updates, completely unable to get accurate identification.

□ Blair labeled this as “a spiteful reaction to the BMV’s new policy that offers a non-binary gender option for drivers’ licenses and identification cards. Accurate identification is necessary in many areas of everyday life, and yet, elected officials want to force gender non-binary people to carry identification that does not accurately identify them. This is not only humiliating, but can also invite discrimination and, in some cases, violence.”

□ There is also concern that adding this issue into the mix may have complicated continuing negotiations on the bias crimes bill, which reportedly had been proceeding toward the proverbial sweet spot as religious leaders keep weighing in for what had been called The List.

● Keep an eye on this: In *Kanter v. Barr*, No. 18-1478, a case involving a man convicted of mail fraud, Judge Amy Coney Barrett of the U.S. Court of Appeals for the Seventh Circuit authored a 37-page dissent from the 26-page majority opinion (the majority was comprised of two judges appointed by President Ronald Reagan (R)), in which the former University of Notre Dame law professor wrote that she would hold that felon dispossession laws, which bar convicted felons from being legally able to bear arms, are unconstitutional under the Second Amendment as applied to the mail fraud defendant because he wasn’t shown to “belong[] to a dangerous category or bear [] individual markers of risk.”

□ The Seventh Circuit majority opinion held that “the government has established that the felon dispossession statutes are substantially related to the important governmental objective of keeping firearms away those convicted of serious crimes.” Judge Barrett believes, however, “that power extends only to people who are *dangerous*. Founding-era legislatures did not strip felons of the right to bear arms simply because of their status as felons.”

□ The Seventh Circuit majority upheld a ruling by the chief judge of the U.S. District Court for the Eastern District of Wisconsin, a Bush 43 appointee.

● In Attorney General *Official Opinion 2019-2*, an inquiry on behalf of the Johnson County Convention, Visitor, and Tourism Board, the Office of the Attorney General is asked whether the Tourism Board may expend funds from its Convention, Visitor, and Tourism Promotion Fund for the direct benefit of for-profit corporations under any circumstances. More directly, the Tourism Board asks whether it could enter into a contract or otherwise make an award from its Tourism Fund to a for-profit corporation where the Tourism Board determines the for-profit business’ convention, trade show, special event, or recreational activity would bring more visitors or tourists to the county.

□ The brief answer: “Under these statutory provisions, the Tourism Board may not enter into an agreement or contract, award a grant, or otherwise make a direct payment from its Tourism Fund to a for-profit corporation for the purpose of promoting and encouraging conventions, visitors, or tourism in Johnson County. While such awards are reserved to not-for-profit corporations to discharge these functions, the statutory provisions do not restrict such not-for-profit corporations from engaging in separate contractual agreements with for-profit entities in order to satisfy the requirements of the award from the Tourism Fund.”

● Former House majority floor leader Jud McMillin (R) is the attorney for a former Milan clerk-treasurer charged with six felony counts related to violations of the depository rule and official misconduct. Mike Perleberg, news director for *Eagle Country* 99.3-FM in Lawrenceburg, reports that “The charges were filed nearly five years after [the official] resigned from office in March 2014 as an Indiana State Board of Accounts audit of the town’s finances were conducted. The audit determined many checks to the town were not deposited in a timely manner and little to no records were kept during [his] 13 months in the clerk’s office. The SBOA’s report on the audit was not formally completed until November 21, 2016.”

□ The public (relations) defense that McMillin is mounting is interesting. “All this stuff is really retroactive stuff. It’s not things that at the time anybody was pointing at this guy saying ‘You’re doing a terrible job’ and forcing him out,” McMillin tells Perleberg, adding that what he expects to be found as the case develops is that his client fell short of “ridiculous statutes. I don’t think he stole anything. When he took over that place, it was a complete mess. It may have been an insurmountable task to try and fix then,” McMillin adds. An April 12 hearing on McMillin’s motion to dismiss has been slated before a special judge in Dearborn County Superior Court 1.

● In *Berry v. Indiana Superintendent of Public Instruction*, No. 1:19-cv-01066-RLY-MJD, the American Civil Liberties Union of Indiana files suit in U.S. District Court for the Southern District of Indiana, alleging that Alan Berry, a film maker who was previously employed by the Indiana Department of Education to create documentary film concerning the Indiana Migrant Education Program, had his First Amendment rights abridged by DOE. The lawsuit claims that Berry’s film, was not released during his tenure with DOE and so, following his resignation from that agency, he finalized the project and released it online, as he had with some other videos he had created during his DOE tenure, which had been completed and previously released by DOE itself.

□ “Berry’s actions were met with a cease-and-desist letter from the DOE’s attorney, which demanded that he remove all of these videos from their online platforms under threat of a suit for copyright infringement.” His ACLU attorneys assert that “no such registered copyright exists; but even if it did it could not be enforced against Mr. Berry insofar as Indiana law prohibits the enforcement of a copyright concerning a public record. Rather, Mr. Berry has a First Amendment right to publish and disseminate the aforementioned videos, and he is entitled to a declaratory judgment affirming this right.”

IN the Economy

● The trouble-plagued \$2.79 billion Midwest Fertilizer plant proposed for Posey County seems to be on again after Midwest Fertilizer Company settles a dispute with the Internal Revenue Service over the tax-exempt status of \$1.259 billion in 2013 refunding bonds. According to Midwest Fertilizer, the IRS Office of Appeals determined that the bond holders are “not required to include in gross income any interest thereon and no income shall be recognized by such holders as a result thereof. The Bonds remain outstanding.” This dispute arose from an audit which questioned whether the refunding bonds were entitled to retain the tax exemption for which the original bonds qualified for in 2012 under the Midwestern Disaster Area Bonds program. The Heartland Disaster Tax Relief Act of 2008 which authorized the program only allowed the subject bonds to be issued through the end of 2012.

□ Long-time readers will recall the checkered history of this mega-project. The Daniels Administration offered an incentive package of more than \$3.5 million for the project in 2012 that also included access to tax-exempt financing through the allocation of a portion of the state’s volume cap under the Midwest Disaster Area Bonds program. But as 2012 was winding down, the U.S. Department of Defense slammed a principal partner in the project, the Fatima Group, over its failure to cooperate with DoD in ensuring its products weren’t being used in IEDs against allied forces in Afghanistan and Pakistan, and the day after he was sworn in as governor, then-Gov. Mike Pence (R) abruptly ended any state support for the Midwest Fertilizer project, later dropping all state involvement in the effort. Posey County then assumed the role of issuer after the Pence Administration Indiana Finance Authority opted out. Posey County ended up refunding or remarketing the bonds six times between July 2013 and November 2015 before Midwest Fertilizer purchased the bonds in the Fall 2016.

□ After Fatima ultimately relented on the military request, the state eased back into the project in a small way, but another delay was forced when the plant location was changed from the Port of Indiana-Mt. Vernon, to a site just north of Sabic Innovative Plastics on Mackey Ferry Road. The dispute with the IRS over the tax-exempt status of the paper halted things again last year.

□ Midwest Fertilizer – which touts an economic impact for its project in the multi-billion dollar range – will now seek to re-engage with its project partners, and likely return to the market to sell the now-confirmed tax-exempt bonds, as well as seek new equity financing and you should also not be surprised if the partners pursue additional debt.

□ The project team had earlier looked at a four- to eight-month gap between a positive IRS ruling and ground-breaking, but we think you should be looking toward the second quarter of 2020 for this project to get off – or into – the ground . . . if, in fact, the financing package continues to prove viable in this economic environment, which has changed considerably since it was first investigated eight years ago.

● The Grain Belt Express project has finally been approved by a unanimous Missouri Public Service Commission on its third try, and after several long court battles in the Show Me State (and a former governor even represented the project in the state’s top court). The key here is that the approval affords developers the right to use eminent domain to construct the line and will not require county-by-county approvals.

□ Green Belt Express will transmit wind power from where it is generated in Kansas across a 780-mile transmission line through Missouri and Illinois before it connects to a Sullivan County terminus from which the power hooks into a grid serving eastern states. One change: Chicago-based Invenergy is purchasing the project from Houston-based Clean Line Energy Partners, and that also should pave the way for Illinois, to reverse last year’s rescission of approval based on Clean Line lacking a physical presence in the state – which meant that it could not qualify as a utility.

● Some \$45.4 million worth of Indiana military projects have been identified by the U.S. Department of Defense as potentially being in jeopardy because their funding may be diverted to help fund the southern border wall under the President’s declaration of a national emergency.

□ The projects include:

- Crane Army Ammunition Plant (Railcar Holding Area)
– \$16.00 million
- Hulman Regional Airport (Small Arms Range)
– \$8.00 million
- Grissom ARB (Add/Alter Aircraft Maintenance Hangar)
– \$12.00 million
- Grissom ARB (Aerial Port Facility)
– \$9.40 million

□ U.S. Rep. Jim Banks (R), a member of the House Committee on Armed Services, assured listeners of WOWO 1190-AM in Fort Wayne Wednesday, “These projects in Indiana are important, and I am confident those projects will get funded,” while U.S. Sen. Todd Young (R) tells the *Fort Wayne Journal Gazette* that the list of projects is “far from final” and “speculative.”

● Vectren Energy Delivery of Indiana – South, a CenterPoint Energy company, earns approval from the Indiana Utility Regulatory Commission to build a 50-megawatt universal solar array on approximately 300 acres in eastern Spencer County near Troy, consisting of about 150,000 solar panels.

● AM General of South Bend receives an \$89 million order to provide 739 new M1152A1 High Mobility Multipurpose Wheeled Vehicles (HMMWV) to the U.S. Army National Guard as a part of their modernization initiatives. This is in addition to the 740 new HMMWVs ordered in October 2018.

- Howe Military Academy in LaGrange County will close at the end of the current school year. The private, co-educational, and college preparatory boarding school has been around for 135 years. No word on how many people will lose their jobs, but the school employed more than 40 faculty and as many as 50 staff members.

- Franke Plating Works, a family-owned metal plating firm established in 1930 and serving a worldwide client base in the automotive, aerospace (including NASA), agriculture, defense, and medical industries, plans to invest \$1.1 million to upgrade and expand its production facility just east of downtown Fort Wayne, and add more than 15 new jobs by the end of 2022. The Indiana Economic Development Corporation offers Franke Plating Works up to \$165,000 in performance-based tax credits, and Northeast Indiana Works offered additional incentives . . . Noblesville-based Metal Powder Products (MPP), a global provider of custom-engineered powder metallurgy product solutions for automotive, hydraulic, medical, and mechanical applications, plans to expand its operations in Hamilton County, moving a manufacturing division from Solon, Ohio, to Indiana and expecting to create up to 80 new jobs by 2020. The portfolio company of Mill Point Capital proposes to invest \$1.5 million to equip and repurpose its current 60,000 square-foot facility to dedicate more space – 40,000 square feet – to manufacturing, while the remaining 20,000 square feet will be equipped to serve as office space and to support R&D capabilities. In 2018, IEDC offered MPP up to \$500,000 in performance tax credits and up to \$100,000 in training grants. The City of Noblesville is offering permit assistance in support of the project, and Duke Energy approved additional incentives to offset a portion of the future energy costs . . . Alabama-based Sims Bark Company, a family-owned manufacturing business that wholesales landscape bark products to retailers, plans to invest \$10 million in a new facility on a 56.684-acre site in Jackson County adjacent to I-65, expecting to hire at least 20 and as many as 40 local workers. Sims would convert wood byproducts from local sawmill operations into bark mulch and distribute it to big box home-improvement and consumer retail stores in both south central Indiana and western Ohio.

IN Transition

- Indiana's new state climatologist is **Beth Hall**, who spent the last seven years as director of the Midwestern Regional Climate Center at the University of Illinois, one of six federally funded centers, which served stakeholder climate needs across a nine-state region. She previously served as the New Hampshire state climatologist. Hall earned her bachelor's degree in physical geography with an emphasis in meteorology in 1994 from Indiana University, and her master's degree in atmospheric physics and doctorate in atmospheric sciences from the University of Nevada, Reno.

□ IN-SCO was established in 1956 to study and document the state's climate and act as the official archive of weather observations recorded throughout the state. IN-SCO staff interprets and applies data to help address climate-related issues and make data broadly available.

□ As the new director of the Indiana State Climate Office (IN-SCO) at Purdue University, Hall says her most pressing goal is to determine what climate information the state and its residents need to be more successful and profitable, and then to provide that data in a practical and usable way – whether through tools, educational materials and presentations, or targeted communications – that can be used to drive decision making. For example, climate data could be used to examine historic rainfall and flooding patterns to make predictive assessments that could aid in the design of roads and stormwater and drainage systems. And if farmers face a plant disease risk that is tied to climate, a tool could be developed to provide alerts when those conditions are likely to exist.

IN the Lobby

- Long-time Eli Lilly and Company federal lobbyist **Joe Kelley** is retiring from his post as vice president of global government affairs.

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[Howey 4-3-19.pdf](#)

Pillar 1- Diversify our economy

Indy Star- [NRA convention expected to draw 80,000 to Indy](#)
WANE- [Company announces plans to expand operations in New Haven](#)
WLKY- [Bike-sharing providing boost to Jeffersonville economy](#)
Inside IN Business- [IU Receives \\$500K for Renovations and Arts Center](#)
News Dispatch- [Michigan City 'open for business'](#)

Pillar 2- Upgrade our infrastructure

County Democrat- [What roads will get paved? County, town reveal infrastructure plans for this year, next](#)
Churubusco News- [Local agencies receive \\$1.3M for road construction projects](#)
News Tribune- [Indiana American Water proposes revised rate hike](#)
DC Herald- [Proposed corridor project gets study consultant](#)

Pillar 3- Strengthen our workforce

Times Herald- [Vincennes University's role for Indiana's changing economy](#)

Pillar 4- Attack the drug epidemic

NWI Times- [Cedar Lake Police to address opioid epidemic during free awareness program](#)

Bias Crimes

Indy Star- [Holcomb to sign hate crimes bill void of explicit protections for gender, gender identity](#)
NWI Times- [Gov. Holcomb will sign into law bias crime proposal approved by Indiana Senate](#)
Daily Mail- [Indiana Senate OKs hate crimes bill, governor will sign it](#)
NBC News- [Indiana lawmakers aim to get state off list of the 5 without hate crimes laws](#)
FWNBC- [Strong disagreement over hate crimes bill Gov. Holcomb says he will sign as soon as it hits his desk](#)
My Wabash Valley- [Governor will sign bill seeking sentence enhancements for hate crimes](#)
WIBQ- [Bill to enhance sentences with list of protected characteristics heads to governor](#)
Fox59- [Hate crimes bill passes in Senate without specific gender protections](#)
Republic- [Indiana Senate OKs hate crimes bill, governor will sign it](#)
Kokomo Tribune- [Holcomb to sign bias crime legislation](#)
Indy Politics- [Lawmakers pass bias crimes bill](#)
WHAS11- [Hate crime bill heads to Indiana governor](#)

2019 Legislative Session

Indy Star- [Indiana abortion services bill that lets more health care workers opt out goes to Gov. Holcomb](#)
CBS4- [Indiana lawmakers approve expanded list of health care workers who can opt out of abortion services](#)

Indy Star- [Second-trimester abortion bill heads to Gov. Holcomb's desk. ACLU has threatened to sue.](#)
NWI Times- [Governor to act on bill restricting little-used abortion procedure](#)
DC Herald- [2nd-trimester abortion procedure ban heads to governor](#)
IN Public Media- [House Committee Approves Bill Limiting 'Extraterritorial Powers' Of Small Towns, Cities](#)
IBJ- [Bill to revamp Indiana's tourism department heads to governor](#)
Kokomo Tribune- [Senate passes bill to allow Howard Co. magistrate](#)
WIBC- [Governor Holcomb Expected to Sign 'Revenge Porn' Bill into Law](#)
IN Lawyer- [Juvenile waiver bill stirs controversy at Statehouse](#)
Neighbor- [Smaltz opioid bill set to become law](#)
Daily News- [Leising bills moving forward](#)
Journal Gazette- [Power play](#)

Misc.

Times Herald- [Holcomb lauds improvements at DCS](#)
Inside IN Business- [Agriculture Secretary Bullish on Purdue](#)
Fox59- [Panel says disciplinary case against Indiana AG Curtis Hill should proceed](#)
Courier Journal- [Indiana must grab its obesity problem by the love handles - and shake it](#)
RTV6- [Indiana's high obesity rate is costing the state](#)

Sincerely,

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The Cheat Sheet, Vol. 8, Issue 9 – April 2019

The Carmel Conundrum



Things are getting interesting in the Carmel Mayor's race. As first reported a couple weeks ago in the Carmel Current, there are accusations that Mayor **Jim Brainard's** campaign tried to bribe his opponent **Fred Glynn** to get out of the race by offering him a job. And apparently, county chairwoman **Laura Campbell** is being pulled into this as she was reportedly at a meeting where all this went down.

According to published reports, the Brainard camp made an offer to the Glynn camp that they would pay him \$140,000 to drop out of the race. However, there's a conflicting story that the Glynn camp said he would drop out of the race for \$140,000.

We have been able to figure out that the person in the middle of this is **Dan Hennessy** who was Glynn's campaign manager but later switched sides to team Brainard. We do know that a few days before the meeting between the two camps allegedly occurred on February 5, Hennessy reached out to a Brainard supporter about a job and

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three days later got one, which if true, would explain why the switch took place. Word on the street is Hennessy is being paid \$40,000.

We are also told that Hennessy did not offer Glynn \$140,000 to drop out of the race, per se, but to run for another office. And he allegedly reached out to friends of Glynn to try and convince them to call Glynn and have him drop out of the race.

We're still reaching out to the various players and trying to figure out what's going on. But to be frank, it doesn't make sense for Brainard to try and convince an opponent to drop out of the race when you would think he would want more candidates to run because that would divide the opposition, especially since he reportedly is polling at about 55%.

We will keep you posted, but you have to admit, the fun north of 96th street never stops.

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 **HIRONS**
Crisis Management Team

The Cheat Sheet, Vol. 8, Issue 9 – April 2019



NAGR, Please



The **National Association for Gun Rights** (NAGR) just doesn't know when to quit. The group supported an effort by State Rep. **Curt Nisly** to amend SB 119 to allow for "Constitutional Carry" which would basically eliminate any fees for any permits to carry a firearm.

The opposition, which included State Rep. **Jim Lucas** opposed the measure since eliminating the fees would have a fiscal impact on the state, and it would have to go through Ways & Means if amended and SB 119 would die since there wasn't enough time left in the session for it to get a hearing.

When Nisly offered the amendment, it did not get a second, so SB 119 goes to third reading for a final vote, thus denying NAGR a chance to raise money based on the votes of Indiana lawmakers. However, we don't think this will stop them from fundraising.

You might recall we wrote about this back in 2017 when NAGR went after House Speaker **Brian Bosma**. They accused him of being in the pocket of gun control proponent **Michael**

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The Cheat Sheet, Vol. 8, Issue 9 – April 2019

Bloomberg. We are not making that up.

Who needs to pull an April Fool's Day prank when you've got this.



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A Few Other Items of Note



We're hearing that if **bias crimes** comes up for a concurrence vote in the Senate today, its chances of passing are pretty good. TCS spent a lot of time yesterday talking to both supporters and critics, and both sides have come back with either likely or very likely.

By the way, Indiana had a hate crimes law on the books for years, but it was an **ACLU lawsuit** that got rid of it because they said it violated the first amendment. Also, a House Committee passed a bill back in 2007 (9-1) that gave a civil cause of action if they suffered personal injury or property damage due to their race or other enumerated characteristic.

That \$100 million fee to move that **casino license** from Gary to Terre Haute may get maybe dropped down to \$50 million.

Things are apparently going south when it comes to trying to reach a deal on subsidies for a **new hotel** in downtown Indianapolis, which a number of existing hotels oppose saying it will hurt occupancy rates.

The Cheat Sheet, Vol. 8, Issue 9 – April 2019

Keep an eye on Lincoln Township Trustee **Joe Walsh** in Hendricks County. His past is coming back to haunt him in a big way.

And speaking of keeping an eye on things, we're hearing one of the candidates for the **Indianapolis City-County Council** has some not some flattering "photos" running around that would probably have been better had they kept their clothes on.

Former ISU Government Affairs Director **Greg Goode** is returning to his old job.

Indiana NORML is reporting that U.S. Senator **Mike Braun** is supporting medical marijuana.



The Usual Disclaimer Stuff:

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If you've got something you want to share, (good, bad or ugly) send it to Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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Hoosier mayors on Buttigieg boom

His colleagues watched him become a policy force, see a vivid contrast with President Trump

By **BRIAN A. HOWEY**

INDIANAPOLIS – Earlier this decade, the “Young Guns” emerged in the Indiana mayoral class. There were LaPorte’s Blair Milo, Chris McBarnes in Frankfort, Ryan Daniel over at Columbia City, Joe McGuiness down in Franklin and joining these Republicans from up north was



Democrat Pete Buttigieg of South Bend. They tical age, some in their 20s, and did amazing work in what were often described as “Rust Belt cities.”

When you look at this class, Milo now heads Gov. Eric Holcomb’s Career Connections and Talent agency, McGuiness is commissioner of the Indiana Department of



South Bend Mayor Pete Buttigieg with Kokomo Mayor Greg Goodnight at an AIM event. Buttigieg’s colleagues see him as a considerable policy force. (HPI Photo by Brian A. Howey)

Transportation, McBarnes and Daniel are seeking reelection and are seen as rising stars with the latter taking an activist role in Indiana’s meth epidemic. And Buttigieg? As you know, he’s running for president of the United States.

Continued on page 4

Super majorities & hate

By **BRIAN A. HOWEY**

INDIANAPOLIS – Super majorities have consequences.

If there is any lesson to be drawn from the headline news item of the 2019 General Assembly session – the hate crimes legislation without ly



icted, which reached Senate concurrence Tuesday and is headed to Gov. Eric Holcomb’s desk – it’s that.

The pipsqueak Democratic minorities protest with the voices of mice and the super majority Republicans just grin and do what they want, often in caucus, away from public view.

There is no presumptive



“I certainly hope we can get this Mexican border issue solved without closing the borders. That would be devastating to ... our dairy, pork and corn industries.”

- Agriculture Sec. Sonny Perdue speaking at Purdue on President Trump’s threat to close the U.S.-Mexican border



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Democratic gubernatorial standard-bearer in the wings who should be the focal and vocal point of resistance. And the true rising star of the Rooster Party, the openly gay South Bend Mayor Pete Buttigieg, is too busy running for president.

In February, when Mayor Pete conducted a book reading at IUPUI, there seemed to be a strange bedfellows alignment between Buttigieg and Gov. Holcomb on SB12, which had just cleared the Senate without a list. Holcomb declared it "unacceptable" and said there was plenty of time to forge a list. "I will or the right ultimate outcome for our state and citizens this year so we're not right back here in the same place next year," Holcomb said.

HPI commented at the time: It is unclear how Holcomb will use his considerable popularity to bring his recalcitrant GOP into line.

Now we know. Buttigieg cal enate version a "crushing disappointment" and urged the ov crowd to "summon courage" and make their voices heard, saying, "We have to have the protections. We have to have the civil rights protections. We have them in South Bend and we have to have them statewide." But the Democrat seemingly with the most political momentum in America has not weighed in again on SB12, nor did many of his followers. It was rhetoric sans action. Like Vice President Pence, Mayor Pete has gone nationwide. Indiana is in his rearview mirror.

Washington Examiner reporter Philip Wegmann recently called HPI about Buttigieg's resistance to Gov. Mike Pence's signing and

subsequent rescinding of the RFRA law in 2015 and I did a scan of our April 2015 editions which covered the controversy extensively. Mayor Buttigieg was conspicuous in his relative silence. To be fair, perhaps that's because it was the Indiana Chamber, Bill Oesterle, the NCAA and other economic Republicans who had raised the alarms, and Mayor Pete decided to let the GOP-aligned groups handle the self . (It might also be a factor that the South Bend mayor was not yet "out" about his own sexual orientation at the time.)

Super majorities obscure other important things, like the intolerance Wing of the Republican Party which, in the concealment provided by internal



Gov. Eric Holcomb greets State Sen. Ron Alting, who was co-author of the original SB12 hate crime bill that included a list, prior to his State of the State address in January when the governor declared he would help shape a new law. (HPI Photo by Brian A. Howey)

caucus debate, resisted what dozens of other states have done with hate crime laws, which is to explicitly list icted classes. They carried the day; the "family advocacy" groups still wield outsiz thin the GOP. Speaker Brian Bosma and Senate President Pro Tem Rod Bray acquiesced in the name of internal order and fear of primary politics. Courage could be saved for another day.

And Gov. Holcomb?

He promised to be a vocal proponent of a hate crime law with a list. But after his return from Europe, he passed on using several Indiana Lincoln Day dinners to pressure recalcitrant members of his party. Nor did he barnstorm the state drumming up what we've come to know from another governor as the "white-hot heat of public opinion." At the Bartholomew County Lincoln Dinner Saturday, Holcomb didn't speak about the issue as Sen. Greg Walker and Sen. Ryan Lauer looked on. But he told the Columbus Republic, "I believe that covers it all. No one is left out."

With the Senate concurring on a 34-14 vote Tuesday, Holcomb insisted the compromise will protect every Hoosier. "Those targeted for crimes because of color, creed, disability, national origin, race, religion or sexual orientation are protected," Holcomb said.

But State Sen. Ron Alting, who sponsored the original SB12 and ended up voting against SB198, said on the S, "I say to everybody, it's got to be everyone in it or I cannot support. verdict will come from the courts, judges and prosecutors. "Time will tell," Alting said. "We won't know for awhile."

This is not Holcomb's. His messaging on hate crimes has been, and remains, mixed and conflicted. On the eve of Senate concurrence, the governor explained, "The No. 1 priority for me is to make sure that when we adjourn from this legislative session, that all 6.6 million-plus Hoosiers are protected, and from what I've seen (this version) would do it." But, he added that he will continue push for gender and gender identity in an explicit list. "I don't want to go back, I want to go forward," Holcomb said Monday. "And this will be a tremendous step in the right direction."

So which is it, governor?

If everyone is covered under the House-passed version of SB 198, why continue to push for a list? In Hoosier parlance, that's having it both ways. Holcomb is demonstrating an inability to lead his party on a high-profile issue.

But a super majority can do that to a governor. Out there in what I'll call "89% country" (where 89% of county commissioners are Republican), there might be general acceptance of a hate crime law that could help after churches in Jasper County and a synagogue in Hamilton County have been targeted. But we haven't seen leadership from legislative Republicans for an explicit list.

Why? Because super majorities don't feel the

political heat. They can do what they do because, as we often say about contortionist hounds, they can. Fearless of meaningful challenges from defanged Democrats, yet fearful of 2020 primary challenges organized by the state's active religious right, the GOP super-majorities caterwaul in caucus, but are guarded in public, paralyzed from taking meaningful action to erase a stigma from our state.

The South Bend Tribune editorialized on Sunday, "Last summer, in the wake of anti-Semitic gr at a Carmel synagogue, Gov. Eric Holcomb committed to

"get something done" in the next legislative session "so that Indiana can be one of 46 states with hate crimes legislation — and not e states without it." But the Tribune deduced: "Indiana's governor has said all the right things about ending Indiana's failure to pass a



Speaker Brian Bosma and Senate President Pro Tem Rod Bray presided over the evolution of SB198. Bosma believes the compromise that passed the House and was concurred with in the Senate on Tuesday will protect all Hoosiers. (HPI Photo by Brian A. Howey)

bias crimes law. But last week, he showed he was strong on talk, weak on action."

While that is a Democrat-leaning newspaper in the heart of Buttigieg country, there weren't many other such observations beyond Mary Beth Schneider and the State-house File.

From a practical and legal standpoint, should Johnny Chitwood Himmeler spray paint "Heil Hitler" on a le a home with a r porch and a car with an equality sticker in the driveway, judges have the ability today to sentence while considering the aggravating circumstances at hand.

Speaker Bosma believed that to be the case before this session ever began, before Holcomb decided to prioritize a hate crime law at the behest of his IEDC wing in the wake of the Carmel synagogue assault. Many in his caucus and among Senate Republicans are th the status quo.

In the eyes of Gov. Holcomb and his commerce I as supportive business groups, this was (and is) about fostering a promising business environment. In the eyes of many in the super majority, SB12 and now SB198 were (and are) about semantics ... about political correctness. And still to others, about "special protections" for classes of people they'd rather not think about and really aren't interested in protecting.

Until Indiana Democrats can muster a credible standard-bearer and spokesperson, and actually elect candidates across Mike Pence's amber waves of grain, this dynamic will not change. ❖

Mayor Pete, from page 1

In many states, mayors are more ceremonial, cutting ribbons and presiding over council meetings, while managers run the city. "In Indiana, you have a strong mayor state," said Matt Greller, president of Accelerating Indiana Municipalities (AIM). "They have vastly more power, they make more board appointments, they have more decision-making authority. They can wake up in the morning seeing a section of road that needs repair and by the time you go home, it's fixed."

"The mayor is hands-on every day, whether it's making infrastructure or public safety decisions. And that translates perfectly to the president," Greller said. "A lot of our mayors on both sides bring that unique skill set."

And they are not trapped by politics. "We just had a gathering of mayors last week and it never comes down to politics," Greller said. "I won't even say it rarely comes up – it never comes up. The mayors are only focused on politics every four years when they are up for reelection. The rest of the time it's about policy. They'll steal ideas from each other. If there's a Democratic mayor talking about a unique project, it's not going to stop a Republican mayor from taking it."

Not a far-fetched notion

So within AIM, the notion of Mayor Pete running for president isn't a far-fetched notion in a policy sense. Buttigieg is seen as a man with keen intellect and the ability to translate policy to the common man. What may have surprised some contemporaries is Buttigieg's adroit steering through the poli

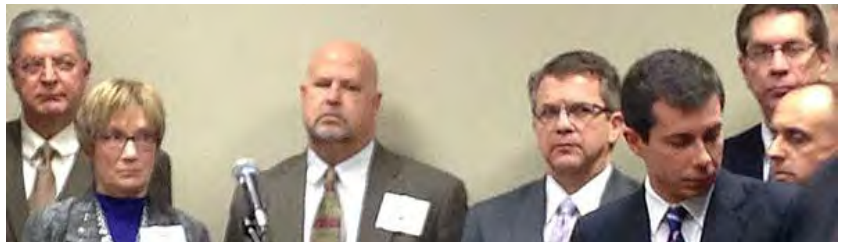
"What Pete is trying to do is completely unprecedented," said Hammond Mayor Thomas McDermott Jr., noting only Presidents Andrew Johnson, Grover Cleveland and Calvin Coolidge served as mayors, and none of them made the jump directly from city hall to the White House. "I've known him for 10 years and he's very impressive. The thing about Pete is he's young, ambitious and incredibly intelligent."

"To be president, you have to make decisions," said McDermott, a Democrat whose father was a Republican mayor of Hammond. "Mayors are great at it. They analyze both sides and make a decision. The president has a cabinet, and the mayor has one, appointing the department heads. Mayors have to interact with the city council. That would be Pete's challenge. Congress isn't in it for the good of the country. There, if you're a Democrat (then) you can't work with Republicans. People who work as mayor are in it for the good of the city."

Former Fort Wayne mayor Paul Helmke told HPI, "After 2016, the rules have changed on all sorts of things. That may really change. Mayors are hands-on, deal with problems, and deal with problems across the aisle."

They live with the people they are serving. There are no walls or staffs separating them from the people. They are out in the community and at the grocery store. If you're concerned about the trappings of the semi-imperial presidency, mayors are the antithesis of that. If we're concerned about people being all talk and no action, mayors have to get things done, and if they don't, people know it."

Kokomo Mayor Gregg Goodnight chaired Buttigieg's 2010 run for Indiana treasurer, and the two often travel together to Indianapolis and compare notes. He also believes the mayoral skill set positions Buttigieg well for the presidency. "I believe it's an asset, and with Buttigieg, it's a perfect fit," said Goodnight, a three-term Democrat who is not seeking reelection. "It helps him because you have to solve the problem, whether it's an economic crisis. There is no buck-passing. You are the local government. Governors can pass it down to local



schools or counties, like we're seeing with local jail populations."

Buttigieg extraordinarily pragmatic, saying that Buttigieg "uses his political skills for some of his decision-making, though most of those decisions are not political."

Howey Politics Indiana has often noted that the two toughest jobs in American politics are the presidency and being mayor. "I do think it's a tough job," Goodnight said. "It's not a fun job, but it is a very rewarding job. Sometimes you've got to use resources, and everything comes down to prioritizing those resources, whether it's monetary, prioritize any of the so many different factions from neighborhood associations, to chambers, to labor groups. It's trying to balance dozens of different things at once. Then you have to prioritize your individual time, so I'm not neglecting certain parts of the city or job."

Goodnight added, "To be a mayor, you have to have empathy. You have to talk to people. I've never been homeless, or unsure where my next meal would be from. I've never been the victim of a serious crime, never been discriminated against because of race or my sex. But I have to be able to put myself in some of those people's shoes. That's what a mayor does."

McDermott adds, "As mayor, I get to hear about people's struggles. I get the direct pulse of the community." In doing so, mayors will do what they can to avoid divided government because things are so personal and if people have an issue, they'll show up at a mayor's doorstep. "My whole goal is I want both Republicans and

Democrats to vote for me," McDermott said. "I don't want just over 50% and a divided city. I tell them that I want Republicans to vote for me. Republicans are Hoosiers, Americans and quite frankly, half of my family is Republican. You have to market yourself differently. Pete will want everyone to vote for him."

Buttigieg navigates policy

Greller remembers a General Assembly proposal three or four years ago to eliminate the business personal property tax. "South Bend is a heavy manufacturing city and it would have had a very dire impact," Greller explained. "He sat down with Gov. Pence and the two of them had a very serious conversation. Politics was not an issue. It was two highly intellectual people having that conversation. Pete helped the legislature and governor come to the conclusion that if we're going to move in that direction, (then) there would have to be changes."

Greller continued, "It was put to the side and a



small business property tax bill passed. It was a status quo resolution. He and Pence were very different on political issues and ideology, so it was interesting to watch the two of them going back and forth when you knew their political ideologies were so different. It never got in the way and it never clouded any policy decision."

Greller said that Buttigieg was instrumental in AIM's rebranding transformation from its days as the Indiana Association of Cities and Towns. "It was an organizational transformation," Greller said. "He, along with Fishers Mayor Scott Fadness were very involved in the process. Pete's ability to understand how to carry our message through the General Assembly in a non-partisan fashion was remarkable. He understands the nuances of policy and the nuances of politics, and not everyone can navigate through that process."

Does Pete have a chance?

The sources for this story were all initially skeptical that Pete Buttigieg had a realistic chance of winning the Democratic nomination, let alone the presidency. They all agree that as this cycle has evolved, the mayor has an opening.

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separate yourself from the pack," Goodnight observed. "Let's look at Pete. He's got the goofy name. He's got a weird story, mayor of a small city. He's had military service, he's a Rhodes Scholar, openly gay and he's young. We're starting to see that being a little odd helps. Bernie (Sanders) was able to use that. Ron Paul was able to use that, being quirky, being something different."



Helmke, who teaches Indiana University's Civics Leaders Program, knows from experience that Hoosier mayors haven't translated well and Sen. Vance Hartke who was mayor of Evansville and Sen. Richard Lugar from Indianapolis. Helmke lost a 1998 U.S. Senate race to Evan Bayh, and Indianapolis mayors Bill Hudnut and Stephen Goldsmith lost secretary of state and gubernatorial races. So, there is some logic in Buttigieg's decision to leapfrog statewide politics and go nationwide.

"Being mayor you are judged by your results, but you're going to be held responsible," Helmke said. "Any mayor is going to have some positives and negatives. There's always going to be crime, infrastructure, personnel issues and with responsibility comes criticism. You can duck it in the legislative branch, but not as an executive. What's occurred to me is that Pete Buttigieg coming from a smaller city probably helps him. If Rudy Giuliani runs, everyone has a view of New York, or LA or Chicago, but people don't have a view of South Bend. There's no preconceived negatives and more positives with Notre Dame."

Helmke believes Buttigieg may be the youngest presidential candidate since William Jennings Bryan. "A lot of politics is the contrast and this is a time to make that contrast. All of the contrasts seem to be working in his favor with President Trump and with the rest of the Democratic look at what's the opposite of what we have now."

McDermott said Buttigieg could present a nightmare matchup for President Trump. "He's the anti-Trump," McDermott said. "Pete would tear Trump up."

That's a common thread among the Hoosier municipal class. Or as Greller puts it, "I know a number of Republicans in the state who are super-glad he's not running for governor or something else here. Seeing Pete on a debate stage with Donald Trump, I'd pay to see that."

Exhibit A on this front would be Elkhart Republican Kyle Hannon, who observed on Facebook Messenger Tuesday after reading the story about Buttigieg performing nuptials for a South Bend couple just before she was going in for a C-Section: "This guy has a good chance. There is something about this campaign that resonates. As you may know, I'm a Republican."

As for winning the Democratic nomination, McDermott believes that key contrasts are already emerging between Buttigieg and the septuagenarian frontrunners Joe Biden and Bernie Sanders. "I think Pete has way more courage than Joe Biden. He's been thinking about running

for four years. Pete thought about it for four weeks and got in. If Joe Biden hasn't made up his mind, he's not going to be a good president."

McDermott also believes Buttigieg is rising to the moment. "When he talked about Trump and the 'porn star presidency,' that's what I'm talking about, coming up with a line like that."

Greller sees Buttigieg's early traction in the Democratic race as good for the state, particularly if he ends up on a collision course with Vice President Pence. "It says a lot about Indiana that we can produce leaders on an array of things. I think it's a really interesting dynamic that Indiana is becoming a focal point to the nation of where we're headed politically." ❖



Buttigieg's boomlet fueled by \$7M report, social media surge

By BRIAN A. HOWEY

INDIANAPOLIS — It was another eye-popping week for Pete Buttigieg's presidential exploration effort. He posted \$7 million federal Election Commission report, coming from 158,000 donors. There has been a surge in his social media. And he's opening up his South Bend

"This is just a preliminary analysis, but our team's initial report shows we raised over \$7 million in Q1 of this year," Buttigieg announced Monday. "We (you) are outperforming expectations at every turn. I'll have a more complete analysis later, but until then, a big thank you to all our supporters," Buttigieg tweeted. Last month Buttigieg announced that his committee had crested the 65,000 individual-donor threshold to make the DNC debates that begin in June.



Buttigieg [took to Facebook](#) to walk his growing league of supporters through how he raised his funds. "This is a big deal. This was way ahead of our initial goals and is totally ahead of what people thought we could do. We cannot thank you enough for all you've done so far. We have a lot of work to do, and we're glad to be doing it with you." In the video, he explained, "As promised, we took a closer look at our Q1 fundraising metrics, including number of donors (158,550), average donation (\$36.35), and the percent of our total amount raised that came in through contributions under \$200 (64%)."

"He's disrupting the entire 2020 race," Jon Soltz, president of VoteVets said to Politico. "The more and more

people hear from him, the more they think he's the fresh face that they've been waiting for."

Buttigieg's haul appears modest when compared to Sen. Kamala Harris who is posting \$12 million and Sen. Bernie Sanders who reported \$18 million. The big difference is both of those candidates have declared and have staffed up, while Buttigieg is still in exploratory mode and is just now hiring.

But there are signs that Buttigieg is resonating in other ways. The Hollywood Reporter said that Buttigieg spoke to 40 employees at Brillstein Entertainment Partners. Manager George Heller is credited with bringing Buttigieg into the building, and he told THR: "We are all craving politicians who can bring us together. A lot of Dems seem to speak to only their own party and I think Pete is more transformative and r country that most other Dems cannot access."

After Brillstein, Buttigieg headed to the home of former CAA agent Michael Kives (who now runs K5 Global) and attorney wife Lydia Kives (of the Bail Project) for a meet-and-greet with about 25 industry players (including CAA's Richard Lovett, Untitled Entertainment's Jason Weinberg, MGM's Jon Glickman and wife Christy Callahan, and attorney Marcy Morris) before taping a segment on Bill Maher's HBO show. "Everyone was blown away," a source says of that event, which the mayor attended with husband Chasten Glezman.

The Pete for America exploratory committee says the mayor has found South Bend. "A couple of us are focused on something entirely different, more like the campaign said in a fundraising email on Saturday. "We've mentioned this a few times, but we need more space here at headquarters in South Bend. We're preparing for several new hires, and we need different types of space to be able to effectively collaborate across teams. Our staff will be reporting to work tomorrow in our new space."

Buttigieg's social media exposure is also skyrocketing. According to Axios, Buttigieg generated more engagement with his tweets (2.1 million likes, retweets, comments) in that span than any other candidate's main account except O'Rourke (2.17 million) — and Mayor Pete has half as many followers (600,000 vs. 1.4 million). Since his breakout performance at a CNN Town Hall on March 10, he has added 447,000 followers on Twitter. His next closest 2020 competitor, Beto O'Rourke, picked up 137,000 in that period, per CrowdTangle. Buttigieg added more followers on Instagram (90,000) and Facebook (75,000) during the period than any Democratic candidate except O'Rourke (92,000/82,000), per CrowdTangle. CNN's Harry Enten points out that has "correlated with jumps in the

	AVERAGE INTERACTIONS	ARTICLE COUNT
Buttigieg	981	3,017
Abrams	782	1,898
Warren	716	5,397
Sanders	689	6,322
Biden	583	8,468
O'Rourke	560	21,680
Booker	528	2,393
Yang	501	566
Harris	387	4,048
Gabbard	349	533
Gillibrand	281	3,520

polls this primary season." Buttigieg is also drawing attention from other Democrats.

A Hillary Clinton spokesman slammed Buttigieg on Friday for comments he made in January about Clinton's 2016 presidential campaign (CNN). Buttigieg said in an interview with The Washington Post Magazine published in January, "Donald Trump got elected because, in his twisted way, he pointed out the huge troubles in our economy and our democracy." He added, "At least he didn't go around saying that America was already great, like Hillary did." Nick

Merrill, a Clinton adviser and spokesman, called Buttigieg's months-old comments "indefensible." "This is indefensible. @HillaryClinton ran on a belief in this country & the most progressive platform in modern political history. Trump ran on pessimism, racism, false promises, & vitriol. Interpret that how you want, but there are 66,000,000 people who disagree. Good luck," Merrill posted on Twitter.

Buttigieg will speak at Northeastern University in Boston today on the importance of millennial participation and representation in national politics. On Thursday, Buttigieg will deliver remarks at the National Action Network in New York. He'll campaign in New Hampshire on Friday and Saturday. Next Monday he makes an appearance in New York City.

All this comes as former vice president Joe Biden faced allegations of two unwanted advances toward women, one a Nevada legislator, and a second woman in Connecticut and other incidents are now surfacing. Both happened years ago. Biden is undeclared, but has led in national and Iowa polling. Axios reports that while Biden was New York City mayor, Michael Bloomberg is reassessing whether he should enter the race.

"Honestly this is the most interesting, unfathomable and forgettable," said David Axelrod, the longtime Democratic strategist. "Really, really substantial candidates. Different principles and approaches. And no clear indication yet which will prevail. It makes for a great campaign."

Publisher's note on Buttigieg campaign

We've heard some grouching about HPI's "obsession" with the Buttigieg campaign. Since HPI began publishing in 1994, we've covered presidential campaigns by Hoosier politicians ranging from Sen. Richard Lugar in 1995-96, Dan Quayle in 1999, Sen. Evan Bayh in 2006, and prospective campaigns of Govs. Mitch Daniels and Mike Pence in 2011 and the Trump/Pence campaign in 2016. It's what our subscribers expect. When Pete Buttigieg stops making news, we'll stop covering him. Until then, we'll be on the campaign trail. ❖

Holcomb endorses Jensen in Noblesville

Howey Politics Indiana

INDIANAPOLIS — Gov. Eric Holcomb endorsed Councilman Chris Jensen for the Republican Noblesville mayoral nomination. "Having known and worked with Chris for years, I'm proud to endorse his campaign for Noblesville mayor," Holcomb said. "Chris' vision and agenda will keep Noblesville on the right track for a better future, while we work to take all of Indiana to the Next Level."



"Having a leader and partner like Eric Holcomb in the governor's office or Noblesville," Jensen said. "Taxes are low, budgets are balanced, and we're investing in the future. That's the leadership Noblesville needs to be able to succeed here at home, and I'm honored to have his support as we work to build Noblesville's next chapter."

Jensen is facing Vince Baker, Mike Corbett and former Noblesville School Board member Julia Kozicki in a race to replace Mayor John Ditslear.

Terre Haute Dems talk issues at forum

Democrats seeking their party's nomination for Terre Haute mayor addressed voters Tuesday night at the Vigo County Public Library (Taylor, [Terre Haute Tribune-Star](#)). Retired businessman David E. "Dots" Conder said he is running to bring more diversity to public government. E. "Superman" Hamilton said he's running to make sure "Terre Haute is the best place you can be." Calling himself a "handicapped specialist," Hamilton said he is running to ensure good jobs and proper facilities for everyone. City Councilman Karrum Nasser touted a "team effort" that, during his one term on the council, has enabled the city to reduce short-term borrowing by half and reduce interest. "We need to focus on our families, we need to focus on jobs, we need to make it so that everyone is able to succeed regardless of their background," Nasser said.

South Bend: Critchlow endorsed by FOP

Democrat Jason Critchlow's campaign announced it has been endorsed by the South Bend Fraternal Order of Police. The endorsement adds to a growing list of individuals and or-

ganizations that have declared their support for Critchlow's candidacy for mayor of South Bend, a list that includes current and former police officers, labor unions, and other community groups. "It's rare that the FOP endorses a mayoral candidate, but Jason offers a refreshing view on how the police department and the city can work together to help reduce crime and create a better relationship with the community. We also like his vision for the future of South Bend," said Harvey Mills, President of the FOP #36. "I am honored to have the support of the South Bend Fraternal Order of Police," Critchlow said. "I believe it is essential that we build and maintain a close and supportive relationship between the citizens of South Bend and our police department."

Indianapolis: Merritt cites claim rejections

State Sen. Jim Merritt criticized Mayor Joe Hogsett and his administration for forgetting the needs of citizens while funding non-essential mandates. "Last year, 1,305 Indianapolis pothole claims were denied payment. Those citizens were forgotten by the incompetency of the Hogsett administration and were forced to pay for tire and wheel repairs out of their own pockets," said Merritt. "In fact, only 16 claims were paid last year by Mayor Hogsett and his administration. That amounted to a measly \$3,000 worth of repairs for pothole-related damage." In recent days, according to Merritt, Mayor Hogsett has bragged about evading responsibility. "And while we're all grateful for the hard-working men and women who are trying to resolve this crisis, the work being done today is a temporary problem. Because prep work was not done ahead of time to prepare for the winter, many potholes filled in recent weeks are opening up again," Merritt said.

The Hogsett campaign responded with spokeswoman Heather K. Sager saying, "Road infrastructure and city budgets are serious issues. That's why over the last three years, Mayor Joe Hogsett has worked with bipartisan Council majorities to tackle chronically underfunded city services and provide a balanced budget that our city has seen in more than a decade. At the same time, Mayor Joe dramatically increased road and infrastructure funding, including more than \$400 million



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that will be spent over the next four years, all without a local tax increase. It is disappointing that rather than use his candidacy to add productive ideas to this bipartisan dialogue, Sen. Jim Merritt wants to inject DC-style partisan politics back into Indianapolis. Rather than use his time inside the Statehouse this session helping our city, Sen. Merritt is more focused on spending time outside of the press conferences."

Merritt defends hate bill

Today's passage of the bias-crimes bill by the State S... forward for Indiana to demonstrate our commitment to protecting all citizens from hate and bigotry," said Sen. Merritt following the passage of SB198. Merritt added that next year, in his role as the newly elected Mayor of Indianapolis, he will work with Governor Holcomb to reinstate the listing of protected categories that was removed during this year's legislative process, a listing that Merritt supported as the bill moved through the General Assembly. In voting for the bill, Merritt acknowledged that it was imperfect in scope. "As leaders and representatives of Hoosier citizens, our foremost goal must be to improve our communities. Sometimes, those improvements need to take place as a series of steps in or-

der to build consensus," he said. "While I may be criticized for voting for this less-than- perfect legislation, I believe in choosing progress over total inaction. This is an important and meaningful step toward crafting long-term laws that tively protect all Hoosiers from crimes committed on the wholly unacceptable basis of hate and intolerance."

Carmel: Dems call for investigation

The Hamilton County Democratic Party is requesting an investigation into claims of bribery involving Carmel Mayor Jim Brainard's reelection campaign (WTHR-TV). Democratic Party Chairman Joe Weingarten says he submitted a letter to the county's election board requesting that they investigate the allegations that Brainard's campaign tried to pay to keep a challenger out of the Republican primary. "Those kinds of shady things show our elections should be held to a much higher standard and we shouldn't allow any party or any candidate to offer a bribe if that actually happened," said Weingarten. Brainard's opponent, Fred Glynn, says he rejected the offer that was brought to him by a political consultant that he believes was working on behalf of the Brainard campaign. "Afterward he came to me and said their campaign was offering \$140,000 in campaign cash for me not to run. I said



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no," said Glynn. Mayor Jim Brainard's campaign released a statement denying the allegation: "Despite the accusations coming from the mayor's political opponents, neither him or myself, were in the meeting. Unfortunately this is politics at its worst but fortunately Carmel's voters are smart enough to see right through it."

Abdul noted in Tuesday's Cheat Sheet: "To be frank, it doesn't make sense for Brainard to try and convince an opponent to drop out of the race when you would think he would want more candidates to run because that would divide the opposition, especially since he reportedly is polling at about 55%."

Bloomington: Arena to run as independent

Bloomington native Nile Arena plans to run as an independent candidate for mayor (Indiana Public Media). The announcement comes after Monroe County Commissioner Amanda Barge suspended her campaign after an independent contractor accused her of sexual harassment. She was the only challenger facing off against incumbent John Hamilton in the Democratic primary. Arena says he decided to run when he learned the mayoral race could be uncontested, despite being inexperienced in politics. "I am a political novice. But I am not a novice at being a citizen

and especially an engaged citizen of Bloomington, Indiana," he says. "I love Bloomington. I love what it is. I also love what I think it could be," Arena says.

Monroe County y Amanda Barge could still win the Democratic primary election, despite suspending her campaign to unseat Mayor John Hamilton (Costello, Indiana Publ previously said Hamilton was effectively guaranteed to win the election even though her name would remain on the ballot on election day. Monroe County Election Supervisor Karen Wheeler says Barge's announcement took them by surprise. "We were scr e out all the legalities and everything," Wheeler says. "And we're very glad that the Indiana Election Division is there to help us out, too." The deadline for Bar ly withdraw from the race was Feb. 11. After the deadline, a candidate can only be removed from a primary ballot if the candidate dies, moves out of the district, or is convicted of a felony. If Barge does win the primary election in May, she would hav ly withdrawing from the general election. At that point the Democratic Party would caucus to choose a new candidate for the general election ballot. ❖

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Mayor Pete's Iowa surprise

By JACK COLWELL

SOUTH BEND — We've got an Iowa surprise. And it's nothing to do with a forecast on when corn will be knee-high. Too early to measure the corn crop. A lot to do, though, with measuring the crop of presidential candidates.



The Iowa survey released last week by Emerson College, showing South Bend Mayor Pete Buttigieg in third place among likely Democratic caucus goers, was a big surprise.

It's another indication that Buttigieg has become a candidate to be taken seriously on the national political stage, even before he was a candidate for the Democratic presidential nomination.

Q: What's next?

A: Buttigieg plans on campaigning in New Hampshire next weekend.

Q: So, he's already looking beyond the nation test in the Iowa caucuses next year?

A: Sure. A good Iowa caucus is a good start. He's already in the primary and other early tests. Buttigieg also is lining up coordinators and staff in Nevada and South Carolina.

Q: But he's not really a candidate?

A: Of course he is. He really is. He just hasn't officially announced yet. Neither have some others, including Joe Biden. It's all about planning for maximum value in announcement timing. Buttigieg formed what is called an exploratory committee for organizing and fundraising purposes. If he had failed to reach funding and polling levels to qualify for the caucus, Buttigieg could have decided not to run. But he has far surpassed those requirements.

Q: What's so great about third place in a poll?

A: If Biden or Bernie Sanders came in third it would be a bad showing. But Biden, with 25%, was followed by Sanders at 24%. The presumed frontrunners came in where expected. Buttigieg, with 0% in Emerson's January survey, shot past other better-known candidates, with 11%. That far exceeds expectations for him.

Q: Does his New Hampshire travel mean he thinks he's all set in Iowa?

A: Not at all. It's still very early. He will campaign extensively in Iowa. But New Hampshire is important too, even if Sanders is regarded as a likely winner

there. New Hampshire could test the support of millennials. Will they mostly stick with Sanders, 77

millennial candidate in Buttigieg, 37?

Q: How did Buttigieg go from so little known to showing up in a bunch of polls and topping his fundraising goals?

A: Buttigieg has planned his nationwide media tour well. Two events that brought him attention from Democrats nationwide were a CNN Town Hall and a lengthy appearance on "Morning Joe" on MSNBC. Mike Schmuhl, Buttigieg's campaign manager (well, committee manager, since there's no campaign yet), says that donations and interest in the candidate shot up noticeably after those appearances.

Q: Was Buttigieg impressive in ripping President Trump?

A: No. He avoided taking repeated shots at the president or calling for impeachment. Instead he concentrated on issues such as health care, jobs and individual freedoms. He actually answered the questions directly, rather than constantly repeating talking points as so many candidates do. He was just like the Mayor Pete I've seen answering questions from students in my Notre Dame journalism class. His style impressed viewers. At least for now.

Q: Any other reason for his surprisingly fast start?

A: Yes, it involves comparison with a slow or even stumbling start for some of those better-known contenders. For example, a story in the New York Times last week featured a four-column photo of Buttigieg with an enthusiastic crowd in Manhattan. The headline: "City Gushes Over Mayor Mulling a 2020 Bid: Not Its Own de Blasio, But Mayor Buttigieg Of South Bend, Ind." Mayor Bill de Blasio does have a few more constituents in his city of 8.6 million population. ❖

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YOUR FRIENDS ALL HANG OUT HERE... DO YOU?

Buttigieg ready to invest in renewables

By ANNE LAKER

AUSTIN, Tex. — While half of presidential candidates are busy arousing socialist passions, the other half seems ready to take an ideological chill pill in favor of practicalities. Pete Buttigieg is mostly in the latter camp.



Notwithstanding his “porn star presidency” sound bite — a Molotov cocktail of a meme that sent our Twitter feeds spinning — Buttigieg most often comes off as the affable, studious problem-solver we’re starving for, as he did at last month’s CNN Town Hall at South by Southwest.

Columnist David Brooks, writing about Mayor Pete in this week’s New York Times, notes that we like Buttigieg because he “deftly detaches progressive policy positions from the culture war” and “eschews grand ideological conflict.”

Case in point: Mayor Pete’s statement at the CNN Town Hall about one particular policy will, I predict, emerge as a credible tool for bipartisan movement on the 800-pound gorilla called climate change. That policy is the Energy Innovation and Carbon Dividend Act (EICDA), and it’s already a bill in the U.S. Congress.

In Buttigieg’s words: “More investments in renewables are going to be needed... We’re going to have to contemplate a carbon tax, and by the way, there are ways to do that so that most Americans would be better off, because we could return funds right back to the American people. But in so doing, we would help to capture the true cost of things that are happening right now, because it’s in your and my lifetime that (that) cost is going to be paid, one way or the other.”

EICDA, a.k.a. H.R. 763, should be seen as the most effective way to turn the climate change crisis into an opportunity. This legislation creates 2.1 million jobs across the American economy, reduces carbon emissions by 40% over years, and prevents air pollution-related deaths (a serious problem in Indiana).

Here’s how EICDA works. A steadily rising fee

is placed on carbon pollution and the resulting revenue is returned to households as a dividend. The dividend comes from pricing carbon at its source, whether from the ground, below the sea, or imported from abroad. It’s \$15 per ton and increases every year by another \$10. This equates to about nine cents per gallon of gas. The fees are returned monthly to households in total, sort of like a tax refund, minus minor administrative costs, to pay for the added cost at the pump or on your light bill.

Most households would get back at least as much as they pay in, with medium- and lower-income levels seeing more fossil fuel consumption is lower than higher-income households.

The transition to clean energy is already an economic mandate, if not a political one (to wit, NIPSCO’s announcement last fall that they’re ditching coal for solar and wind within 10 years). Like your mother told you when you didn’t want to eat your spinach: “We can make this hard, or we can make this easy.”

While the Green New Deal overall has predictably become a partisan punching bag, EICDA could be the best estimate that proves palatable to candidates on the opposite end of the rainbow from Buttigieg, in part because it’s revenue-neutral.

Even Indiana mayors who aren’t running for president have probably seen Purdue’s Climate Change Research Center’s plethora of reports detailing the effects of climate change on Indiana’s agriculture, infrastructure, public health, forests, and water quality. Every Indiana mayor, senator or representative ought to want the green jobs that would spread like kudzu if EICDA were adopted.

Bottom line: 70% of Americans, and 64% of Hoosiers, want action on climate. Voters - and any politician half as brainy as Buttigieg - should be supporting the Energy Innovation and Carbon Dividend Act to make a straightforward, achievable and economy-boosting leap to the post-carbon era. ❖

Laker is a freelance grant writer, former director of communications at the Indiana Forest Alliance, and a member of the Citizens Climate Lobby. She also hosts a movie review show, Flick Fix, on WQRT 99.1.

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Skills needed to win translate to policy

By **LEE HAMILTON**

BLOOMINGTON — Here's a surprise: The skills that can be used to win in politics are increasingly the skills needed to produce good policy.



I know. You look at the policy stalemates in Washington and wonder how this could be. The people who arrived there by winning elections haven't shown much in the way of policy-making prowess. But let me explain.

Politicians running for office have a choice. They can appeal to their base and count on it pushing them over the top, or they can try to build a coalition of voters.

The former approach gives us more of what we already see, politicians who don't show much interest in crafting broadly acceptable policy. But if they choose instead to run their campaigns by reaching out to a broader swath of the electorate, and if we as voters reward them for this at the polls, then they come to Washington with exactly the skills needed to make our representative democracy work.

We live in a time of great polarization and declining trust in politicians, in institutions, in one another. Sometimes I think our politics have become warfare. Our representative democracy is under stress, if not in peril.

We need to return to our traditional approach, coalition-building across diverse groups of people. We succeed in politics and in governing the country by building a broad base of support that appeals to a wide sector of American society. Building coalitions of the similar-minded is what democracy is all about.

among different groups. The country may be chockablock with different constituencies — labor, business, racial groups, economic groups, religious and secular groups. Fortunately, there are some basics most of us agree on — the need for economic dynamism and growth, respect for the rule of law, a desire for a robust national defense.

We are, after all, part of a shared enterprise that depends on common values — civility, freedom, opportunity for all. And we all want to address the bread-and-butter issues that are on most Americans' minds— economic opportunity, health care, retirement.

Successfully addressing these challenges and the values that underlie our democracy means a number of things. It means rejecting partisan hostility, and being willing to work across the aisle. It means rejecting

obstructionism and overcoming the attitude that the most important thing is for my tribe to win.

It means including all people in the public dialogue and treating with them with respect. It means rejecting authoritarianism and assaults on our fundamental institutions — the courts, Congress, law enforcement, the media — that our democracy depends upon. Our aim is to strengthen them, not tear them down. After all, what is the alternative?

If you take as your starting point a desire to address the concerns of the broadest possible group of people, not a given these days, the American people prove to be demanding, but also understanding. They do not expect miracles, but they do expect progress.

So when politicians try to build broad coalitions, whether to win a campaign or to govern the country, they have to pay attention to public opinion, especially on quality-of-life issues. And they have to be able to convince people that some goals are tough to make progress on, and that step-by-step approaches are usually the surest route to moving forward.

But by working within the framework where majorities — in support of fair taxation, free markets, and free trade, providing opportunity for all, preventing the rise of inequality, in support of limited immigration, in support of mainstream views on freedom of choice, in support of policies to address climate change, in support of the social safety net, protecting the poor, and addressing gross inequalities of wealth and income — there's plenty of ground for agreement.

The good news is that you can put together both a winning political campaign and a successful policy drive by speaking straightforwardly to the issues Americans care about, and by understanding where people's points of commonality lie.

This requires the most basic of political skills, building consensus behind a solution to a problem. Only by doing this can we solve the problems the country faces. ❖

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Senate concurs, hate bill heads to Gov. Holcomb

By JACOB CURRY

INDIANAPOLIS — After a Carmel synagogue was defaced with anti-Semitic imagery in late July last year, passing meaningful hate crime legislation was quickly keyed in as one of the hot button issues for 2019's General Assembly session. With the Senate concurring on the House's changes to Senate Bill 198, that months-long resurgence of a debate that's reappeared in the legislature for multiple decades now appears to have drawn to its conclusion. All that awaits is the bill's all-but-guaranteed signature into law.

The Indiana Senate pushed the issue over the hill with a 34-14 vote after an hour and a half Tuesday. Most of that time was taken up by the nine Democratic Senators present, all of whom, of course, spoke against the bill.

Sens. Jean Breaux and Lonnie Randolph both labelled the bill as a "pretend" hate crime bill and an insult for its exclusion of age, gender, and gender identity from protections list.

Senate Minority Leader Tim Lanane lamented the process that House GOP leadership chose for dealing with the issue, which was to disregard the amended SB12 entirely and add the hate crime language to SB198 during second hearing rather than in committee. "This bill has been shaped and formulated by super majorities somewhere — I don't know where, but I know where it didn't happen, not in the public" he said. Lanane was joined by Sen. Karen Tallian, who called that process "obnoxious, cowardly, a disrespectful misuse of the entire system" and a "shirking of [House leadership's] duty." Multiple Democrats also criticized Gov. Eric Holcomb for his support of 198, which they saw as 'leadership fr ip- I last week, strong support for a comprehensive list.

Sen. Mike Bohacek, author of SB198 and co-author to the original bias crime law in SB12, was the lone Republican who spoke in favor of concurring Tuesday. B ended the bill in his closing remarks. "This is not a racist bill, this is not a homophobic bill, this is a bill to get bias crimes protection for every person in the State of Indiana," he said. "It's phrased in a way that, quite frankly, we should never have to touch this again because it's dynamic enough language to ensure that whatever future issue there is, there's a remedy for it."

But is this really the end? Republicans, particularly Republican leadership, have given repeated commitments to "getting Indiana off the list" throughout this session, and have said one of their goals is to avoid having to come

back next year and grapple with the issue all over again. So, do the new sentencing guidelines from SB198 do that?

Not necessarily.

The Anti-Defamation League, one of the groups who keeps a list of American states without a hate crime law, has said SB198 won't get Indiana off its list because "the bill's over-breadth/vagueness and failure to explicitly list gender identity, sex or gender are f ws." Moreover, the ACLU of Indiana also released a statement opposing the bill for the same reasons, saying this will "undoubtedly lead to legal battles." If, by next year's session, Indiana is still on the list (or at least, a list), or the state is caught up in the courts over this law, will the legislature have to confront this issue again? It doesn't sound impossible, even if it is improbable.

Sen. Ron Alting, who authored SB12 and voted against its amended version in February, spoke again in opposition to SB198. Alting also acknowledged that the passage of the bill wasn't necessarily a solution. "The true judge on the success of this bill will be time," he said, "the courts will tell us, our judiciary system will tell us, our prosecutors will tell us, our judges will tell us."

Republican leaders are fully behind the bill and are t will settle the issue. Holcomb said Senate Bill 198 will accomplish his goal of passing meaningful bias crime legislation because it enhances current protections. "It also will cover bias crimes committed because of other traits and characteristics, such as gender, or gender identity, or sex, or age, and other commonly targeted groups," he said.

House Speaker Brian Bosma offered glowing remarks, saying "we believe this is the most comprehensive and inclusive bias crimes statute in the nation. The reference to our current exceeds that of 21 other states' bias crime statutes, and all of those states are off the list of states without a bias crimes law."

Finally, Senate President Pro Tempore Rod Bray said the bill hits the right mark between inclusion and exclusion. "By referring list of characteristics, Senate Bill 198 provides guidance for judges, while still lity to increase the sentence for any

bias-motiv this bill advance to the governor's desk. It's truly inclusive and will provide protections for all Hoosiers."

It's fair to say there are mixed signals coming from all sides on this debate — but once Indiana's hate crimes law ly signed, we'll have more than arguments to go on. Maybe the Democrats who spoke on Tuesday will be vindicated and the new law will be hollow and ineffective. Maybe Republicans will be right, and this will lead to the end of a long debate in Indiana politics. Either way Senator Alting is right — time will tell. For now, the General Assembly will move on to the remaining issues of this session.



Senate passes abortion procedure bill

The Indiana Senate has approved legislation that would largely ban a commonly used second-trimester abortion procedure (AP). The Republican-dominated chamber voted 38-10 Tuesday in favor of the bill, which heads to Gov. Eric Holcomb. The measure would ban dilation and evacuation abortions that the legislation calls "dismemberment abortion." It would make it illegal for doctors to use instruments such as clamps, forceps and scissors to remove a fetus from the womb unless there's "serious risk of substantial and irreversible physical impairment of a major bodily function" to the woman. Doing so would become a felony punishable by one to six years in prison.

Senate passes medical religious bill

The Indiana Senate overwhelmingly agreed Monday

that the religious freedom of nurses, pharmacists and physician assistants should trump the right of Hoosier women to receive abortion-related health care (Carden, [NWI Times](#)). The Republican-controlled chamber voted 38-8 to advance Senate Enrolled Act 201 to Republican Gov. Eric Holcomb, who is expected to sign it into law. The legislation expands the state's conscience-protection statute for medical professionals who do not want to perform an abortion or participate in any procedure that results in an abortion, including prescribing, administering or dispensing an abortion-inducing drug. Indiana law already authorizes physicians, hospital employees and health clinic staffers to opt out of providing abortion care. State Sen. Liz Brown, R-Fort Wayne, the sponsor, said nurses, pharmacists and physician assistants who aren't directly employed by a hospital or health clinic deserve the same freedom to abide by an ethical, moral or religious objection. ❖

Our mid-sized metros

By **MORTON MARCUS**

INDIANAPOLIS – You probably are familiar with Metropolitan Statistical Areas (MSAs), groups of counties around cities of 50,000 or more persons. Sometimes an MSA is only one county, but often an MSA includes nearby counties because there is considerable commuting between the core county and the outlying counties.



Bartholomew is the only county in the Columbus MSA. However, the Evansville MSA includes four counties, one of which is in Kentucky. In all, 43 of Indiana's 92 counties are part of 14 metro areas, some extending into each of our four neighboring states.

But do you know Indiana also has 26 Micropolitan Statistical Areas involving 27 counties? The federal Management and Budget (OMB) says "Micropolitan Statistical Areas have at least one urban cluster of at least 10,000, but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties."

In our case, only one core or principal city (Jasper in Dubois Co.) has another county (Pike) associated with it.

You'll know more about our metro areas than our micro areas because the former account for 77% of Indiana's population, while the micro areas have but 19%. Yet the future of the Hoosier State may depend on what happens in Warsaw, Marion, Wabash, and Seymour.

From 2010 to 2017, Indiana's population grew by 2.7%, but the cities of Warsaw and Seymour advanced by 8.6 and 7.4% respectively with growing business activity. By contrast, Marion and Wabash each lost 5.1% of their citizens. While 11 of the 26 principal cities of these micro areas gained population, the other 15 declined.

These principal cities are established communities with institutions and facilities for urban living. Richmond is the largest of these, but its numbers are now down to 34,500.

In the past, both the cities and the balance of their counties increased in population. Cities grew until state legislatures denied them any ease of annexation.

Between 2010 and 2017 that pattern applied to only eight of the 26 Indiana micropolitan cities. Washington and the balance of Daviess Co. growing together gave the total county a 4.4% increase. By contrast, with the population in Marion and the balance of Grant County both declining, the county's total population fell by 4.9%.

How large does a community need to be in today's world to offer residents and businesses reasonable expectations of long-term success?

The answer will depend on the costs of technology and the desire for community. Clearly, internet access and low-cost surface transportation services enable many households and businesses to flourish near small cities.

Economies of scale favored big and densely populated communities in the 19th and 20th centuries, and had an unfavorable impact on micro cities. They might thrive if we enter an era of more dispersed population and economic activity. ❖

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Gauging the wake of the Mueller report

By **LARRY J. SABATO** and **KYLE KONDIK**

CHARLOTTESVILLE, Va. – Following the conclusion of the Mueller probe, President Trump being forced from the ballot because of legal troubles is even less likely than before. Trump remains an overwhelming favorite for renomination by Republicans as their presidential nominee. The fate of the Trump administration is in the hands of the voters in November 2020.

There is still so much we do not know about Robert Mueller's investigation into Russian interference into the 2016 election. For one thing, none of us, including commentators, has actually seen the report; all we have is a summary from Attorney General William Barr, an appointee of President Trump who quite likely has an interest in presenting the Mueller report in the best possible light. Given that there has been a bipartisan consensus about releasing the report – the president himself called for it less than a week ago – we hope the full report, or as much of it as legally possible, comes out quickly.

With this caveat in mind, that we're trying to make judgments about the substance of a document that we haven't seen, we still think there are a few thoughts worth offering:

1. Trump is not banned from the ballot because of legal troubles is even less likely than before. As the Mueller investigation went on, and as those close to the president found themselves in legal jeopardy (such as Paul Manafort, Michael Cohen, and Michael Flynn), it seemed reasonable to at least hold open the possibility that the Mueller probe could eventually lead to Trump having to resign because of it. But with the president now apparently out of legal jeopardy, at least with respect to the Mueller inquiry, the president appears nearly certain to be reelected.

That's not to say Trump is guaranteed to be free and clear on any and all legal questions. Let's not forget all those other investigations of Trump that are ongoing. He's lived on the legal edge for decades. Something big could happen on this front between now and the election, and Democrats will of course continue to exercise their oversight powers in the House of Representatives to investigate Trump and his family. But our best guess is that any report from the actual Mueller report, would provide political fodder against the president, as opposed to legal fodder.

Even then, previous bombshells from the Mueller probe have not caused sizable changes in the president's approval rating, which has been very steady over time (his approval is generally in the low-to-mid 40s and disapproval

is generally in the low 50s). While there might be a temporary bump, we doubt that the Barr summary will cause some sort of major, enduring change in the president's approval. We just don't think there are enough Trump disapprovers who disapproved of him mainly based on the Mueller probe and will now consistently approve of him.

Additionally, it will be very surprising if a majority of House Democrats pursue impeachment in the wake of the Mueller report. Speaker of the House Nancy Pelosi threw cold water on the idea even before the Mueller inquiry concluded, and any impeachment proceeding is deadlier than dead in the GOP-controlled Senate, barring some massive new bombshell Republican opinion of the president.

2. Trump remains an overwhelming favorite for renomination by Republicans as their presidential nominee. We've long noted that Trump's strong approval ratings among Republicans would make it very difficult for any Republican to challenge Trump successfully. One thing that could have potentially hurt Trump's odds, and emboldened a GOP opponent, could have been a clear conclusion of illegal behavior by Trump about Russian interference in the 2016 election. Whatever the full Mueller report says, that apparently is not a conclusion Mueller reached.

While Trump may have at least one primary challenger – former Massachusetts Gov. William Weld, who also was Gary Johnson's running mate on the Libertarian ticket in 2016 – no one would consider Weld a top-tier challenger. This is good for the president as he seeks a sign of weakness even if a president is otherwise re-nominated, as Presidents Ford (1976), Carter (1980), and Bush-41 (1992) discovered.

3. The fate of the Trump administration is in the hands of the voters in November 2020. As usual, the presidential outcome will depend heavily on factors beyond the full control of anyone, such as the state of the economy. Democrats only control who they nominate and what they emphasize in the campaign. The long campaign can give them the opportunity to size up the contenders and (they hope) choose the one with the best chance against Trump. Or they could pick another George McGovern, Walter Mondale, or Michael Dukakis, weak nominees, all. The message and the messenger will be critical. The Democrats did not really run on the Mueller probe in the 2018 campaign, and for the most part, the 2020 candidates haven't really been doing that either. Now the Democratic contenders will certainly not do so, though other investigations of Trump may bear fruit and become campaign fodder.

The election year 2020 should be a close, competitive, high-turnout election with both sides energized, given what we know today. But lots of factors can tilt the result one way or another. What's not going to change is Donald Trump. ❖

Michael Gerson, Washington Post: There are times when President Trump manages to be so wrong — so empirically groundless, so logically fallacious, so stridently uninformed — that it seems like a form of parody. But more often than not, this is alarming ignorance. The mask of a barroom political crank turns out to be the face of the president of the United States. Such appears to be the case in Trump's recent threat to cut off hundreds of millions of dollars in foreign assistance to El Salvador, Guatemala and Honduras — countries known as the Northern Triangle of Central America — as punishment for their failure to stem migration from the United States. To make this action a rational one, Trump must imagine that foreign aid is nothing more than cash loaded onto cargo planes and dropped on the presidential compounds of corrupt rulers as reward for subservience to U.S. interests. So he wants to cancel the deliveries until they do what we wish. The reality of foreign assistance is very different. It is seldom given directly to foreign governments. The work is often contracted to nongovernmental organizations (NGOs) that work in partnership with locals. And it is generally designed to improve conditions within foreign countries that can give rise to global threats. This role is obvious, say, in the case of infectious diseases. It is better to deal with an Ebola outbreak as close as possible to the source, rather than waiting for the threat to arrive in Georgia or Kansas. But this is equally true when it comes to refugees. ❖

David Brooks, New York Times: Why are people so in love with the mayor of South Bend, Ind., who almost nobody had heard of until he did a CNN Town Hall on March 10? It's important to remember that when Democrats vote next year, they'll not only be choosing a policy alternative to Donald Trump, they'll also be making a statement about what kind of country they want America to be. The Trump era has been all about dissolving moral norms and waging vicious attacks. This has been an era of culture war, class warfare and identity politics. It's been an era in which call-out culture, reality TV melodrama and tribal grandstanding have overshadowed policymaking and the challenges of actually governing. The Buttigieg surge suggests that there are a lot of Democrats who want to say goodbye to all that. They don't want the divisiveness with moral clarity and divisiveness. They don't want the divisiveness with another kind of identity politics. They are sick of the moral melodrama altogether. They just want a person who is more about governing than virtue-signaling, more about friendliness and basic decency than media circus and rhetorical war. Buttigieg's secret is that he transcends many of the tensions that run through our society in a way that makes people on all sides feel comfortable. First, he is young and represents the rising generation, but he is also an older person's idea of what a young person should be. He'd be



millennial president, but Buttigieg doesn't buy into the stereotypes that have been peddled to America's young people. Second, he is grateful for the progress made by the LGBTQ movement, but he doesn't do so in a way that feels threatening or transgressive to social conservatives. He has conservative family values; it's just that his spouse is a husband, not a wife. He speaks comfortably about his faith and says that when he goes to church he prefers a conservative liturgy to anything experimental. Third, he is a localist and a Washington outsider, but he carries no populist resentment and can easily speak the language of the coastal elite. Buttigieg has spent his political career in Indiana. He wasn't alive when the Studebaker plant shut down in South Bend, but he has the trauma of Midwestern deindustrialization in his bones. On the other hand, he was friends with Mark Zuckerberg at Harvard and thrived as a corporate consultant. Finally, he's a progressive on policy issues, but he doesn't sound like an angry revolutionary. Buttigieg's policy positions are not all that different from the moral compromises of his predecessors. But he eschews grandiosity. ❖

William McGurn, Wall Street Journal: Thanks to two lucky breaks, Hillary Clinton got away with political murder in 2016. The biggest break came when opposition research produced by one of her hired hands ended up being used by the FBI to spy on her Republican rival's campaign and feed accusations of Russia collusion. But she'd also lucked out in early July when the FBI director himself, even though he lacked the authority to do so, publicly and personally cleared her of any charges for having taken her emails as secretary of state off-grid. This weekend Sen. Lindsey Graham told Fox News that the two cases point to a glaring double standard between how the Clinton and Trump investigations went down. Mr. Graham added that he's not alone. Attorney General William Barr, he said, is "pretty upset" by the way the Justice Department dealt with the Clinton investigation. "I want a prosecutor to look at this, not a politician," said Sen. Graham, hinting there may yet be criminal consequences. But not for Mrs. Clinton. And as disappointing as this may be for the lock-her-up crowd, that's a good thing. In practical terms, the challenges to prosecuting Mrs. Clinton and her associates are formidable. The statute of limitations on lying and the immunity agreements her associates received are only some of the obstacles. Even more dispositive, criminally prosecuting an election loser isn't going to help a nation that needs to move beyond 2016. But Mr. Graham isn't calling for Mrs. Clinton in prison stripes. He's after something more fundamental. What he wants is for the American people to appreciate that men and women at the top of the nation's intelligence and law-enforcement agencies abused the power of their respective offices. ❖

Sec. Perdue against closing Mex border

WEST LAFAYETTE — U.S. Secretary of Agriculture Sonny Perdue eral trade questions while visiting Purdue University Tuesday morning including numerous inquiries about the potential economic impacts of the southern border crisis ([Indiana Public Media](#)). Mexico is one of the U.S.'s closest trading partners, with more than \$1 billion worth of goods passing across the border each day. Perdue says while immigration reform is needed, shutting down the border, as President Donald Trump has threatened, would hurt American farmers. "I certainly hope we can get this Mexican border issues solved without closing the borders," says Perdue. "That would be devastating to both of our dairy, pork and corn industries in that way." He also addressed the nation's trade dispute with China and its effect on Hoosier farmers during the visit. Perdue says farmers are anxious as they try to k

"The farmers have been very resilient and very loyal to the long game that the president has called us to, but there is economic duress and stress out there," he says. "No doubt about it." Perdue notes the tariffs President T e

years of low commodity prices, making farming less pr

the industry a tougher sell for younger people. "You've got parents there that have children here at Purdue or other universities that are not sure they want their children to come back because of the rigors of economic stress that we're going through right now," he says.

Lightfoot wins Chicago mayor

CHICAGO — Lori Lightfoot won a resounding victory Tuesday rican-

American woman and openly gay person elected mayor of Chicago, dealing a stinging defeat to a political establishment that has reigned over City Hall for decades (Ruthart, [Chicago Tribune](#)). After waging a campaign focused on upending the vaunted Chicago political machine, Lightfoot dismantled one of its major cogs by dispatching Cook County Board President Toni Preckwinkle, whose candidacy had been hobbled in part by an anti-incumbent mood among voters and an ongoing federal corruption investigation at City Hall. "Today, you did more than make history," Lightfoot told hundreds of supporters at the Hilton Chicago on Tuesday night. "You created a movement for change." With

roughly 97 percent of the city's precincts reporting, Lightfoot had swept all 50 of Chicago's wards, winning 74 per ote to 26 percent for Preckwinkle.

Winnecke says his city is changing

EVANSVILLE — Mayor Lloyd Winnecke said Tuesday during his State of the City address that Evansville is stronger than ever and growing in terms of infrastructure, partnerships and quality of life initiatives ([Evansville Courier & Press](#)). The nearly hour-long address was spent touting project completions, new job opportunities, tourism and housing opportunities and referencing a few city-wide challenges. "Our city is changing," Winnecke said.

House panel passes extraterritorial bill

INDIANAPOLIS — A bill limiting the regulatory powers of small towns and cities passed out of an Indiana House committee Tuesday. The legislation would prevent boards from halting developments within four miles of their city limits due to health and safety concerns ([Indiana Public Media](#)). Debate has centered on wind farms, particularly proposals

in Montgomery and Henry counties. Wind companies argue the four-mile radius limits the amount of land they can develop, while opponents say the so-called extraterritorial powers help mitigate concerns about perceived health risks caused by turbines. Sen. Phil Boots (R-Crawfordsville) is one of the bill's authors. He says the primary goal is to allow for a more representative and simpler government. "That's all I'm trying to accomplish," Boots says. "To make sure we understand who has the authority and who doesn't."

Ignatius recalls Khashoggi courage

TERRE HAUTE — David Ignatius knew Jamal Khashoggi, not just as a colleague at the Washington Post, but as a f

in 2003, and Ignatius loved talking Mideast politics with Khashoggi (Loughlin, [Terre Haute Tribune-Star](#)). On Tuesday, exactly six months after Khashoggi was killed, apparently at the hands of a Saudi strike team inside the Saudi consulate in Turkey on Oct. 2, Ignatius delivered the inaugural Jamal Khashoggi annual address on Journalism and the Media at Indiana State University. "Jamal was a courageous man who just couldn't stop telling the truth as he saw it. He knew that he was in danger," Ignatius said. Khashoggi knew the Saudi government regarded him as a threat and even conducted a campaign on social media attacking him. Sometimes, like any human being, Khashoggi wondered "if he should pull back and whether the risk he was taking was just too great," Ignatius said. No matter the risk, "He was not a man who could suppress what he believed was true." Ignatius said he was "thrilled" to deliver the inaugural address. "It meant a lot for me to be here," he said. "I can't think of a better way to honor him," especially since Khashoggi graduated from Indiana State in 1983. For President Trump to describe the press as "the enemy of the people, I

" Ignatius said.



From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 4/5
Date: Friday, April 5, 2019 11:49:10 AM
Attachments: [Howey 4-5-19.pdf](#)
[GamInsight April 5.PDF](#)
[LegInsight April 5.PDF](#)

Pillar 1- Diversify our economy

FW Business- [Indiana attracted more venture deals](#)
Building IN- [Canadian Manufacturer investing \\$22M](#)
Business Facilities- [Multimatic Investing More Than \\$22M In Indiana Expansion](#)
Inside IN Business- [Muncie to Make Economic Development Announcement](#)

Pillar 2- Upgrade our infrastructure

FW Business- [Study projects return on rural broadband](#)
Times Herald- [INDOT announces trash bash](#)
EM Today- [Indiana School District Receives \\$4.7 Million in Energy Improvements](#)

Pillar 3- Strengthen our workforce

FW Business- [Indiana's tech employment grew 2 percent](#)
Inside IN Business- [JobWorks Launches Training Division in Fort Wayne](#)
Inside IN Business- [Gates Foundation Grant to Benefit Indy Startup](#)
Building IN- [Can't find workers? Make them.](#)
Herald Argus- [IDOC honored for virtual job fair](#)
WBIW- [DWD Unveils Improved Unemployment Insurance System For Employers](#)

Pillar 4- Attack the drug epidemic

IN Public Media- [Workforce Recovery Program Brings Workshop To Cook Group In Bloomington](#)
NY Times- [China Bans All Types of Fentanyl, Cutting Supply of Deadly Drug to U.S. and Fulfilling Pledge to Trump](#)
Recorder- [The opioid crisis: Indianapolis struggles to stop cycle of use and overdoses](#)
Recorder- [Today's opioid crisis vs. the crack epidemic of the 1980s](#)
Recorder- [Opioid addiction affects businesses' bottom line](#)
Recorder- [Children: innocent victims in opioids crisis](#)
Recorder- [Churches stepping up to the plate in fight against opioid crisis](#)
Recorder- [How opioids affect the body and brain](#)
Recorder- [A tale of two drugs](#)

Bias Crimes

NWI Times- [Bias crimes law hits the right note for our state](#)
WIBC- [The Hate Crime Bill Is Law. The Argument Over Whether It's Enough Continues](#)
WTHR- [Time \(and courts\) will tell if we have a hate crimes law](#)
IDS- [Holcomb signed a hate crimes bill. Some at IU have mixed feelings about it.](#)

2019 Legislative Session

NWI Times- [Governor signs law speeding transition to appointed state schools chief, instead of](#)

[elected](#)

Indy Star- [JW Marriott owner wants to save taxpayers from funding 'luxury hotels' – except maybe its own](#)

Tribune Star- [Casino bill has new hearing date](#)

WIBC- [Few Obstacles to Gary Casino Fee](#)

Crusader- [Melton responds to House action on Senate Bill 552](#)

Utility Dive- [Indiana GOP advances coal rescue bill that would pause utility plant builds](#)

Journal Gazette- [School safety bill changed after training issue](#)

NWI Times- [Indiana lawmakers amending law on school shooter drills](#)

IN Public Media- [Lawmakers Consider Third Referendum Option For School Safety](#)

IN Public Media- [Senate Unanimously Approves Volunteer Coach Discipline Bill](#)

WLFI- [Bill would limit pet ownership by convicted animal abusers](#)

My Wabash Valley- [Free pre-K program could expand across Indiana](#)

US News- [Legislature Aims to Close Online Sales, Hotel Taxes Loophole](#)

DC Herald- [Legislature aims to close online sales loophole](#)

Times Herald- [Cigarette tax hike advocates not giving up](#)

FW Business- [Legislative study a dose of hope amid prescription price increase](#)

Crusader- [Republicans reject Harris' bill to freeze tuition at Indiana universities](#)

Journal Gazette- [Ongoing neglect hits rural schools hardest](#)

Tristate Homepage- [McNamara talks about the legislative session](#)

Indy Politics- [Statehouse: Week 14 in review](#)

Misc.

Indy Star- [Pence promotes NAFTA successor in Indiana as pact draws environmental, labor concerns](#)

NWI Times- [Initiative aims to reduce Indiana's worst-in-the-Midwest infant mortality rate](#)

WRBI- [Solar backpack concept wins Innovate WithIN challenge](#)

IN Public Media- [Panel Hires Attorney To Probe Bosma's Use Of Campaign Funds](#)

Sincerely,

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HOUSE REPUBLICANS PUSH FOR MORATORIUM ON NEW POWER PLANTS: In a sudden legislative move that is raising alarms for utilities and environmentalists alike, Indiana Republicans want to put a moratorium on new, large power plants just as several large electrical providers are gearing up to retire aging coal-fired generating units and replace them with renewable energy and natural gas (Russell, [IBJ](#)). The House Utilities Committee passed an amendment along party lines Wednesday that would prohibit state regulators from approving any new power plants, new power contracts or changes in fuel sources until Jan. 1, 2021. The moratorium would apply to generating capacity larger than 250 megawatts, meaning huge generating plants. The measure also would require the Indiana Utility Regulatory Commission to conduct a comprehensive study of the transition away from coal to other fuel sources, including their impact on the electrical grid. Rep. Ed Soliday, the committee's chairman, introduced the amendment, saying the state needs to take a close look at whether a big shift from coal to natural gas and renewables would throw the grid out of balance, make it less reliable or less resilient. He said the moratorium has the support of Gov. Eric Holcomb. The committee passed the amendment without taking any testimony. It must still go before the full House and the Senate for a vote. The move comes just a few months after two major utilities announced plans to retire much of their coal-fired generating capacity and shift to cheaper fuel sources, and other utilities are still drawing up plans for how they will generate power. Utilities can sometimes qualify for millions of dollars in tax credits if they switch to cleaner energy. "We're very concerned about this," said Mark Maassel, president of the Indiana Energy Association, which represents large, investor-owned utilities. "The interruption of the normal flow of things at the utility regulatory commission is problematic for us." He added that his association has expressed its concerns to Soliday.

HATE CRIME BATTLES CONTINUE: The legislative battle over Indiana's hate crimes law is over, but the battle over what it means may be just beginning. The hate-crime watchdog Anti-Defamation League issued a statement calling the law inadequate and unacceptable, because it doesn't include age, gender or gender identity. Governor Holcomb suggests the ADL has moved the goalposts (Berman, [WIBC](#)). He says the ADL called for a bill with a specific list of protected groups, and that's what legislators passed, allowing judges to impose longer sentences for crimes targeting those groups. House Speaker Brian Bosma (R-Indianapolis) says the ADL has political motivations for not supporting the law, and says if the ADL doesn't take Indiana off its list of states without a law, the list means nothing. He says 21 states whose laws the organization does recognize covers the same groups as Indiana's law, or fewer. Holcomb and Bosma note there are other groups which track state-by-state hate crime laws. Bosma says he expects the National Council of State Legislatures to take Indiana off its list of states without one. All states with hate crime laws include racial, religious and ethnic prejudice. Indiana joins 30 states whose laws address crimes targeting sexual orientation. Holcomb says he hopes and expects businesses will point to the law to show prospective workers Indiana is a welcoming state. He says even the groups which aren't listed specifically are covered by wording which extends the law to any other identifiable characteristic. Critics charge that language is too vague -- the American Civil Liberties Union contends it makes the law unconstitutional. Other groups argue even if it's legally sound, it undermines the rest of the law by putting decades of racially-tinged violence on a par with distinctions like wearing a rival sports team's jersey.

PENCE PUSHES TRADE DEAL IN INDIANA AS FARMERS EXPRESS URGENCY: Vice President Mike Pence returned to central Indiana Thursday to talk with Hoosier farmers and other members of the agricultural community. He landed in Indianapolis around 3 p.m. then headed for Lamb Farms, Inc. in Boone County to discuss the potential impact of the U.S. - Mexico - Canada Agreement, specifically for the business and agricultural communities ([WTHR-TV](#)). President Donald Trump has touted the agreement as the replacement for NAFTA. "We don't have time. We need to move," one man told Pence. Another asked the vice president not to "forget rural America." Pence said, "There's real urgency here. Farmers ... have been feeling the weight of low commodity prices. They've been burning through capital, burning through equity." Congress has not yet ratified it. One of the farmers who gathered for the event asked Pence to do what he could to ensure a deal gets done soon for both Mexico and Canada because they don't expect to export as much to China as they once did, even if every embargo gets lifted. "We need all of them together," he said, to ensure the next generation of farmers has a broad enough consumer base to keep operating. Numerous people who got to speak mentioned wanting to see tariffs reduced or removed on a wide range of agricultural products. After hearing from all of the Indiana farmers and pork producers who came to speak, Pence addressed them all saying, "The president and I are absolutely determined to see the USMCA completed and ratified by the United States Congress this spring." Miami County farmer Steve Maple said his livelihood depends on opening up export markets in Canada, Mexico, China and Japan ([Fort Wayne Journal Gazette](#)). "It's time that we get things done," he said. "At least (Pence) is listening. That's important." Lt. Gov. Suzanne Crouch accompanied Pence because Gov. Eric Holcomb was out of town.

TRUMP BACKS OFF THREAT TO CLOSE BORDER: President Donald Trump eased off his threat to shut down the U.S.-Mexico border, instead giving Mexico a "one-year warning" and threatening to first impose auto tariffs before closing the border ([Politico](#)). "The only thing frankly better, but less drastic than closing the border, is to tariff the cars coming in," he

told reporters at the White House on Thursday. "We're going to give them a one-year warning and if the drugs don't stop or largely stop, we'll put tariffs on Mexico and products, in particular cars." Trump's shift comes days after he said he would close the border as soon as this week if Mexican leaders were unable to stem the flow of migrants crossing into the U.S.

TRUMP JABS AT BIDEN, IGNORING HIS OWN HISTORY WITH WOMEN: President Trump, ignoring his own troubled history with women and bragging about sexual misconduct, went after Joseph R. Biden Jr. via Twitter on Thursday, posting a video that mocked the former vice president for his handsy approach to politicking ([New York Times](#)). "The 15-second clip tweeted Thursday by Mr. Trump — accompanied by the text, 'WELCOME BACK JOE!' — doctored a homemade video that Mr. Biden had released the day before, in which the former vice president addressed his history of physical contact with women, some of whom have come forward in recent weeks to say his intimate behavior made them uncomfortable. As Mr. Biden speaks to the camera, a pair of hands appears on his shoulders, and then a cartoonish image of Mr. Biden's head pops up from behind a couch and intimately nuzzles the back of the former vice president's head. For a week, Mr. Trump's advisers have been watching the spectacle surrounding the accusations that Mr. Biden has touched women inappropriately with something like glee." @JoeBiden replies to Trump's tweet: "I see that you are on the job and presidential, as always."

INITIATIVE AIMS AT INDIANA'S HIGH INFANT MORTALITY RATE: Working the day shift at a children's hospital, Dr. Jennifer Walthall received the call she dreads — an infant in cardiac arrest. Despite staff efforts, the 4-week-old infant died, becoming one of Indiana's first 2019 infant mortality statistics. Walthall met with the mother and learned she had to go back to work when her child was 3 weeks old. The mother was working two jobs (Euvino, [NWI Times](#)). From that experience Walthall, secretary for the Indiana Family and Social Services Administration, learned, "I have a lot of work to do." Offering concluding remarks at the First Ladies Luncheon on infant mortality in Indiana on Thursday at ArtHouse in Gary, Walthall told an audience of 150 physicians, health care providers, social service agencies, business leaders, and government officials, "It's going to take all of us. The village is you, it's me. I know the collaboration is here, because you're here." Hosted by Indiana first lady Janet Holcomb, the luncheon meeting is the first gathering this year in four counties around the state following last year's initial First Ladies Luncheon at the Indiana Black Expo in Indianapolis. "We're all here because of a shared goal, to be part of something bigger than ourselves," Holcomb said, noting her husband, Indiana Gov. Eric Holcomb, has set a goal of reducing Indiana's infant mortality rate to 6 deaths per 1,000 live births by 2024. While the current U.S. infant mortality rate is 5.79, the rate for Indiana is 7.3. Among African-American Hoosiers, the rate is 15.3; for Hispanics, 7.6; and for whites, 5.9.

SCHOOL SAFETY BILL CHANGED AFTER PELLET ISSUE: A state Senate panel has amended a school safety bill after teachers were shot with plastic pellets during active-shooter training at an elementary school in northern Indiana ([AP](#)). The amendment would bar the firing of projectiles at teachers, school employees or students during any drill or training. The Senate education committee amended the bill Wednesday and it now proceeds to the Senate appropriations committee, the Indianapolis Star reported. The Indiana State Teachers Association requested the amendment following a training exercise in January at Meadowlawn Elementary School in Monticello. Instructors fired on the teachers, saying it demonstrated what would happen if they weren't proactive in responding to an active shooter. Educators were left with welts, bruises and abrasions. The exercise went too far, lawmakers said. The school's educators were supposed to be receiving ALICE training, an "options-based" practice that aims to influence students and teachers to be more proactive in their response to an active shooter. The training also included strategies such as rushing a prospective shooter. ALICE is an acronym for Alert, Lockdown, Inform, Counter and Evacuate.

INDY'S PLETHORA OF POT HOLES CONTINUE TO STEAM MERRITT: Everybody gets mad about potholes in Indianapolis... everybody. But nobody seems madder about them than Jim Merritt. "I mean look at that, cones that are in the potholes themselves, so you avoid them...in the potholes!" said Merritt (Donaldson, [CBS4](#)). Merritt doesn't blame the Indianapolis weather. Instead, he blames the city's mayor. "It does make me mad, because it could have been avoided," said Merritt. Jim Merritt's political career is now closely tied to the condition of Indy's pockmarked streets. The long-time Republican state legislator is running for mayor against incumbent Joe Hogsett and potholes are issue number one. "We're really have a difficult time because there was no preventative maintenance, we just didn't prepare for this," said Merritt. Merritt doesn't give specifics on how he would maintain the streets better than Hogsett, at least not yet. But he is convinced that he could do a better job. "You know what? Right now it's just not good enough, we deserve better," said Merritt.

COACH MCGRAW MAKES CASE FOR WOMEN: Notre Dame Coach Muffet McGraw has been on the Final Four stage nine times in her career. She has answered hundreds of questions about her team, about her rivalry with Connecticut's Geno Auriemma, about the state of women's basketball. But her news conference on Thursday was different. It was passionate, and it was personal. Muffet McGraw has had enough ([New York Times](#)). Enough of the declining percentage of women coaching women's basketball teams. Enough of the limited female representation in Congress. Enough of confining gender roles. Enough of the gender pay gap. "Men run the world. Men have the power. Men make the decisions. It's always the man that is the stronger one," McGraw said, her voice rising in response to a question about saying in a recent ThinkProgress article that she would not hire another man for her coaching staff. "When these girls are coming out, who are they looking up to to tell them that's not the way it has to be?" McGraw continued. "Where better to do that than in sports? All these millions of girls that play sports across the country, we're teaching them great things about life skills, but wouldn't it be great if we could teach them to watch how women lead?"

HPI DAILY ANALYSIS: There's always one really nutty, zany move in the General Assembly and Rep. Soliday may have come up with this year's doozy, amending an unrelated bill to push a moratorium on new power plants. What a stupid, stupid move that should be immediately rejected. Market forces, not ideology, are pushing Hoosier utilities into renewable energy and away from coal. - *Brian A. Howey*

Campaigns

BUTTIGIEG MAKES THE CASE FOR MAYOR IN WHITE HOUSE: South Bend Mayor Pete Buttigieg appeared on *ABC's "Good Morning America"* and said it makes sense for a mayor to be in the White House (Howey Politics Indiana). "I would argue that the experience of a mayor of a city of any size is about as relevant as it gets," Buttigieg said. "I get that it's more traditional if I were to spend years or maybe decades marinating in Washington but... I actually think we'd be better off if Washington started looking more like our best run cities and towns and not the other way around. You know as a mayor I've found myself dealing with issues ranging from economic development puzzles to phone calls in the middle of the night about a disaster; everything from comic parks and recreation controversies to searingly urgent issues like racially sensitive officer involved shootings. All of that comes a mayor's way."

GAY POLITICIANS RISING: The quick rise of Chicago mayor-elect Lori Lightfoot, and Pete Buttigieg in the 2020 race, shows remarkable progress by gay and lesbian politicians, with their sexual orientation getting less play than other historic qualities (Allen, *Axios*). Both Lightfoot and Buttigieg have talked comfortably about LGBT issues and their own same-sex marriages, AP's David Crary writes. "The real news is not that openly gay candidates are successful, but that being openly gay has become irrelevant," said Richard Socarides, a former Clinton White House adviser on gay issues. This continues progress from last year's midterms, when LGBTQ candidates scored a raft of wins, including two governorships and first-ever legislative seats in Indiana, Kansas and Nebraska. It was only in 1998 that Tammy Baldwin of Wisconsin became the first openly gay person to gain a seat in the House of Representatives, AP reports: There are now eight LGBT members of the House, and two in the Senate — Baldwin and Arizona's Kyrsten Sinema, whose bisexuality never became an issue in her closely contested election campaign last year. Lightfoot's victory on Tuesday, along with Satya Rhodes-Conway's win in Madison, Wisc., brings the number of LGBT mayors to 37, according to the LGBTQ Victory Fund. In Colorado, Jared Polis was inaugurated in January as the nation's first openly gay governor. Buttigieg's husband, Chasten, has amassed 182,000 Twitter followers with cheerful, wry commentary about their relationship and their dogs.

TERRE HAUTE COUNCIL CANDIDATE GETS FELONY REMOVED: A candidate for Terre Haute City Council has succeeded in getting a more than 20-year-old felony conviction expunged. "Game on!" Ryan Leroy Carter, 43, said Thursday in response to action by a Marion County judge to remove from his record two counts of theft to which he plead guilty in 1996, at age 20 (Taylor, [CNHI](#)). The charges involved possession of stolen property and Carter was sentenced to probation and 80 hours of community service. Carter said he thought terms of his plea agreement called for the convictions to be removed from his record in a couple of years. However, his past caught up with him after he was hired in December as a correctional officer at the Vigo County Jail. While initially undetected, the county's human resources department found the conviction through a public records database on Jan. 16. He had filed his candidacy for City Council in the Democratic Party on Jan. 9, but no one challenged him until after the deadline to remove him from the ballot had passed.

VANDEBURGH COMMISSIONERS INCREASE POLL WORKER PAY: To combat low participation for election day poll workers, Vanderburgh County Commissioners approved a resolution to increase poll worker pay (Stubbs, *Evansville Courier & Press*). Commissioners unanimously approved the resolution at Tuesday's meeting. Vanderburgh County Republican Party Chairman Wayne Parke told commissioners Civic Center employees willingly worked the polls in election day's past. "Civic Center employees have a paid holiday for elections," he said. "The intent was that those employees would be able to work at the polls ... It wasn't such a difficult thing to get people to work." In recent elections, however, only 15 or 20 Republican Civic Center employees volunteered to work the polls at current wages, Parke said. "It's important to get good people," he said. "The problem is the low wage rates."

9 SCHOOL DISTRICTS SEEKING FUNDS VIA REFERENDUM: Nine Indiana school districts are asking voters to increase funding for education this May, the latest sign that many school systems are relying on referendums to supplement the money they receive from the state (*AP*). Five of the districts seeking additional operating funds, including two in Marion County, are returning to voters after winning previous tax measures this decade. Two districts are making their first requests. If voters approve property tax increases, the money can be used for a host of expenses, including to boost teacher salaries, fund special programs, or keep existing budgets afloat despite declining revenue. Two districts outside Marion County are seeking capital referendums to help pay for building improvements. The election is May 7. At least two other Marion County districts, Beech Grove and Lawrence, plan to seek referendums in November.

DISTRICTS SEEKING OPERATING FUNDS: Here are the nine districts seeking tax increases: Operating referendums — Duneland School Corporation, Porter County; — Elkhart Community Schools, Elkhart County; Franklin Community School Corporation, Johnson County; Frontier School Corporation, White County; MSD Decatur Township, Marion County; MSD Wayne Township, Marion County; River Forest Community School Corporation, Lake County;

DISTRICTS SEEKING CAPITAL FUNDS: DeKalb County Central United School District, Steuben County; Hanover Community School Corporation, Lake County.

REP. RYAN ANNOUNCES FOR PRESIDENCY: Rep. Tim Ryan of Ohio announced Thursday that he is running for president — the newest name in a still-growing 2020 field of Democratic candidates that boasts more than a baker's dozen ([NBC News](#)). Ryan keynoted the 2018 Indiana Democratic convention. Ryan, who made the announcement on the web just before appearing on ABC's daytime talk show "The View" to discuss his candidacy, will hold an official campaign kickoff rally with local union leaders in Youngstown, Ohio, on Saturday afternoon, his campaign said — a celebration of his longstanding ties with the working-class community and an indication of the kind of labor-friendly campaign he plans to wage. When asked by reporters outside the show what sets him apart from other Democrats running for president, Ryan pointed to his ideas to rehabilitate the economy, adding that thinks he can win the Rust Belt states that President Donald Trump flipped in 2016. "I believe in the free enterprise system," Ryan added. "I think we're not going to solve these national problems without them, but I also believe that we need to reform government and get the government working because I think government can be instrumental."

General Assembly

CASINO BILL TO GET HEARING NEXT WEEK: A gambling bill that could put a casino in Terre Haute is set for a hearing in the Indiana House next week. Senate Bill 552 is now scheduled to go before the House Ways and Means Committee at 9 a.m. Tuesday, April 9, in Statehouse Room 404 (Taylor, [Terre Haute Tribune-Star](#)). The bill has undergone plenty of changes since it was introduced and is likely to see more revisions, gaming experts and legislative observers say. Senate Bill 552, by Sens. Mark Messmer of Jasper and Jon Ford of Terre Haute, both Republicans, has cleared the Senate. However, life got more complicated for the bill and for the Terre Haute area's effort to land a casino after action in late March by the House Public Policy Committee. In amendments, that committee added provisions for a \$100 million fee to relocate one of two Gary casinos inland and a provision to surrender a second license and compete with other operators for a Terre Haute license — a move that might require another fee of \$50 million or more. The lead partners in Spectacle are Terre Haute businessman Greg Gibson and former Centaur Gaming CEO Rod Ratcliff. Gibson and Spectacle's lobbyist have indicated the company opposes the amendments made in House Public Policy, including the \$100 million fee. Ford said the measure is going before Ways and Means to address tax and fiscal issues. "I think it will come out of there in good shape for our community," he said.

SENATE PANEL AMENDS SCHOOL SAFETY BILL: A state Senate panel has amended a school safety bill after teachers were shot with plastic pellets during active-shooter training at an elementary school in northern Indiana. The amendment would bar the firing of projectiles at teachers, school employees or students during any drill or training ([AP](#)). The Indiana State Teachers Association requested the amendment following the training exercise in January at Meadowlawn Elementary School in Monticello. Instructors fired on the teachers, saying it demonstrated what would happen if they weren't proactive in responding to an active shooter. Educators were left with welts, bruises and abrasions. Lawmakers say the exercise went too far.

3RD OPTION FOR SCHOOL SAFETY BILL: A proposal moving forward at the statehouse would allow school districts to ask voters for a property tax increase specifically to pay for school safety projects (Lindsay, [Indiana Public Media](#)). School corporations can ask voters to approve two types of referenda, to fund construction projects or, general operations. Many districts have included school safety improvements as part of the reason for their referendum proposals, along with other expenses like teacher pay, but the House Ways and Means Committee approved a bill this week to let schools ask for tax hikes for safety costs alone. Sen. Travis Holdman (R-Markle) authored the bill and announced he would make the move last summer. He said in a hearing last month it should be an option even if not all schools want to use it. "This isn't intended to be an answer for all school corporations," he says, "but I think there are a fair number who could utilize it." House Ways and Means co-chair Tim Brown (R-Crawfordsville) voted in favor of the bill in committee, but says creating a third referendum option may be unnecessary. "At this time I feel this bill is a little bit redundant because we do have an operating and construction levy referendums out there," he says.

COACH DISCIPLINE BILL PASSES SENATE: Senate lawmakers approved legislation Thursday that ensures Indiana law deals with how volunteer coaches at high schools are disciplined. State law already governs how coaches who are employees of a high school are treated when fired for criminal acts or misconduct. But the law didn't contemplate volunteers (Smith, [Indiana Public Media](#)). Legislation sponsored by Sen. Randy Head (R-Logansport) puts volunteer coaches on par with high school employees – and ensures the state Department of Education knows when those coaches are fired for bad or criminal behavior. "The bill requires schools to notify the department and the department to keep a list of those people so if they try to get hired at another school, we know what's going on," Head says.

HOUSE ETHICS PANEL HIRES ATTORNEY IN BOSMA CASE: The Indiana House Ethics Committee has hired an outside attorney to investigate allegations that House Speaker Brian Bosma used campaign funds to collect unflattering information about a former intern who claims she had a sexual encounter with him decades ago ([Indiana Public Media](#)). House Ethics Chairwoman Sharon Negele tells The Indianapolis Star that Indianapolis attorney Bonnie Martin was hired to conduct an "independent review" of the allegations. The Star reports Martin has interviewed the former intern and relatives. Those interviews are the first sign the panel is taking steps to investigate a complaint filed last year after the newspaper reported that Bosma paid a law firm more than \$40,000 in campaign funds to gather information about the woman. Bosma, a married Republican lawmaker, denies having the 1992 encounter with the woman.

BILL WOULD LIMIT PET OWNERSHIP BY ABUSERS: A bill that would bar Indiana residents convicted of crimes involving animal abuse from owning a cat or dog while on probation or parole is headed to Gov. Eric Holcomb's desk. House members voted 90-0 Tuesday to send the bill to Holcomb, who's expected to sign it into law. The measure passed the Senate, 49-0, in February. The [NWI Times](#) reports the legislation would bar anyone convicted of one of 13 animal abuse offenses, including animal fighting, from owning, harboring or training a dog or cat for the duration of their probation or parole. Republican state Sen. Ron Alting of Lafayette says he filed the measure after several county prosecutors told him it's needed to prevent repeated instances of animal abuse by people with a history of harming animals.

CIG TAX PROPONENTS KEEP WORKING: This week, Jeffrey Slinker was among a group of Hoosiers seeking a \$2-a-pack increase in cigarette taxes, up from 99.5 cents. Such an increase could raise \$358 million in new revenue for the state during its first year. Tobacco use kills 30 Hoosiers a day, amounting to 11,000 deaths a year, officials said (Miley, [CNHI](#)). Legislators have discussed increasing the cigarette tax but have taken no action this session. The General Assembly's last day, known as sine die, is at the end of April. "We need to raise the level of urgency that this year is the year to do it, this is the year to raise the cigarette tax. In a budget year, things aren't dead until sine die," said Nick Torres of the American Lung Association, whose mother died from a smoking-related illness. Indiana ranks 44th for its percentage of smokers and 41st for overall health, a drop of three spots since last year. "Our entire health rankings as a state went down last year primarily because of the fact that our tobacco use went up," said Dr. Paul Halverson, founding dean of the Indiana University Richard M. Fairbanks School of Public Health.

Congress

YOUNG SEEKS TO RESTORE VENEZUELA DEMOCRACY: U.S. Senator Todd Young (R-Ind.) joined Senators Bob Menendez (D-N.J.), Marco Rubio (R-Fla.), and 12 other Senators to introduce new bipartisan legislation to help restore democracy and address the humanitarian crisis in Venezuela (*Howey Politics Indiana*). The most comprehensive effort to date to confront the crisis in Venezuela, the Venezuela Emergency Relief, Democracy Assistance and Development (VERDAD) Act drastically increases humanitarian assistance, expands current tools to address kleptocracy, formally recognizes and supports the Interim President of Venezuela's efforts to restore democracy and prosperity in the country, and accelerates planning with international financial institutions to advance the country's post-Maduro reconstruction. "The Maduro regime has created a humanitarian crisis and turned the proud nation of Venezuela into a land of deep suffering. I am proud to join with my colleagues on both sides of the aisle to introduce this comprehensive bill that will ease human suffering, sanction human rights abusers and narco-traffickers, and help restore the Rule of Law and democracy in Venezuela," said Senator Young. "With a Hoosier in custody in Venezuela, the pain of this regime reaches all the way to Indiana. It's time to stand with the people of Venezuela and hold those in power accountable." Todd Leininger from Bloomington has been imprisoned in Venezuela since April 2014 when he was convicted by a Venezuelan court in the midst of anti-government protests. Many questions remain over the due process afforded to Leininger during that trial. Additionally, in November 2018, a San Cristobal court ordered Leininger's release, yet the Venezuelan authorities have refused to comply with the order.

YOUNG ANNOUNCES BIPARTISAN NURSING BILL: U.S. Sens. Todd Young (R-Ind.) and Doug Jones (D-Ala.) introduced the Nursing Where It's Needed (Nursing WIN) Act, bipartisan legislation that would address the high demand for qualified nurses in underserved areas. Specifically, the bill would allow nurses at health care facilities with critical nursing

shortages to benefit from the NURSE Corps Loan Repayment Program, regardless of the facility's tax status (*Howey Politics Indiana*). "In the coming years, our nation will face a critical nursing shortage as baby boomers age into retirement and require more healthcare services. Shortages are already being felt in our underserved rural and urban areas who are in dire need of caregivers," said Senator Young. "We must address this lack of qualified professionals now by incentivizing nurses to practice in the communities where they are needed most."

YOUNG TO ADDRESS JAYCEES: U.S. Senator Todd Young (R-Ind.) will deliver a keynote speech at the United States Junior Chamber (commonly known as JCI USA or Jaycees) Convention in Indianapolis Friday.

BANKS SLAMS DEMOCRATIC PLAN TO RAISE SPENDING CAPS: Republican Study Committee (RSC) Chairman Mike Johnson (R-La.) and RSC Budget and Spending Task Force Chairman Jim Banks (R-Ind.) released the following statement after House Democrats' decision to forgo producing a budget proposal and instead raise the discretionary spending caps to the tune of \$2 trillion over 10 years (*Howey Politics Indiana*): "Rather than focusing on our ballooning federal debt, currently \$22 trillion and counting, and releasing a budget resolution, Democrats have decided to ignore their responsibilities and drive us further into the hole. Their proposal to raise the discretionary spending caps not only fails to address America's increasingly dangerous fiscal situation but highlights just how out-of-touch the Left has become. Moreover, their contention that providing for national security in some way obligates unnecessary spending on non-defense programs is patently absurd. "President Trump is right – Congress cannot maintain the status quo by continuing to push irresponsible caps deals. We stand with the president and look forward to releasing our own balanced budget that will promote many of our shared priorities and restore fiscal sanity to the legislative process."

DRUG POLICY GROUP COMMENTS ON PRICING LEGISLATION: The Campaign for Sustainable Rx Pricing (CSRxP) today released a statement after the U.S. House Energy & Commerce Committee advanced a series of bipartisan drug pricing measures, including the CREATES Act, Purple Book Continuity Act of 2019, Orange Book Transparency Act of 2019 and Protecting Consumer Access to Generic Drugs Act of 2019 (*Howey Politics Indiana*): "The bipartisan advancement of these important measures signals a major victory for Americans patients is on the horizon," said CSRxP executive director Lauren Aronson. "We applaud members of the Energy & Commerce Committee for their leadership in advancing the CREATES Act, Purple Book Continuity Act of 2019, Orange Book Transparency Act of 2019 and Protecting Consumer Access to Generic Drugs Act of 2019 and encourage House leaders to swiftly bring the measures to the floor for a vote. We also commend the administration for supporting the CREATES Act and the Protecting Consumer Access to Generic Drugs Act of 2019, also known as pay-for-delay."

State

STATEHOUSE: LAWSON WARNS OF DECEPTIVE LETTER - Secretary of State Connie Lawson announced that some Indiana businesses have received a deceptive letter that may appear to come from the office's Business Services Division. The letter is attempting to solicit Indiana business owners. It is not from the Secretary of State's office (*Howey Politics Indiana*). The letter informs the business that Indiana law requires a business entity report to be filed every two years and if it is not filed there may be penalties. In the middle of the page, it says the letter is from a private business that will assist in filing your business entity report for you. It is legal for businesses to make this offering, but many business owners think complying with the letter is mandatory. Secretary Lawson is concerned businesses may be confused by the letter and may believe responding to it substitutes the need for filing a business entity report, which is required by state law. Businesses operating in Indiana can securely file their business entity report online at INBiz.in.gov. There is a \$10 charge for non-profits to file on INBiz and a \$20 charge for for-profits. The deceptive letter charges \$107 to file the report for you. Businesses wishing to check the validity of any mailing from the Indiana Secretary of State should contact the INBiz help desk at atinbiz@mail.inbiz.in.gov or (317) 234-9768.

Nation

WHITE HOUSE: TRUMP NOMINATES CAIN FOR FED - President Trump said Thursday he intends to nominate former GOP presidential candidate Herman Cain to the Federal Reserve's board of governors, signaling his desire to remake the nation's central bank after complaining about it for months ([Wall Street Journal](#)). The selection of Mr. Cain, following the president's decision to nominate his former campaign adviser Stephen Moore, marks an effort to install two Fed critics and loyal Trump supporters on the central bank's powerful seven-seat board. While the nominations would be subject to Senate confirmation, they would underscore Mr. Trump's growing unhappiness with Fed policy under Jerome Powell, whom the president tapped to lead the central bank.

WHITE HOUSE: TRUMP TO MOVE AGAINST RELEASING TAX RETURNS - The White House could attempt to block the release of President Trump's tax returns to Democrats, senior officials signaled on Thursday, an unprecedented step that might lead to a constitutional challenge and catapult the issue into federal court ([Washington Post](#)). In an indication of how the standoff might escalate, Trump himself suggested that the Justice Department could become involved — even though Democrats directed their request to the commissioner of the Internal Revenue Service. "They'll speak to my lawyers and they'll speak to the attorney general," Trump said during an unrelated event in the Oval Office when asked about the Democrats' request for six years of his personal and business tax returns. White House press secretary Sarah Sanders said Trump would not release his tax returns because they were under audit, a disputed claim that the White House has not allowed to be independently verified.

WHITE HOUSE: TRUMP SAYS CHINA TRADE DEAL NEARS - President Trump stopped short of announcing a final trade deal with China on Thursday, saying in an Oval Office meeting with the Chinese delegation that it may take another four weeks or more to secure an "epic" trade agreement ([New York Times](#)). Negotiators had originally aimed to secure a deal this week during a visit from Liu He, the Chinese vice premier and special trade envoy, and announce a presidential summit meeting between Mr. Trump and Xi Jinping of China. But after more than a year of tit-for-tat tariffs, on-and-off negotiations and threats of additional punishment, the United States and China continue to haggle over some remaining issues, including how many of the American tariffs on Chinese goods will be removed, and when. "We're talking intellectual property protection and theft. We're talking about certain tariffs," Mr. Trump said, referring to issues that remain unresolved.

WHITE HOUSE: PENCE CRITICAL OF GERMANY - U.S. Vice President Mike Pence blamed Germany for the insufficient level of the expenses for the defense and Nord Stream 2 construction with Russia before the negotiations of 29 representatives of NATO states-members in Washington as AFP reported ([ABC News](#)). "Germany must do more. And we cannot ensure the defense of the West if our allies grow dependent on Russia," Pence said. He emphasized that it is unacceptable for Germany, as the state with the largest economy in Europe, to ignore the threat of the Russian aggression and neglect its own self-defense and common defense of the allies in NATO. Last month, Germany announced that it would reduce the expenses for defense by 1,25% in 2023. Besides, Germany challenged the U.S. and few Eastern European states by the implementation of the Nord Stream 2 project along with Russia. Pence emphasized that if Germany continues the construction of the Nord Stream 2 gas pipeline, it can make Germany's economy to be Russia's hostage.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 9:30 a.m. en route to El Centro, Calif. He will arrive at the Naval Air Facility in El Centro at 11:40 a.m. Pacific time and travel to the U.S. Border Patrol Calexico Station. At 12:15 p.m., he will participate in an immigration and border security roundtable. He will then leave to visit the new border wall in Calexico, Calif. At 1:15 P.M., Trump will travel to a private home in Santa Monica, Calif. At 4:45 p.m., he will participate in a roundtable of supporters in Beverly Hills, followed by a joint fundraising dinner. Trump will then travel to Las Vegas.

MEDIA: SUNDAY TALK - NBC "Meet the Press": Panel: Hugh Hewitt, Heather McGhee, Anna Palmer and Jake Sherman. **ABC "This Week":** Matt Dowd, Mary Bruce, Lanhee Chen and Yvette Simpson. **CNN "State of the Union":** Rep. Adam Schiff (D-Calif.), Sen. Michael Bennet (D-Colo.). Panel: Rep. Katie Porter (D-Calif.), Rick Santorum, Symone Sanders and Amanda Carpenter. **CNN "Inside Politics":** Dan Balz, Julie Pace, Shawna Thomas and Manu Raju. **"Fox News Sunday":** Rep. Ben Ray Lujan (D-N.M.). Panel: Charles Hurt, Katie Pavlich, Marie Harf and Juan Williams.

ILLINOIS: WRIGLEY FIELD ADS WHEELCHAIR SEATING - Wrigley Field's renovation has added wheelchair-accessible seats following a federal lawsuit filed last year. The [Chicago Sun-Times](#) reports that upgrades include more elevators and accessible bathrooms, too. The lawsuit was filed by the father of a fan with a form of muscular dystrophy. It claimed that previous renovations had reduced seating in the bleachers and behind home plate. It said seating was moved farther from the field and left disabled fans without a clear view when others stood.

Local

CITIES: SLAIN FIREFIGHTER'S WIDOW ORDERED OFF PROPERTY - A Vanderburgh County court has ordered the wife of a slain Evansville firefighter to vacate their home in the next month ([Evansville Courier & Press](#)). The estate of EFD's Robbie Doerr, 51, is in probate court with Doerr's daughter Lindsey Doerr acting as personal representative. Lindsey Doerr filed a motion last month asking the court to temporarily freeze any assets her late father's widow, Elizabeth Fox-Doerr, might claim from the estate. The request was granted with no objections Thursday morning during a hearing in Vanderburgh Superior Court. The motion references Fox-Doerr's alleged actions the night her husband was fatally shot in front of their North Side home. Fox-Doerr faces obstruction of justice and false informing charges for allegedly tampering with her phone's call records.

CITIES: BLOOMINGTON COUNCIL VOTES TO RAZE GARAGE - After months of debate, the Bloomington city council has voted to support a proposal to tear down and replace the downtown fourth street garage (Eady, [Indiana Pubic Media](#)). In a 5-3 vote, the council approved an \$18.5 million revenue bond to fund the acquisition, demolition and reconstruction of a

new garage with up to 550 spaces. Councilmember Isabel Piedmont-Smith chose to vote against the bond and says the city should be prioritizing other modes of transportation that reduce greenhouse gas emissions. "And those are the modes we should be investing in," Piedmont-Smith says. "Because global climate change is real, and we need to start doing something about it, yesterday." But the majority of the council, including President Dave Rollo, sided with the concerns of downtown business owners, who say not prioritizing parking could drive out local business. "By keeping things local, compact urban form, building up rather than out," Rollo says. "That's why this garage is necessary. It's the right way to go for climate."

CITIES: MUNCIE TO MAKE ECONOMIC DEVELOPMENT ANNOUNCEMENT - Officials in Muncie will Friday make an economic development announcement. The Muncie-Delaware County Economic Development Alliance says the announcement will involve a new company locating in the city's downtown (*Inside Indiana Business*). City officials will provide details of the company planning to renovate a building in the Delaware County city. The move will result in a new capital investment and workforce expansion. No other details were made available. The announcement is scheduled for 11:00 a.m. Friday.

CITIES: STORY PRICE TAG \$3.8M - The town of Story, Indiana is up for sale for \$3.8 million. Our partners at WTHR report local businesses, such as The Story Inn and its affiliates, will remain open under current ownership and seek to lease the buildings from the town's future owner ([Inside Indiana Business](#)). "The business will have the same relationship with the town as Macy's does with the mall. It will be a tenant and we offer lease payments, so whoever buys this will take it with restrictions but there will be cash flow," Rick Hofstetter told WTHR.

COUNTIES: LAKE DELAYS SHERIFF CAR PURCHASE - Officials in northwestern Indiana's Lake County are holding off buying 22 new police cruisers amid questions about where the money will come from to outfit them for duty. The county's commissioners delayed purchasing the new cruisers Wednesday until Sheriff Oscar Martinez Jr. can explain how the county can cover the full cost of getting the vehicles ready for the road. The [Post-Tribune](#) reports that the expected total cost for the 22 cars is \$545,326, and that doesn't include the cost of outfitting them for road duty. The anticipated cost of outfitting the cruisers is \$200,000 to \$225,000. Radios for the cars would be another addition to the costs.



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INDIANA GAMING INSIGHT

Steal City move: right or privilege?

All those moving parts in gaming bill keep on shifting gears

Well, for those of you playing along at home on SB 552, it's now time for the House Committee on Ways and Means on Tuesday to fill in the blanks on the omnibus gaming bill – or perhaps more accurately, move around some zeroes on financial changes made by the House Committee on Public Policy.

In his first real chance to address gaming issues in the form of actual legislation, the public policy chair, Rep. Ben Smaltz (R) of Auburn, showed that he: (1) shared the Daniels Administration concern for the State leaving money on the table from a valuable franchise; (2) was not enamored with artificially subsidizing companies, counties, communities, or cities – at least if they were bickering about their purported entitlements; (3) is just as occupied with trying to help veterans and fraternal organizations keep their doors open through small-stakes charitable gaming as pleasing casinos and their host communities; (4) is concerned about expansion of gaming, a quaint concept that may now be supplanted with concern over “pervasiveness” of gaming; and (5) just doesn't seem to have a whole lot of enthusiasm in general for the overall sports wagering/license move package embodied in SB 552.

At the March 27 meeting of his committee, Rep. Smaltz dropped a game-changing amendment on the table that imposed a \$100 million fee for moving a Gary license off the footprint to the preferred new Gary site; effectively opened up the Terre Haute license for bid by forcing surrender of the second Gary license if it were to seek a move to Vigo County; scheduled a Vigo County referendum for the 2019 general election (which would mean voting by non-municipal residents who would have nothing else on the ballot but the public question); an end to all hold-harmless payments; still banned live dealers for racino table games until early 2021 (though the 2021 change would not be at the discretion of the Indiana Gaming Commission); dropped mobile gaming for sports wagering; and eliminated a requirement that official sanctioning body data be used to determine in-play wager outcome. There was also talk of a separate \$50 million fee related to a Terre Haute license, but that failed to materialize – at least yet.

He would leave it to the discretion of Ways and Means to set sports wagering tax rates . . . and will not afford a hearing to the complementary measure, SB 66, the bill that set the stage for a Gary transmodal port facility at Buffington Harbor and beyond – which would mean that the seeming *raison d'être* for the Gary riverboat move would have to be amended into other legislation if anyone continues to feel that this is imperative – or a condition precedent for the casino shuffle – after leadership acknowledgment that the port proposal is pretty sketchy aspirational at this point.

Don't forget about the port issue yet.

This potential opportunity to give Gary a hand up and not a hand out – outlined in an interim study that saw assorted senators travel to Gary for a tour of the proposed site, the current casino venue, and the City of Gary's high and low points – was frequently cited by senators in explaining their support for the complementary (and theoretically interdependent) bills, SB 66 and 552, authored respectively by Sen. Eddie Melton (D) of Gary and Senate Majority Floor Leader Mark Messmer (R) of Jasper.

For more, please see the following page . . .

Challenge to monopoly money

What were once vices are now habits?

South Bend-based Vice Lotteries is trying to break into the lottery business nationally with an “equitable gambling” model under which every dollar wagered will be returned as prize money . . . and starts by seeking to overturn the Hoosier Lottery's Hoosier monopoly status.

Backed financially by Y Combinator, an American seed accelerator and incubator, Vice Lotteries, led by an attorney with a law degree from the University of Notre Dame, has filed suit in U.S. District Court for the Northern District of Indiana, *Curtis v. Hill*, No. 3:19-cv-00073-JD-MGG, in part seeking a declaratory judgment allowing upstart Vice Lotteries to prepare for and conduct its “equitable gambling” for the benefit of the public.

Vice Lotteries contends that “The State violates its sovereignty by offering and engaging in *quid pro quo* bargains for exemptions from its laws in exchange for payment to the Hoosier Lottery”; violates Vice's due process and equal protection rights by barring competition to protect “monopoly profits”; and violates Vice's free speech rights by criminalizing certain of its preparations for competing with the Hoosier Lottery.

Cont. under “Hoosier Lottery,” p. 22 . . .



Sen. Melton was understandably not thrilled with the Smaltz amendment, but tried to be equanimous as he looked to the long term and bigger picture.

“Although I don’t agree with the amendment that affects the Gary casino move adopted by the House Public Policy Committee,” said Sen. Melton in a statement issued through his caucus, “I remain hopeful that the House and the Senate will come to an agreement that addresses the concerns of both chambers when the bill undergoes the conference committee process. In my short time here in the legislature, I’ve quickly learned that a bill as impactful as this would invariably meet a multitude of opinions, perspectives and understandings as it matured through the process.”

Melton continued, “I’ve also learned that the best I can do for my district and our great state is to first and foremost ensure there is clarity in our goals and sincerity in the ways in which we approach them. I equally want to ensure our efforts are researched, data-driven and backed by seasoned, knowledgeable experts. Lastly, we want to do our level best to ensure our efforts don’t disadvantage other Hoosiers. This has been the guiding strategy and spirit of our efforts for Senate Bill 552, and indeed all the legislation we sponsor.”

His conclusion: “I believe the current amendments to the bill run counter to this spirit. I believe we can do better. I remain hopeful and look forward to working with House Republicans to identify amendments that are additive to all the diverse interests served by this truly transformative legislation.”

Opponents of a casino move or expanded gambling will no doubt raise the lack of an overarching rationale for clearing the land at Buffington Harbor (beyond just more casino bucks) in opposition to the slimmed-down package.

In addition to taking the Smaltz amendment by consent, the panel also adopted by consent – despite periodic interjections by the chair that he was prepared to hold it because of assorted questions – an amendment proposed by Rep. Ed Clere (R) of New Albany. Rep. Clere, a champion of expanding gaming options for bars and taverns, and veterans and fraternal organizations, offered an amendment that would create a new small-stakes sports-bracket charitable gaming license for veteran and fraternal organizations. Also incorporated by consent was as a less prescriptive amendment authored by Rep. Justin Moed (D) of Indianapolis that would direct tax revenue attributable to sports wagering occurring in Marion County into the housing trust fund.

The panel actually spent more time trying to understand and dissect the Clere amendment than it did on the casino and casino-related sports wagering aspects of SB 552 . . . a fact that did not go unnoticed nor without chiding by some panel members.

After the honk and wave afforded the bill in the Senate Committee on Public Policy and on the Senate floor, Chairman Smaltz’s amendment represented the first significant attempt to shape policy . . . and, like the Gary casino move wasn’t really a condition subsequent to clearing the way for a port, the sports wagering portion of SB 552 isn’t driving this train.

So let’s break down what’s happening and why for you, as well as what you need to watch for going forward . . . as you note that virtually every key component if the Smaltz amendment came as a surprise to those involved (save, perhaps, the elimination of mobile sports gaming).

\$100 Million Fee for Gary Inland Move.

Rep. Smaltz’s first humdinger was a conditional \$100 million fee that would be imposed upon Spectacle Gaming, LLC, should the company seek to move one of its Gary licenses from the constantly derided Buffington Harbor site to a new location (which they hint has been optioned, leased, or purchased) at I-80/I-94.

Call it what you want: a transfer fee, repurchase price, tax, or simply a cost of doing business, but Rep. Smaltz believes that Spectacle would gain value from the move, the license is a revocable privilege granted by and property of the State, and he doesn’t want to leave money on the table.

“The licenses, in my opinion – and I believe it would be accurate to say – are the property of the state, that we are able to, if the location moves, change the conditions of those licenses,” Rep. Smaltz explained. “It’s not as though we’re going in and taking the licenses away where they sit.”

Indeed, he continued, if Spectacle’s Majestic Star two casino vessels simply remain on the Buffington Harbor footprint, then the company would not have to pay any new fee or relinquish, as envisioned, its second license.

Rep. Smaltz also defended the \$100 million fee last week in an interview with Legal Sports Report. “That’s the value of it,” he said of the move. “The current location isn’t nice. The owners will tell you that. The permits they have now paid for that specific location. Where they want to move, we can see a value increase of casino operations anywhere between \$300 and \$700 million.”

The requirement for a payment of any kind was offensive to some, while the amount he chose – effectively out of the blue – was a real shocker . . . though it shouldn’t have been for those with an understanding of Hoosier gaming history.

Rep. Vanessa Summers (D) of Indianapolis, who served on the public policy committee back in 1993 when riverboats were authorized (and whose father chaired the committee when casinos were first discussed in 1989) asked whether a license had ever moved before (she was reminded that the dormant Patoka Lake license, which old-timers remember was initially dreamed up to help a Dubois County Democratic lawmaker with a perennial primary challenger – and which everyone knew could never come to fruition because of Army Corps of engineers objections – was eventually shifted to Orange County to support the facade of not expanding gambling with a new license, while allowing a casino in the Springs Valley).

“It sounds to me like an address change” just to move inland within Gary off the footprint, said Rep. Summers. “It doesn’t necessarily sound like something that they should have to pay \$100 million to do.” She then noted somewhat incredulously, “Even for a rich person, \$100 million is kind of in the stratosphere.”

Rep. Sean Eberhart (R) of Shelbyville also told colleagues, “I just have a hard time understanding charging, in this case, Spectacle a \$100 million fee to take that license to the highway” – and yet still forfeit the second license. “That’s a tough one to swallow,” he lamented.

“That’s an extreme amount of money,” particularly given that the Shelby County solon noted that the “top notch” owner plans to make “a substantial investment” in a new facility.

Rep. Eberhart, who was in office for the 2007 vote on “slots at the tracks” for the pari-mutuel horse racing track in his district that was rescued out of bankruptcy by Rod Ratcliff’s Centaur Gaming, told colleagues, “I think that it should mean something, that we have Indiana folks that are willing to step up and take this risk To me, I think it should be a ‘zero’ fee to move. I think it’s fair compensation. They’re taking a risk to invest that money.”

Eberhart noted that in the one instance of a license being moved, the Patoka Lake license that ended up in French Lick, “that license was moved, and there was no fee attached to it.”

Rep. Peggy Mayfield (R) of Martinsville reminded him that the “license” that was moved to French Lick was (and still is) actually held by the State of Indiana, which has contracted out for an “operating agent.” She also noted that the operator, The Cook Group, has \$500 million of its own money invested in the complex.

The veteran lawmaker continued, “If we had a private company, whether that’s a manufacturer or some other private company, come to us and say, ‘Hey, we want to invest \$300 million on the Borman in Gary and we want to invest \$150 million in Terre Haute,’ we’d get out our checkbooks as the State of Indiana. We would be writing *them* a check. We would be giving them incentives. We would be begging them to make that investment,” particularly given that about the only things working in Gary are these casino licenses. “So it’s kind of ironic that, instead, we turn around and we’re asking for \$100 million to make that investment,” Rep. Eberhart mused. “And this is a fee based on licenses that already exist. Both these licenses are in play.”

He reminded those on the panel (and Rep. Smaltz, who was not elected until more than two years after Centaur emerged from bankruptcy reorganization) that in 2007 lawmakers opted to charge each horse-racing facility \$250 million for the privilege of a slot license, and both operators promptly became insolvent (they were unable to service the significant debt incurred in large part to make that payment and fund \$100 million+ facilities that opened in mid-2008 during the ramp-up of the fiscal crisis).

On Friday, Rep. Kevin Mahan (R) of Hartford City, a former Indiana Gaming Commission enforcement director, sat down with Tim George and Ed Breen on WBAT 1400-AM’s *Good Morning Grant County* in Marion and discussed the proposed fee.

“I watched the committee hearing,” said Rep. Mahan, “and oh, my gosh, they put an amendment on the bill that told this owner-operator that if you want to move one of those licenses to 80/94 you’re going to have to pay a \$100 million fee to do that. Then they want to take the other license away from him and basically just kind of put it up for bid for all competitors, anybody that may want to have it and have a \$50 million price tag on it. Kind of tough for me to swallow when you want to take something from somebody like that that bought it. If this was Honda, if this was Caterpillar, if this was Amazon, the State of Indiana would be showing up with a checkbook trying to do everything that they could to welcome them here to the state of Indiana. For some reason, whenever we’re dealing with the gambling industry, we tend to want to start throwing \$100 million, or in one case when they started the racinos, a \$250 million license fee. So that bill’s got a long way to go.”

Taking an opposite position was Rep. Carolyn Jackson (D) of Hammond, the freshman lawmaker in whose district Horseshoe Casino Hammond is moored, and whose community would be hard hit by a new inland Gary casino.

She told Dan Carden of the *Times of Northwest Indiana* the day after the hearing that she understands the rationale behind the \$100 million payment: “You have two licenses there, and if you move one away your profit is going to go up sky-high immediately,” Rep. Jackson said.

According to Carden in the *Times*, “Jackson suggested that if Spectacle ultimately pays \$100 million to move to the Borman, and Gary develops Buffington Harbor into an intermodal facility, the fee paid in connection with that move should be used to construct overpasses that eliminate road-rail intersections throughout Hammond,” given that if Buffington Harbor were to be transformed “into an intermodal shipping and warehousing center, following the Majestic Star move ... it will mean many more long trains blocking Hammond’s streets. ‘You would split up my town,’ Jackson said. ‘What’s going to happen if there’s an emergency?’

House Committee on Ways and Means Co-Chair Todd Huston (R) of Fishers, who has worked through the jigsaw puzzle that is the Hoosier gaming process, helped to sum up the debate on the fee. “There is value to that move” off the footprint, Rep. Huston asserted. “I think all the taxpayers, all the people of the state, should have the [ability] to benefit if we believe that’s the right thing to do from the public policy standpoint of the state.”



Channeling the mantra of the first lawmaker to truly understand implications of the interconnected and interdependent nature of the Hoosier gaming milieu and its connection to government and taxation, former Sen. Luke Kenley (R) of Noblesville, Rep. Huston told fellow House members, "The State is heavily involved in the regulation of gaming and whatever we do has to be in the best interest of not just one particular community, it has to be in the best interest of the overall state," and all of the state should benefit.

He confirmed Rep. Smaltz's contention that, under law, the operator's license for a casino or racino is a privilege subject to revocation, and does not constitute a property right.

Although neither Smaltz nor Huston are attorneys, the two top legislative leaders are lawyers, and they backed up the property right assertion on Thursday.

"It's my understanding that it's not a property right," said House Speaker Brian Bosma (R) of Indianapolis. "The casino does not own the license. The state is granting a license authority to conduct certain activities. I'm not a legal expert in this regard It's my understanding - I've been told - that it's not a property right; that the license itself is not a property right- and the State has the authority to grant it or retract it at its will."

Senate President Pro Tem Rodric Bray (R) of Martinsville confirmed a few minutes later, "I think that's been pretty clear in our statutes that the license is not a property right that they have. So we have some control over it in that regard."

Rep. Huston also told the panel that should the legislature allow a casino to move to a more lucrative location, it will enhance the value of that license, further justifying a fee ... although he allowed that the \$100 million figure "may not be perfect," he is not sure just what the appropriate price tag should be.

Huston is already finding support for his position from some of the non-Gary members of the Lake County delegation who are enamored with the idea of the move, a coalition that we told you in our last issue was being organized by Hammond Mayor Tom McDermott, Jr. (D).

Spectacle General Counsel John Keeler, a former Republican lawmaker, reacted calmly to the Smaltz changes, even as he opposed the imposition of any fee. "It's a pretty significant price," he acknowledged, "But it's a process and we've gotta work through it." Keeler added to reporters, "We do hope the license fee will be more reasonable, more business-friendly," particularly given that he believes Spectacle is taking "a tremendous risk. One is the investment of \$300 million in Gary, and the other is ... potential competition from a Chicago casino."

However, Terre Haute businessman Greg Gibson, a principal Spectacle partner, was more direct and seemingly unequivocal when he told Howard Greninger of the *Terre Haute Tribune-Star* "the amendments as they now stand 'will essentially kill the relocation efforts, if they remain in a final version of the bill. I hope that common sense eventually prevails. I got into this project because I saw an opportunity to help my home county and home state,' he said. 'The possibility of 400 new jobs and an investment of more than \$100 million would be very meaningful to Vigo County, as would millions in additional gaming revenue for the state.'"

Gibson added, "We realized that this was a daunting task that would have well-funded opposition and face many challenges. I just hope that we can move this legislation forward under reasonable terms.'"

Rep. Smaltz reiterated that the \$100 million fee is largely intended to be just a placeholder that will be finalized as the proposal moves through the long process ahead.

Perhaps underscoring the tenuous nature of the number was the fact that there was no specific use for the money delineated in the Smaltz amendment (nor, of course, the underlying legislation).

Meanwhile, broadcast voices - including radio show hosts Tony Katz on WIBC 93.1-FM in Indianapolis and WJOB 1230-AM's Ron Harlow in Hammond - were apoplectic about the \$100 million fee, with Katz asking what lawmakers were thinking, and Harlow blasting it as socialism.

With History as a Guide on License Fees . . .

By the day after the hearing, three of the four legislative leaders had weighed in on the fee. One was in favor. One was opposed. One was unsure.

House Speaker Bosma supported the fee, labeling it "very appropriate" given that the attractive inland location and the prospect of a second casino facility in Terre Haute would boost the value of Spectacle's initial investment by well in excess of \$100 million. "(A fee) is what we've done previously as well when there's been either a transfer or a big enlargement like the racinos," the Speaker explained.

President Pro Tem Bray was undecided. "There is maybe some value that's being added there, so maybe it justifies the fee," he said. "Whether it's \$100 million - which is a big one - I don't know. But we'll take a look at it," the Senate leader promised. "They're working on it, trying to find the best language for them. I understand that. I expected there would be changes."

With another week's perspective under their respective belts, the legislative leaders still weren't willing to be pinned down on specifics, but seemed prepared to support a significant or substantial fee as determined first by Ways and Means members.

In answering questions from reporters about the fee on Thursday, Speaker Bosma raised the \$250 million fee for the conversion of each pari-mutuel horse-racing track into racinos when a questioner referenced a more recent \$50 million transfer fee. "So I don't know that there's any real standard - standard charge," said the Speaker. "It's very clear that the movement of the one license - and the possible relocation of the other - creates an enormous amount of wealth. Someone said I said \$100 million. It's much more than that; it's multiples of that. So I think it's appropriate since the state has to approve these licenses, has to regulate the facilities that a fee is charged for that. And I don't know exactly what the number is, but I am certain that the Ways and Means Committee will come to the proper conclusion."

Sen. Bray a few minutes later on Thursday told reporters, "There's real value in that license and being able to move it. So there is reasonable number there. I haven't spent a lot of time trying to decide what that the number is yet. That \$100 million is out there as part of the conversation, and we'll see where it goes."

Senate Committee on Appropriations Chair Ryan Mishler (R) of Bremen, the Senate budget leader, tells IndyPolitics.org early last week, "I think there needs to be some form of transfer fee. I think the question is what should that number be, and I don't know if we're there yet on what the number should be. I think you'll see a transfer fee, just we don't know what that number is."

Neither Speaker Bosma nor Sen. Bray appeared interested in license cash from the perspective of the biennial state budget being crafted this month. Speaker Bosma said Thursday of the upcoming state revenue collection forecast, "I don't know that it will affect the gaming bill Any money that's generated through license transfers is one-time money. We've been very explicit about not including one-time money into operating expenses because that just takes the future budgets up with funds that are no longer there because it was one-time. So I don't think that will impact the discussion in any way."

Asked the same forecast, Sen. Bray also responded, "I don't know how much impact the revenue forecast has on that Sen. Mishler may have a different opinion on that, but I don't know that I can tell you that that has a big impact on the gaming bill."

Senate Democratic Leader Tim Lanane (D) of Anderson, whose district is home to Harrah's Hoosier Park Racing & Casino, blasted deployment of "strong arm" tactics by the State by virtue of the "aggressive" fee, given that Spectacle sought to invest in a depressed area, add jobs, and grow state gaming tax revenue. "I look at it as economic development. That's exactly what I see is going on with this legislation. I think it's a way to help various communities. Certainly it would help Gary, Terre Haute. So I hope that whatever changes are made it doesn't interfere with the economic development opportunities that I see in that bill."

"It is unprecedented," agrees Rep. Smaltz. "We're just trying to take it slow and careful and we'll see what happens in the next step" as it moves to the fiscal panel.

So what should you watch for in Ways and Means, on the House floor, and in conference with respect to the fee?

Bear in mind that the last time this issue arose, in the 2007 slots at the track racino negotiations orchestrated by Sen. Kenley, there ultimately was a target - a mind-bending \$500 million - that lawmakers sought to hit to provide statewide property tax relief.

Yet it certainly didn't start out that way, and so it's time for a history lesson as we turn the dial on the Wayback Machine to a dozen years ago, the Spring of 2007. Fortunately, your favorite gaming newsletter was there to chronicle events, and we'll fall back on our contemporaneous coverage.

In our March 12, 2007 issue, we talked about a move by one House Democrat from a non-casino community to raise the licensing fee for the tracks from \$75 million to \$100 million, with the lawmaker making it clear that it was "quite likely that [the two tracks] will get that amount back in their profits in their first year." Even at his suggested \$100 million license fee, he acknowledged, "In my opinion, we're letting 'em off cheap here."

Then-Rep. Trent Van Haaften (D) of Mount Vernon, then the chair of the House Committee Public Policy, backed the license fee hike, "and in a heartbeat the House overwhelmingly adopted the amendment that would mean an additional \$50 million in upfront revenue to the state if the bill becomes law."

But "Even with the big bump in the fee, some feel the state is losing out on a lot of revenue by pegging the license fee so low." We reported that Dan Lee, then the chairman and CEO of Belterra Casino Resort parent at the time, Pinnacle Entertainment, Inc., detailed his logic to number-savvy Wall Street analysts on an earnings conference call. Lee explained that "They're paying \$75 million [now \$100 million] up front for their licenses. You run the math. We do \$240 or \$250 per slot machine per day at Belterra, and there are several casinos in Indiana that do more. If you do \$250 or \$300 per machine per day times 2,500 slot machines, and take it after the gaming tax and apply the 10 [times earnings] multiple or 11 multiple that Harrah's just went private at, or the 13 multiple that Station's going private at, these licenses are worth half a billion to a billion dollars each, and the state is saying 'Pay us \$75 million up front for it.' That's like being handed a winning lottery ticket, okay. We would readily, easily pay more than \$75 million for either of those licenses," he adds, confirming the offer that a Belterra lobbyist made to the House Public Policy Committee last month as it considered the measure."

Two weeks later as March approached its conclusion, there then-Sen. Kenley unfurled an amendment to quadruple the license fee for the two tracks from \$100 million in the House-passed measure to \$400 million. "Sen. Kenley said that the increase in the license fee was driven in part on discussion of a possible public auction of the licenses, but he was concerned that if the slot licenses and racing permits were not owned by the same entity, 'there would be kind of a conflict there that would kind of be carried forward,' portending problems. He mentioned the Illinois riverboat license auction a few years ago that he said produced a bid of around \$550 million, but ultimately failed to go forward. Based on this, he says he looked at the potential net profits and applied a multiplier to arrive at the four-fold increase from the House-fixed price. 'I don't know if \$400 million is going to turn out as a reasonable number,' Kenley acknowledges."

So far you can see that there was no real rationale for the wildly varying racino license fee numbers a dozen years ago, and solons just seemed to throw out amounts that they thought might stick in the heady days of still-growing casino profits at a time when we all still believed that gaming was recession-proof, effectively tracking counter-cyclical to any economic woes.

Things got real interesting during the final week of session in April 2007.

The House-passed bill sought \$100 million from each horse-racing track for licensing (up from \$75 million as drafted), while the Senate wanted to extract (some said extort) \$400 million from each for a slot franchise privilege. "The tracks tell legislators that \$400 million is totally unreasonable (not that anyone seems to care about whether what the state can wring out of gambling operator is reasonable or not), and that it is also not possible."



MOVING INDIANA FORWARD!

Senate Bill 552 means new jobs,
investment and tax revenue.



A YES VOTE

*on Senate Bill 552 will create a variety
of opportunities:*

NEW POSSIBILITIES FOR BUFFINGTON HARBOR

Senate Bill 552 calls for Majestic Star and Majestic Star II to vacate Buffington Harbor, making it possible for the harbor and adjacent real estate to realize its true potential as an intermodal hub, port and logistics center.

A MORE VIABLE LOCATION FOR A GARY GAMING FACILITY

Senate Bill 552 permits one of the properties to relocate adjacent to I-80/94. The subsequent **\$300 million** investment would create **400 new jobs** and increase tax revenue by more than **\$78.75 million** annually as compared to that produced by the two existing properties.

A NEW FACILITY AND ECONOMIC BENEFITS FOR TERRE HAUTE

Senate Bill 552 authorizes the relocation of one of the Majestic licenses to Vigo County, which would create **400-500 new jobs**, **\$100 million** in economic investment and approximately **\$24 million** in annual tax revenue, while making Indiana increasingly competitive with Illinois within the gaming industry.

*After 25 years of the status quo, it's time
for Indiana to be bold. To take action. To
win. It's time to turn Senate Bill 552 into a
reality and move Indiana forward.*

Then we told you that “The Senate needs every penny of the \$400 million license fee for property tax relief, but the tracks have brought in investment bankers to try to persuade the key legislative players that \$125 million is a more appropriate valuation and attainable (read: ‘reasonable’) figure to shoot for . . . and that was the figure that Centaur told conferees . . . that it could live with – although they would also have to live with years of debt at that level.” And again it was a lawmaker from a track district who sought to protect his corporate constituent, with a Republican House member from Anderson griping at the time that “\$400 million per facility for the licensing fee is high.” Kenley acknowledged that the \$400 million might sound “outlandish, but it does coincide with some of the fees being paid around the country on this issue.”

We noted again at the time that “what is ‘reasonable’ may be of little concern to the conferees, and what is ‘affordable’ may be of not much more consequence. What the state needs to get out of it is more important to the Senate, and even the House is likely to believe it acceptable to add a premium to what might be reasonable or affordable (to cover itself, as it failed to do with casinos in 1993). Indeed, Sen. Kenley stunned some those in attendance when he suggested during (conference committee deliberations) that it might be appropriate – as a ‘fall-back position’ to auction the slot licenses to the highest bidders if the tracks won’t pay the mandated entry fee (‘not just a good fee, but a very good fee,’ as he puts it) . . . and Belterra Casino Resort was on hand to indicate its corporate interest in the franchise with a price tag potentially as high as \$500 million,” thanks to Dan Lee, who is involved today as the President and CEO of Full House Resorts, Inc., parent company of Rising Star Casino • Resort, which was first two years ago to push for moving “unused capacity” from Rising Sun to Terre Haute – and Full House remains interested in making the move yet this year, even as they are not the favored candidate after the Spectacle double-dare deal.

We also pointed out back in 2007 that the House and Senate were not the only players. “We believe that if the House attempts to lower the license fee much below \$400 million, the Governor may not be amenable to signing any final package. We’re also picking up signals from the Administration that they are not impressed by the reports from the tracks suggesting the fee would be too high at \$125 million, the number that Centaur, Inc. CFO Kurt Wilson told conferees Thursday would effectively be his company’s limit (if they were permitted 2,000 machines). ‘I would not be able to justify the fee of \$125 million with an allowance of 1,500 machines,’ Wilson said. A fee of \$125 million with 2,000 machines would allow ‘a level at which we can make a credible case to the banks’ and others involved that the deal would pay off, and still allow them to build a facility that the state could be proud of. Wilson and consultant Will Cummings told conferees that even \$100 million is double the nation’s next highest fee, Pennsylvania’s \$50 million.”

Then we told readers that “At least one top (Daniels) Administration official dismisses such claims by saying that he could get \$400 million in the market in less than one month with the legislation backing him, and that the true value of the license, given the estimated cash flow, would be closer to \$650 million (that estimate is based on track projections of \$55 million to \$60 million in annual EBITDA – about what the two casinos in Gary and the one in East Chicago have each been posting – and applying a slightly lower multiple than was used in the Ameristar Casinos purchase of Resorts East Chicago Casino).”

So there were a lot of players in the 2007 negotiations just as there are today (although the Governor’s Office was much more engaged back then as it sat vulture-like, poised to pick off more than just the scraps left on the table from a license move; 206 today appears much more content to leave the value and valuation issues to the General Assembly and is more concerned with maintaining the way that the casinos have become parts of the economic and social fabric of their respective communities).

Another big difference between then and now: The 2007 process began with an expectation that a toll would be exacted from the horse-racing venues for the privilege of adding slots; there was no such starting point in 2019; indeed, it almost started out as the casinos effectively doing the City of Gary and State of Indiana favor by abandoning the suddenly valuable land at Buffington Harbor (and that narrative has certainly shifted!).

Lawmakers will have a difficult time devising appropriate payment amounts (if any) for any license move or live dealers. Echoing the Kenley of 2007, we mentioned earlier that Rep. Huston acknowledged that the \$100 million fee is not a perfect number, but the new increased value of the license is appropriate to take into account. With the Gary licenses in particular, there is some scattered talk about directing some cash to shoring up the local schools . . . or to teacher pay hikes statewide, similar to the decade-old property tax relief motive for authorizing “slots at the tracks.

We doubt that the Gameboys have any interest in being placed in the position of having to value a license in this new process, but with consensus building for some type of fee, some type of valuation process will effectively be needed to drive the state (lawmakers or regulators) to a bottom line. There is now a general belief that while the way the state set fees back a generation ago is not the way of the world today, although no one seems to be quite sure that any given state has found the kind of sweet spot that Indiana should emulate.

There seems to be growing sub rosa talk about a fee dictated by the market, but the difficulty is in constructing a mechanism for doing so that would be fair to all parties.

We’re also picking up some legislative “casino fatigue” of sorts, where lawmakers are not happy with the inter-industry bickering and would prefer a unified front to present it with an option to tinker with or vote up or down . . . and that this could translate into a game-changing legislative decision to open up any new license to any company, whether already licensed in Indiana or not – to maximize value to Terre Haute (one assumes that solons are not sold on the ability to find value in a new second Gary license on the current footprint).

Forfeiture of Second Gary License.

Rep. Smaltz’s amendment would require Spectacle to surrender its second license if it moved the first one to the inland Gary site off the current footprint – a forfeiture that would come on top of payment of the \$100 million fee for the inter-city move . . . and free up the second license for a move to Terre Haute, where it could be competitively bid under the aegis of the State – without the need to “expand” gambling by manufacturing a new 12th license (or 14th, if you consider the racinos to be the functional equivalent of casinos, at least when they ultimately gain the ability to offer live dealers at table games).

Asked Thursday about the propriety of taking away a license from an operator, Speaker Bosma was adamant that the Smaltz language did not do so. "It does not take it away," the Speaker said of the second Spectacle license. Rather, he explained, "they have to surrender it if they want to go forward so that would be their choice. They don't have to. They purchased two licenses for two boats in a harbor, and they will still have that even if no legislation passes, so it's their choice."

Again, as Smaltz sees it, the licenses are state property, and the legislature should be able to intervene. Because they were effectively issued to a location and not to operators (though some would find fault with that assertion), if the location changes, the State was entitled to "change the conditions of those licenses." He adds, "It's not as though we're going in and taking the licenses away where they sit," because if Spectacle stays in the Buff, they can retain both licenses, free of any new fees or encumbrances.

But that was not convincing to Rep. Terri Austin (D) of Anderson, whose district includes Harrah's Hoosier Park Racing & Casino, a property which had long been owned by Ratcliff's Centaur Gaming. Rep. Austin, who has longer continuous service on the public policy panel than any other current member, expressed her concern: "I think we are entering a new era in state government where the state can actually take someone's property" when there have been no citations or any violations of the law. She believes this "certainly could have a chilling effect" on future investment.

Rep. Austin also noted that lawmakers have gone to great lengths to protect Hoosiers and their property from eminent domain, and "We need to proceed with caution on this issue." She also pointed out that this would not be the first time that the state has tried to protect an investment, reminding colleagues that "We did that with the toll road."

Part of this discussion is some concern that if a Terre Haute licensing process is not available on an equal basis to other licensees, litigation could result, delaying the administrative licensing process and frustrating the intended legislative purpose behind the change.

Elimination of Hold-Harmless Provisions

We've told you that the hold-harmless provisions in previous versions of SB 552 have proven anathema to the mayors of Hammond and East Chicago (a microcosm of sorts of the overall harm that they see being caused to their respective communities and casinos from a Gary inland move after what they says is well more than a decade of neglect of the Buffington Harbor facilities by a penurious Majestic Star management).

They do not believe that they would be adequately compensated for the jobs and revenues predicted to be pinched off in their communities by the special advantage sought by Gary, and they have not been shy in maneuvering to protect their respective communities.

As we pointed out last week in our flagship sister Hannah newsletter, INDIANA LEGISLATIVE INSIGHT, the respective NWI mayors have been heavily involved and strongly vocal as they face mayoral primaries in six weeks - and winning a primary, of course, is effectively tantamount to winning election in East Chicago, Gary, and Hammond.

While Hammond Mayor McDermott (D) is safe, Mayor Tom is looking at making a strong electoral statement for possible statewide (or CD 01 congressional) aspirations as the longest-serving mayor in Hammond's history seeks an unprecedented fifth term.

East Chicago Mayor Anthony Copeland (D) is being pressed by former Rep. John Aguilera (D) in the May primary, and Aguilera - a veteran former county elected official who ran statewide for state treasurer in 2018 - knows his casino history, having settled out of court with Donald Trump after being dumped as a local investor in Trump's Gary casino (most others, including a prominent Indianapolis business leader and a top Indianapolis trial attorney challenged Trump in federal court on the same grounds and lost).

Gary Mayor Karen Freeman-Wilson (D) needs a big win in Indianapolis as she faces her city council arch-rival and a county elected official in what is being described locally as an extremely tight race not necessarily trending in Mayor Karen's direction . . . so the casino conundrum could help to control the fate of two of the three big local May mayoral primaries. - as could just how viable the Buffington Harbor port proposal may be in the case of Gary's mayor, who has pushed state lawmakers for an inland casino option since first being elected.

So the mayors of East Chicago and Hammond - and the City of Evansville and Orange County entities - were not only expecting compensation, but pushing hard for what they saw as fairer compensation in the form of a bigger slice of the pie than the initially proposed amount that would guarantee them no less than their 2019 gaming tax revenue.

Recall that there is precedent for government hold-harmless payments; the legislature approved such subsidies for casino communities as part of the 2002 dockside gaming package which impacted riverboat admission revenues.

But enough was enough for the House shapers of the bill, who simply excised all the hold-harmless provisions from 552, perhaps in response to concerns aggregated and passed along - if not evinced - by Speaker Bosma. "There was a lot of concern about the provisions of the bill as it came over from the Senate, with a lot of payments back and forth, hold-harmless payments, that made a lot of people uncomfortable," the Speaker explained to reporters the day after the hearing.

"I think if we try and make everybody harmless we're going to wind ourselves completely up in a ball," Rep. Huston explained. He promised that Ways and Means will work through the hold-harmless language with the objective of eliminating any harm to everyone.

That was not acceptable to the intended recipients, but Rep. Eberhart seemed to like the precedent and opening that to allow consideration for ending the flow of hold-harmless funds being paid by the racinos to French Lick. This started in 2015, he explained, under the assumption the racinos would have live dealers at table games, but did not get changed despite the Pence-forced push back of the live dealers to at least 2021. This subsidy mandate needed to either be eliminated or sunsetted, Eberhart argued, asking that it be reviewed in Ways and Means.

In Southwest Indiana, local hold-harmless provisions have at least two prominent vocal advocates.

Lieutenant Governor Suzanne Crouch (R), who used to represent Evansville in the General Assembly, tells Tom Langhorne of the *Evansville Courier & Press* after a Southwest Indiana Chamber event – at Tropicana Evansville – March 22 of her Evansville-centric position that would seem to have broader implications for hold-harmless language and those looking for sympathetic Holcomb Administration ear.

“I would love, whatever happens, to see Tropicana’s assessment protected because they just invested \$50 million for a land-based casino here in this area,” the Lieutenant Governor tells the paper. “So we want to ensure that if anything happens, it doesn’t hurt those people and those corporations in those communities that have already created investments in their own communities.”

Langhorne also reports that Sen. Vaneta Becker (R) of Evansville, also “railed against” the changes proposed in SB 552 on the same day, speaking out about even the limited hold-harmless distributions that were proposed as it left the Senate. “When Tropicana was built, we had to live under the rules of the state,” said Sen. Becker, who was in the House and a supporter of casinos when the authorization measure passed in 1993. “Tropicana spent \$50 million (on its land-based casino) and played by the rules, and now they’re changing the rules of the state on gaming issues. Now they’re going to move a license. Before, you couldn’t. We had to build in our footprint. (Tropicana) couldn’t pick a new location if they thought it was going to be better for their business. They had to live within the footprint.”

While the Messmer measure as it exited the Senate would have provided \$1.2 million in one year, \$900,000 in the second year, and \$600,000 in the third year to the City of Evansville, Sen. Becker called those figures “ridiculous,” and cited estimates that the changes would cost Tropicana \$10 million annually. “The three payments don’t come close to making up for what the local casino would lose, she said.”

The locals will fight hard to hold onto hold-harmless dollars, but there are many lawmakers who were not around when such deals were first struck more than 15 years ago and even debated again around the 2015 legislation. There also seems to be a more “free market” attitude among newer legislators, and outside of Lake County, it will be difficult to find legislators willing to stand up for keeping NWI communities whole . . . while inside Lake County, the parochial interests make it difficult to achieve the kind of unity needed for The Region to win a special privilege.

Bear in mind that Lake County and The Region generally only win a privilege from the General Assembly (or a governor) when communities are united, as we explained it in our sister flagship newsletter.

As the bill moved out of the Senate, there was clearly disarray in Lake County alone over this bill, with some lawmakers conflicted within their own districts by the casinos they represent. For example, the district of Rep. Earl Harris, Jr. (D) of East Chicago includes both the Gary port property on which the Gary casinos currently sit, as well as Ameristar Casino East Chicago, in Harris’ home EC, which vehemently opposes the new off-footprint competition. The mayors of the two big cities in Rep. Harris’ district also are opposed.

And it’s not just Lake County lawmakers who find themselves wrapped up in this thanks to ownership changes and multiple ownership provisions. Consider the position in which Rep. Randy Frye (R) of Greensburg finds himself when he looks at the two casinos in his district. While Ohio County’s Rising Star Casino • Resort wants to move to Terre Haute, Boyd Gaming Corporation is the new owner of Belterra Casino Resort in Switzerland County, and its Blue Chip property in Michigan City doesn’t want the new Gary casino on the main route from Chicago – which it began mining last year to help compensate for revenue lost to the Native American casino in South Bend.

Here’s a look at who represents which properties in both the House and Senate so you can have a scorecard for potential internal conflicts . . . and be sure to note the sheer number of freshmen lawmakers or those who have not yet been through a full budget session, making it more difficult for them to be as effective as some of their more experienced colleagues:

<u>Property</u>	<u>House</u>	<u>Senate</u>
Horseshoe Hammond ^a	Jackson (D)	Randolph (D)
Majestic Star Casino I ^b	Harris (D)	Randolph (D)
Majestic Star Casino II ^b	Harris (D)	Randolph (D)
Ameristar East Chicago ^c	Harris (D)	Randolph (D)
Blue Chip Casino ^d	Boy (D)	Tallian (D)
Tropicana Evansville	Hatfield (D)	Tomes (R)
Horseshoe Southern IN ^a	Engleman (R)	Houchin (R)
Belterra Casino Resort ^d	Frye (R)	Garten (R)
Rising Star Casino	Frye (R)	Perfect (R)
Hollywood Lawrenceburg ^c	Lyness (R)	Perfect (R)
French Lick Resort	Bartels (R)	Houchin (R)
<u>Racinos</u>		
Harrah’s Hoosier Park ^a	Austin (D)	Lanane (D)
Indiana Grand ^a	Eberhart (R)	Crider (R)
<u>OTBs</u>		
HP - Indianapolis ^a	Moed (D)	Sandlin (R)
HP - New Haven ^a	Heine (R)	Kruse (R)
IG - Clarksville ^a	Fleming (D)	Grooms (R)

* Previous legislative service not included

Companies Owning Multiple Properties

^a Caesars Entertainment Corporation ownership

^b Spectacle Entertainment LLC ownership

^c Penn National Gaming, Inc. ownership

^d Boyd Gaming Corporation ownership

2021 Automatic Approval for Live Dealers

The Smaltz amendment would retain the 2021 authorization date for live dealers at the two racinos as in current law, but would allow this to happen automatically on January 1, 2021, instead of at the discretion of the Indiana Gaming Commission. However, this is a major change from SB 552 as it passed the Senate, because the bill had allowed the authorization date to be scooted up to 2019. The change proposed by the committee chair caused panel members, led by Rep. Eberhart, to recite some history lessons.

He praised the amendment provisions as generally promoting good public policy, but said that he and Rep. Smaltz disagreed on how we move to that point. While Eberhart explained that he appreciated the enabling language with respect to the racino table games changing from a discretionary to a mandatory provision and affording certainty, he was not happy about the date remaining some 18 months down the road.

"The only reason Indiana Grand and Hoosier Park don't have live table games now is because of Gov. Pence and his threat to veto the entire gaming bill in 2015," Eberhart asserted. "There was no grand compromise." He pointed out that unlike the situation four years ago, when "It was simply the threat of a veto by Gov. Pence, We have no threat of a veto from our current governor," who is open for discussion about this and other aspects of the gaming legislation.

The Shelby County lawmaker reminded his colleagues that the Senate overwhelmingly passed legislation calling for live table games in 2015 – on an immediate basis – and did so again this year, so it shouldn't be considered much of a mystery across the Rotunda. "I am confident that majority of my colleagues would support immediate table games," Rep. Eberhart told his fellow committee members, "and I hope to have that opportunity."

That chance could come on Second Reading for SB 552 in the House, because he plans to offer an amendment on the floor to restore the accelerated 2019 date.

He also told Rep. Smaltz that he appreciated his recognition of the importance of taxation principles related to table game revenue, and drove home the importance to Shelbyville and Anderson and the industry to devise a more industry-favorable taxation rate on table games.

While Rep. Eberhart has been the loudest legislative voice for live dealers over the past five years, he saw this issue take a back seat at the committee hearing to the \$100 million move tariff; the mechanics of the Terre Haute move; the hold-harmless payments; mobile wagering as a component of sports betting; and even the expansion of sports betting to sports bracket pools for veterans and fraternal organizations . . . even as no one in the legislature has the back of now-Vice President Pence on his 2015 insistence that live dealers not occur on his watch as governor.

The problem that Eberhart faces: Only Caesars Entertainment Corporation and lawmakers from Madison and Shelby counties are vested in seeing this change happen, and they must do some horse-trading to see this come to fruition (bear in mind that Caesars may have bigger fish to fry in this as well, preferring for the sake of its Horseshoe Casino Hammond that no casino move happens in Gary, which would mean a much greater loss for it in the long-term than 12 to 18 more months of live table games at the two Caesars racinos).

This is effectively a fight between operators, and it's not clear which group will win (and some just are rooting for injuries!). Watch for this issue to be a pawn in the larger casino discussions, with the live-dealer date debate to be a trading tool in conference.

Terre Haute/Vigo County Referendum and Fee.

As the bill passed the Senate, if voters in Vigo County had not approved a public question for gaming, the referendum question "Shall riverboat gambling be permitted in Vigo County?" was to be placed on the VC ballot during the next primary or general election . . . even though a land-based casino would presumably not be built upon pillars on the non-navigable Wabash River.

The Smaltz amendment, however, would mandate the referendum vote, change the language to "Shall inland casino gambling be permitted in Vigo County?," and move it up to the 2019 general election – which would mean voting by non-municipal residents for whom this would be the only item on the ballot, because there are no offices up for vote outside municipalities this year.

Those who have been involved in the casino cause since its inception will recall that in several counties, the votes of rural residents caused the demise of local riverenda, even as those in the municipal areas largely voted for the opportunity. While Terre Haute is "All-in," and Hoosiers have had a generation to see the significant local benefits of casinos in their respective communities, this tactic, should it become law, could prove interesting (and expensive for the county, given the need to gear up for voting where voting would not otherwise be on tap).

There was talk in the public policy hearing of also imposing a \$50 million fee to move a license to Vigo County, but there was a consensus of sorts to leave that option to the discretion of House Ways and Means on recommittal.

And will the current license holder be compensated for the second license going to Vigo County? Rep. Smaltz, responding to a question raised by Rep. Moed, told him that any such payment was not in the current version of the bill, because "that is the cost of moving the license."

Sen. Jon Ford (R) of Terre Haute tells the *Terre Haute Tribune-Star*, "The positive takeaway is that Terre Haute is once again in the bill and that we continue to move ahead to another day." He noted that this panel was "likely the legislation's biggest hurdle, Ford said, and he added he is glad it cleared. 'The committee makeup is very interesting, and this is where you would do the amending of the structure of the legislation,' he said. 'And, in that, they could have taken Terre Haute out very easily.'"

Tax Rate for Sports Wagering.

The tax rate for sports wagering will fall to the members of the House Committee on Ways and Means, where Rep. Huston likely already has a rate in mind that will be in line with that sought by the operators: Low enough to be an incentive for the legitimate industry and help drive out illegal sports books, and high enough to provide some return to the State based upon volume. Tax rates also can affect payouts to winning bettors, which can be important given competition from surrounding states and the overseas gray world.

We expect the rate will be toward the high end of the single digits, and, given the inevitability that all of the casino companies will be involved in sports wagering, the sports wagering rate may be tied to changes in tax rates (particularly for table games) and free play deductibility (and expect some discussion of whether free play taxation will apply to any sports wagering comps as well as "free coin" and VIP and VVIP comp play).

There has been little formal legislative talk to date about tax rates and even less discussion of application fees. You can be sure, however, that Rep. Huston and some of the more "woke" members of Ways and Means are not only reviewing fees and rates across the nation with Sen. Messmer and Rep. Smaltz, but are also watching closely developments in Illinois in the last week of March.

As Illinois held hearings on assorted sports wagering models, the Illinois Casino Gaming Association testified in favor of the New Jersey model, which regulated the activity through the Illinois Gaming Board (other options considered in Illinois include regulation by the Illinois Lottery), with betting permitted at the Garden State's brick-and-mortar casinos and racetracks – and online. Sports wagering licenses would be priced at \$10 million, with brick-and-mortar facilities permitted to partner with no more than two digital platforms – “skins” – for mobile betting. The tax rate would be 15% on in-person wagers placed at the brick-and-mortar legacy facilities, and a 20% tariff for wagering on the electronic platforms.

You won't see Indiana casino operators advocating for such tabs and rates as a starting point (Illinois lawmakers have more leverage over the casinos and potential sports wagering partners there because the situation is so much more fluid; a number of credible options are being debated; and the new governor has already plugged in some \$200 million for sports wagering in his new budget – an example of policy being led by finances, anathema to Indiana's leaders), and we don't think that the ultimate levels chosen by lawmakers will be quite as high as the New Jersey numbers, but with many of the same players in Illinois and Indiana, these are figures that can help to get the fiscal conversation kicked off, if not completed.

No Mobile Sports Wagering

As we've told you, the provision about which Rep. Smaltz has been most actively speaking on – and against – in the past two months has been the ability of Hoosiers to wager on a mobile device outside the friendly brick-and-mortar confines of a casino facility.

He had broadly hinted for several months about his reservations about mobile betting, and has based some of his reluctance to support the mobile option because of what it would mean in terms of an expansion of gaming, for example telling Legal Sports Report in this context, “I think that the public has to make the decision on if they want wagering available throughout the four borders of the state of Indiana. I think the answer to that in a lot of places is probably not.”

He went on to explain, “I think having it available everywhere within the four walls of the state is a problem, and I think consumer protections are a problem. I don't know why we wouldn't have all casino games allowed to be played on a device if we are going to allow sports wagering on that device,” a theme he echoed late in the hearing

Media reports on this issue seemed to fit a pattern: national online reports focused on the elimination of the mobile element from the bill, while reporting from communities with State House news bureaus that were not directly impacted by casino moves (such as Fort Wayne and Indianapolis) were treated to stories that put the kibosh on mobile wagering on effectively the same level as the new casino move license fee and the move prospect itself. Reporting in areas that would be specifically affected by a license move (such as within Lake County and Vigo County) concentrated on that news and gave short shrift to the mobile wagering aspect – and ditto for media in the Madison and Shelby county areas which focused on the shuffle surrounding live dealers for table games.

There was virtually no in-state attention paid to the decision by the chair at this point to remove the requirement for use of official league or sanctioning body data for in-play betting.

At the hearing, Rep. Clere was the first member to express concern about the removal of mobile sports betting from SB 552, suggesting that removing this option “denies the reality that people are walking around with these devices today,” and the fact that smart phones have become a part of people's lives and the social fabric.

But Rep. Clere had bigger fish to fry in the bill, and left it to others to push for its return . . . though no one did in committee (after some in-depth discussion, if not dialogue at the initial House panel hearing), despite its importance to operators, and what senators had been led to believe about how Hoosier gamblers could already conveniently wager illegally overseas via personal electronic devices, and mobile gaming was needed to match the ease of participation and drive illegal sports books out of business and increase the universe of operators within the regulated community.

Terre Haute Sen. Ford told Lindsey Erdody of the *Indianapolis Business Journal*, “It's a little disappointing” that the mobile component was cast aside in committee. “I believe it's an important part to bring the illegal market into sports wagering so we can regulate it” – which had seemed to be a prevailing view among many leading lawmakers throughout this debate.

Sen. Ford explained to David Williams of WISH-TV in Indianapolis that more than \$300 million a year is spent in Indiana on illegal sports betting, “Much of it on cell phones, using illegal apps. There are right now in Indiana a little over 100 illegal apps that people can use to bet on sports. They don't ask for age verification. They don't ask for location verification. These sites, who knows where they're run out of? They could be run out of any place in the world. They're so easy for kids to get on and use. So, my goal has been to try to bring that into a regulated market, similar to daily fantasy sports.”

“I don't know that having electronic sports wagering be legal, stops the illegal book making,” countered Rep. Smaltz to WISH's Williams. “Illegal bookmakers can take credit. They can do it over the phone. It doesn't matter if you're 21 or not.” Sen. Ford adds, “For the illegal sports wagering market, that amendment is a huge boom for them. It'll allow them to grow their business and continue.”

As he delivered his final comments on the bill as amended, Rep. Smaltz detailed his belief that mobile wagering would lead to every community having gambling. “I worry about the tentacles of gaming coming to all of our communities and having it become so pervasive,” he said (“I think it stretches the gambling footprint to the four corners of the state, every community,” he told WISH-TV).

Rep. Smaltz sees mobile gaming as “a pervasive way of recreating at great expense,” and constituting “the very first step to a very large expansion.”

He explained that this would not be moving from step one or two to step three in terms of steps toward expansion, but “If mobile is in, I think it goes from ‘one to 100.’”

If someone could bet on a sporting event from his or her phone, Rep. Smaltz suggested, it starts us on a “slippery slope,” making it hard to argue that Hoosiers shouldn't be able to play black jack and roulette online from their personal electronic devices as well.

Regardless of his personal beliefs, Rep. Smaltz may have overestimated the waning nature of general legislative concern about “expansion” and, perhaps even more importantly, “misunderestimated” the Hoosier Zeitgeist on this issue.

If sports wagering is legalized, there is certainly a public expectation – particularly among the under-40 demographic that operators will target and would love to have – that mobile gaming will be allowed. While Rep. Smaltz doesn’t want to extend gaming into all the nooks and crannies of the Hoosier state, many people would have to travel a few counties to watch a game or race and bet on sports, and that could deter them (or shift them to online off-shore operators).

You can bet that consumers in any major metropolis or college community without a brick-and mortar facility (think, e.g., Fort Wayne, Terre Haute, Bloomington, West Lafayette, and South Bend) will want mobile gaming, as will bar, tavern, and restaurant operators, who want butts in seats to watch games with friends (and wagering will draw interest even on games and sporting events that otherwise wouldn’t draw crowds. The same attitude should be present north of Downtown Indianapolis and southern Hamilton County among consumers and the food and beverage industry.

Like the move from “must-cruise” and limited-hours gaming sessions to dockside gaming open boarding, and Sunday sales of alcohol, Hoosier attitudes and mores are changing, and people expect the law to change with them. You’ll hear lawmakers point out that restricting gaming on the sports wagering front only to brick-and-mortar facilities will inevitably result in lawmakers being forced to revisit and reopen the law in a year or two so they can liberalize it . . . and it makes little sense to: (1) put Indiana at a competitive disadvantage to our neighbors from the start (particularly when some of the changes are being sold to make us more competitive regionally); (2) ignore the reality of the role in which personal electronic devices play in daily lives of Hoosiers and what we expect from them; and, (3) intentionally force a future session to reopen anything related to gaming – particularly in the context of “expanding” things, which can require a quid pro quo from other sectors for support.

Expect mobile gaming advocates to successfully reinsert their favored language in Ways and Means or even on Second Reading . . . and not to have to trade a higher than expected tax rate for it (though it may well be higher than on-site, in-person wagering, that was likely even before the authorization was stripped from the bill).

You will, undoubtedly hear questions from sports wagering skeptics about whether the mobile end of the business is driving the overall concept, but this should not likely prove to be much of a drag on any discussion.

Then there is the actual amount of revenue counted on from mobile wagering . . . and, unlike some other states, as we’ve been hammering home for the last few weeks, Indiana’s legislative leaders aren’t going to let the tail lead the dog here, and will let their beliefs on what the appropriate policy should be guide the discussion, with any revenue serving as gravy (and also seeming to want to keep tax rates low to make Indiana attractive to operator competition and consumers who might otherwise opt for overseas (and unregulated and untaxed vendors). We’re not scrambling to figure out what policy options will bring us say, \$200 million to fill a budget hole like Illinois’ governor.

Senate Appropriations Chair Mishler was asked by Abdul Hakim-Shabazz of IndyPolitics.org early last week about how important mobile gaming would be for the budget, and he immediately dismissed the premise.

“It doesn’t bring in that much revenue,” Sen. Mishler responded, before continuing, “I think it’s just a matter of policy. Do we want to do the online gaming as well? We passed it out of here (the Senate), so obviously we didn’t have a problem on our side. So we’ll just have to take a look at the bill as they passed it out (of the House) without the online portion.”

Rep. Smaltz, however, warned that he will continue to fight against such an effort, telling Legal Sports Report, “I’ll certainly keep talking about it. There’s people who want to be on the other side. It will be an active issue.”

Think back, however, to the issue we raised above about trying to use tax policy to help minimize rogue operators. Rep. Smaltz is not persuaded by such arguments, and breaks from Republican leadership on the legalization and regulation being a tool to eliminate the illegal market.

The public policy panel chair tells Legal Sports Report last week “that a black market also would have other advantages that would keep people from moving to a regulated market, such as betting on credit or not having the same age requirements or background checks. ‘Someone could start an account on a mobile device and then sell it to anyone. If I have a cloned phone account set up to the game, it can circumvent age requirements. I think there are many problems with mobile gaming that should not be summarily dismissed.’ Finally, he questioned the size of the black market. ‘Just the definition of a black market means that there isn’t any real data showing its size,’ Smaltz said. ‘How do you know? We don’t know if it’s a big problem or a little problem. Trying to solve it by creating mobile sports wagering seems dubious to me.’”

Such talk with respect to illegal slot machines 12 years ago would have been considered heresy as legislative leaders and the then-governor used the proposed crackdown straw man as justification for allowing slots at the tracks.

Fiscal considerations aside, is mobile wagering needed as part of the sports wagering provisions to win Senate approval?

“I don’t know that it is a necessary component,” Senate President Pro Tem Bray told reporters at the end of March, while conceding that “It’s going to be a much smaller piece of business if it’s confined to the casinos and things.” He continued, “I understand exactly what the chairman is doing over there. He’s got concerns about having it just be everywhere across the state of Indiana and that’s the chairman’s prerogative. So we’ll continue to work on it and look at it.”

Official League Data Requirement Excised.

Stripping the requirement that official league or sanctioning body data be used for in-play wagering received no response from panel members, but sets up a big behind-the-scenes battle now between – in particular – local heavyweights led by the Indianapolis Colts and IndyCar who believe their data is necessary to protect the integrity of complicated wagering, and the casino operators, who don’t want to pay for such information and insist that their operations are free of ethical concerns.

At the initial House committee hearing, members did not seem enamored with league arguments for use of official data (presented by officials or lobbyists with the Colts and National Football League, IndyCar, the National Basketball Association, Major League Baseball, and the PGA Tour), and there didn't seem to be any sentiment toward making Indiana the first state to require use of official league data. This pushback of sorts may have led Rep. Smaltz to yank the league-favored fees.

"We don't normally require single sourcing for any good service information," Smaltz tells Legal Sports Report. "If you can only get it from one source, how do you responsibly charge for that? It seems like that's unreasonable and nobody is doing it."

Rep. Huston faces a heavy lift if he wants to forge a compromise on this in Ways and Means to avoid a big public battle that could prove confusing to some lawmakers and the general public on the difference between straight wagers (such as who wins or loses a game, or on point spreads) and those that may be subject to interpretation (such as how many yards a running back gains on a given play or how fast a race car was on a given lap or what position it was in relative to another car in the field).

Still, he may face a more educated and fiscally aware cadre of lawmakers (as well as more from Indianapolis) on Ways and Means, some of whose members participated in negotiations back in 2013 to provide a \$100 million state loan to the Indianapolis Motor Speedway . . . or earlier were involved in state help to the Indianapolis Colts for their Lucas Oil Stadium (expensive Capital Improvement Board and sports facility issues will be on the Ways and Means agenda on Monday, April 8, the day before the gaming bill is addressed).

Potential "compromise": prohibit betting on things for which no data is readily publicly available (e.g., trap times for race cars) or allow the Gameboys to require payouts to be delayed as long as necessary to ensure "final" resolution of a given wager.

Sports Brackets for Veteran/Fraternal Groups.

Among the surprises at the "Amend and Vote Only" Committee on Public Policy session was the amendment offered by Rep. Clere, the champion of expanded gaming options for veterans and fraternal organizations and bars and taverns (he represents a district with an aging population along the Ohio River across from Louisville).

The Clere amendment would allow those two categories of organizations to participate in a limited number of sports bracket wagering events (defined as (1) National Collegiate Athletic Association tournaments; (2) the Super Bowl; (3) the Kentucky Derby; (4) the Indianapolis 500; and (5) other similar events) annually, with proceeds after expenses only allowed to be directed back to the respective organizations.

Rep. Clere suggested that given SB 552 would legalize sports betting, entities existing for the public good should also be permitted to participate. "I thought it would be an appropriate time to add this new opportunity so that they could conduct spots brackets or pool-surrounded events," and allow them to "diversify" their revenue stream, he told fellow committee members. He described it as an appropriate new opportunity for our veterans and fraternal organizations, many of which are struggling to keep their doors open.

Clere was concerned that if sports betting on a more general basis as proposed in SB 552 were to be legalized there would be a push to crack down on illegal sports betting – which was how some leaders have outlined (and justified) legalized sports wagering, relating it to the 2007-08 get-tough policy on illegal slot machines with the approval of slots at the track. "I think it's reasonable to think" that those granted franchises for sports wagering "will not like the idea" of sports betting bucks that are not flowing through the legal framework, he told Rep. Moed, whose district includes the Winner's Circle Pub, Grille & OTB.

Some members of the panel – including the chair, Rep. Smaltz, were clearly uneasy with adding the Clere provisions to SB 552. Some of that concern dealt with issues related to some of the specific language (or lack of it) – the committee agreed to change the word "ass" in the amendment to the correct "as," perhaps a microcosm of the haste and lack of deliberation on this amendment.

"We need to set up proper guardrails so that we are all on the same page," said Rep. Eberhart after questioning the difference between full-blown sports books in the larger SB 552 and the Clere-sought sports pools. Clere told him that he was spare in his language because he was "trying not to be overly prescriptive in crafting this amendment."

Perhaps the bigger concern of the chair and members, however, was that the measure as a whole did not get weighed down with extraneous provisions that distracted from the larger picture and that could generate an excuse for opposition. The distraction issue became more of a reality as members realized that they actually spent more time working through – without resolving key internal issues – the Clere amendment than they had spent on all other provisions in SB 552.

The Indiana Gaming Commission's Charity Gaming Division would be responsible for creating rules for this form of gambling as foreseen by Clere. Revenue would be divided between the winners and the charitable organization, but no money beyond a permit fee would go to the state, and "the revenue would support charitable purposes."

In terms of specifics, House Majority Floor Leader Matt Lehman (R) of Berne pressed Clere about whether there was a definition of the term "similar event in this legislation," questioning whether an entity could simply contend that "every Saturday night" was a "similar event." Rep. Clere told him that the measure provided a cap of four times per year, but didn't want to limit those activities to just the events listed in the bill.

Clere was also pushed on whether the amendment might mean a group licensed for the activity "could have multiple in-play pools," and he tried to suggest that would not be permitted because the activity would be for "final" results – only to be told that the word "final" did not appear in his draft. That led to a discussion of how the phrase "the outcome" could be read, with Rep. Smaltz expressing concern about how it might be interpreted.

When Rep. Lehman wondered about entities holding multiple licenses, the author conceded that "We may need to tighten that up a little bit."

Rep. Dan Forestal (D) of Indianapolis asked Clere to provide an example of something his amendment helped to address, and was told that it provides a new opportunity for veterans groups and fraternal organizations to support the charitable purposes “that they are all about.” Rep. Forestal asked whether the State was stepping in to get a cut “of what is already happening,” and Clere told him if the groups are already engaging in the activity, “they are doing it illegally,” and reiterated that “100%” of the revenue that is not paid to the winners, minus permit fees, would remain with the charitable organization. Forestal asked Clere whether he believed four legal opportunities for gambling a year will stop some entities from conducting the activity more frequently. “That’s a question for the Charity Gaming Division,” Rep. Clere responded, adding that he hoped that if lawmakers established a policy creating a legal framework, they would take advantage of that opportunity.

Rep. Moed was unconvinced, reminding his colleague that illegal gambling is taking place in such entities “now and they are not doing anything about it.” Rep. Moed asked, “Why would this change?” Rep. Clere said that while he didn’t want to call anyone out individually, there was someone in the hearing room today that is a part of a group that was just caught doing this.

Rep. Matt Hostettler (R) of Fort Branch tried to move things along by summarizing that SB 552 was seeking to bring sports wagering into the Indiana gaming milieu, “and you want to bring it into charity gaming, which is already here. Is that right?” That is correct, replied Rep. Clere. “This is just a good starting point for the conversation,” and we can work on language with the Charity Gaming Division. “We all know this bill has a long way to go and I hope we can continue to have a meaningful discussion.”

But in response to the next question, from Rep. Austin, Clere acknowledged that he had not consulted with the Gaming Commission on his amendment.

Rep. Austin asked some pointed question about regulatory authority and definitions that she thought Rep. Clere had overlooked, prompting a request for the committee’s indulgence, and a reiteration of the most over-used phrase during March and early April in the halls of the State House: that “This is a work in progress.”

But solons were divided on where to go with this. Rep. Moed found Rep. Clere to be “well-intentioned,” and “does want to work with us,” and suggested that he could support the Clere amendment moving forward. Rep. Eberhart, however, hoped that Clere would “pull back” and take care of it in Ways and Means. There is more fiscal impact to this measure than just licenses and revenues, he suggested

Rep. Clere said that had he made this amendment more prescriptive, the questions would be regarding why he did so. Rather, he continued, I kept it “basic” and as a result “no one is happy.” “This is a simple piece of legislation,” he said, in the other most-overused phrase that is heard Inside the Limestone during session.

Clere’s amendment was adopted by consent, but even he was surprised by the amount of debate fostered by his proposal.

As to where this language might be headed . . . legislators have been willing in recent years to expand some gaming options for the types of entities that would be covered here, but have been torn between helping them and dealing with the seemingly increasing number of bad actors.

While no one raised the issue of the comprehensive Indiana Gaming Commission rewrite of charitable gaming laws also proceeding through the General Assembly with no apparent opposition (and the backing of stakeholders, who sought the revisions and participated in its drafting, as well as separate more specifically targeted charity gaming legislation authored by Sen. Erin Houchin (R) of Salem that eventually passed the public policy panel last week) proceeding, look for the broader legislation – authored by Chairman Smaltz – to perhaps be amended to include some of the basic Clere provisions, and not even necessarily conditioned upon the legalization of sports wagering.

Gaming enforcement officers have had their hands full chasing down and dealing with these illegal pools around key sporting events (albeit many at bars and taverns that would not be covered by the Clere amendment), and this could resolve a burden while performing community good. If the Clere amendment finds its way into the larger charity gaming measure, there could be a provision for similarly limited and regulated pools for Type II gaming license holders, but with those that are not charitable entities forced to tithe to the state or charity.

You could also potentially see a proposal like this added with an interesting caveat: that a Type II or other charitable gaming operator seeking to gain the privilege of limited sports bracket betting barred from being licensed if they had participated in illegal sports gambling (or subject to having permits revoked if they would later do so). Stronger penalties could help reassure lawmakers who might be on the fence about this.

Illinois legislation on a broader scale is proposing this, but not targeting the small fries, but rather the fantasy sports operators Draft Kings and FanDuel, whom lawmakers there believe have been operating illegally under current state law.

County Recapture of Sports Wagering Revenues.

Rep. Moed of Indianapolis offered an amendment that he said seeks to examine how much revenue is likely to be derived from sports wagering, and how those dollars would be distributed. He specifically wanted to look at Marion County to see how that money would be captured and spent because, as he framed it, “this is entirely new money,” and any time new revenues are generated, lawmakers look to see where it goes and how it is spent.

While the Moed amendment had a specific directive for the direction of local cash – he would direct tax revenue attributable to sports wagering occurring in Marion County into the housing trust fund – discussion seemed to assiduously avoid talk of any specific earmark.

Rep. Huston reminded Rep. Moed that Marion County receives \$5.2 million in gaming revenue shares even though it is a non-casino county. He told colleagues that there are a number of “technicalities” in these discussions, and he anticipated that this would be addressed in Ways and Means.

Rep. Clere asked Rep. Moed about the implications for the state General Fund and other counties. "I'm not a fiscal expert," he was told by Moed, who reminded him that the Legislative Services Agency would prepare a fiscal note if the amendment were to be adopted. He said that there is a broad estimate that \$3 million will be generated, but much of this will be determined by Ways and Means.

The Moed amendment was adopted by consent.

Miscellany.

Look for any final package to include more attention to and more funding for problem gambling programs. While it may have seemed that committee members only politely listened to advocates such as the Indiana Council on Problem Gambling, there is considerable sentiment – and not just from anti-gamers – to beef up state programs, particularly given a likely expansion into the sports wagering milieu, which would attract a much younger demographic – particularly college students and those recently graduated.

At the March 27 hearing, Rep. Austin, whose district includes Harrah's Hoosier Park Racing & Casino, expressed concern that an appropriation for problem gaming was "missing in this bill." She wanted an appropriation, citing statistics that some six percent of problem gamers are college students. "College kids are the most vulnerable" population under a legalized sports wagering construct. She also said that she wanted to know the Indianapolis-based National Collegiate Athletic Association's comprehensive plan to protect players, officials, and coaches.

That's the problem gambling problem in a nutshell: the new form of wagering, if authorized, would create a new class of customer, presumably more vulnerable than the typical casino patron, while there has been no attendant new funding mechanism set forth.

The SB 552-proposed 75-mile buffer for overlapping markets also fell victim to Rep. Smaltz's amendment.

And there were questions about the ownership caps and the proposed definition of "undue economic concentration" as a factor to be considered by the Gameboys in licensing decisions. (and some confusion about whether this applied to license ownership "cap" decisions, license moves, or both)

Rep. Clere asked Rep. Smaltz about his intent with respect to the definition of undue economic concentration. Rep. Smaltz explained that undue economic concentration would mean a person or entity would have actual or potential domination of casino gambling in Indiana that would be sufficient to: (1) substantially impede or suppress competition; (2) adversely impact the economic stability of the casino industry in Indiana; or, (3) negatively impact the purpose of the act – including tourism, benefits to the local communities, and state and local revenues.

There will still be concerns over "expansion," regardless of how hollow the concept may ring in the minds of lawmakers who preceded the 2007 authorization of racinos. Majority Floor Leader Lehman – who is a cosponsor of SB 552 – labels it "an expansion" of gaming and not merely a "shift," and he asks rhetorically, if solons allow the move of a casino license from the water to the interstate in Gary, what prevents other casinos that want to move to more "desirable" areas from doing the same.

On top of all this, sports gaming, Rep. Lehman says, is a whole new "avenue" opening up. Yet he acknowledges that gaming is now a part of our life in Indiana, and "we are all in."

Rep. Lehman acknowledged that while he did not like everything in this bill, he found it to be "much better with the amendments" that were included, and he would be among those who supported the bill in committee as it passed 12-0.

Rep. Huston explained that he viewed his charge upon recommitment to Ways and Means as working to determine what is the correct public policy for the entire state, the Kenley "adult at the table" role from 2009 that didn't quite work out then.

He reminded committee members that the organic gaming law specifically states that a license to operate a casino is revocable and not a property right. He pledged to work through the hold-harmless language with his fellow Ways and Means members. "We want to make everybody 'harmless,'" he added.

Huston also outlined a need to ensure that the horsemen were treated appropriately in any measure.

Finally, he returned to the concepts that he has posited over the past few years, and which we thought he and the Governor had looked toward when the administration changed at the outset of 2017: long-term implications need to be assessed; we need to ensure that Indiana stays competitive with our neighboring states; and we need to pay careful attention to the concerns around problem gaming.

One last item to ponder: will esports – struck down seemingly from the start – emerge as a topic again in any sports wagering discussion?

"Prior to us amending the bill, I don't think it would have passed committee," Rep. Smaltz tells Legal Sports Report. "After amending, it had a unanimous vote. That bodes well for it."

"Nothing, absolutely nothing, from this point forward will be easy about this," said Rep. Huston at the end of the House hearing Wednesday late afternoon as the bill headed to his Ways and Means panel for an early morning hearing on Tuesday, April 9 . . . and then a new wrinkle emerged.

The Governor's Role.

Complicating things further just a few hours later: a Thursday *Indianapolis Star* story by Kaitlin Lange and Tony Cook that drags the Governor into the battle in an unflattering light.

Lange and Cook reported, "An Indiana casino magnate last year treated Gov. Eric Holcomb to two private-jet flights and directed six-figure sums to Holcomb's biggest 2016 campaign donor, all while pushing for big changes to the state's gaming laws that would benefit his new business. Rod Ratcliff, chairman and CEO of Spectacle Entertainment, flew Holcomb to meetings in Aspen, Colorado, and Scottsdale, Arizona, in July and November, respectively, that were hosted by the source of that campaign money, the Republican Governors Association. The flights, one of which tax records show cost about \$20,000, gave Ratcliff and his business partners hours of exclusive access to the governor, who will have final say over their plans to move two Gary casinos to more lucrative locations. One of the flights was just a day before Ratcliff announced plans to acquire those two casinos."

Your favorite gaming newsletter has reported in detail on the contributions by Ratcliff and Centaur officials to RGA and the Republican State Leadership Committee in recent years, but the flights – and their timing – is new, and comes at a delicate time in the process, as SB 552 headed to fiscal revisions in Ways and Means.

Terre Haute businessman Greg Gibson, a top Spectacle partner who has remained largely silent to date about the proposed Wabash Valley project, spoke out about the RGA trips to Howard Greninger of the *Terre Haute Tribune-Star*. Gibson told him that all of the flights were within the law, and that while he and his wife were passengers on the July 2018 flight, he had not yet joined Spectacle and “the subject of gaming was never raised in any conversation that I was a part of.” He further explained, “We were invited to go along after the trip was already planned,” and “At the time, I was not a partner in Spectacle. I was considering the opportunity, but had not yet made a final decision.”

He reminded Greninger that “Eric and I have known each other for nearly 30 years. My wife and I consider Eric and Janet to be close friends. And here’s another news flash for you, it’s not the first time that I’ve been on a plane with Eric Holcomb,” Gibson said. “We see and speak with them often. I don’t need to get on an airplane to have a conversation with them,” he added.

While the Indiana Republican Party went to great lengths to provide reporters with a detailed memo emphasizing that the flights were entirely legal and that reporting requirements (largely falling on the RGA side of the equation) were followed, note that the law is a moral minimum, and Gov. Holcomb has gone to great lengths to protect his personal and political reputation over the years. This is something that, while perfectly legal, will a tough time passing the “smell test,” and will give any lawmaker who might be on the fence an excuse to vote against it because it just doesn’t look good and might be difficult to justify to constituents – who, in districts which are not directly tied to a beneficent local casino owner, have an entirely different perception of “casino magnates” that fits the negative historical narrative.

On his March 29 paid political radio show on WJOB 1230-AM in Hammond, Hammond Mayor McDermott (D) reviewed the *Star* story live on the air. “This is so corrupt,” he charged. “It’s total corruption.” “This confirms my worst fears,” hizzoner said, walking listeners through the RGA flight mechanics and reminding them that “I would never even dare crossing that line,” and hasn’t taken contributions from casinos or their execs. “This thing is done. It’s bought and sold. They’ve got the governor right in their back pocket,” he said with his usual dose of hyperbole. Calling the RGA flights “bribes from the casino industry,” Mayor Tom suggested that if something similar had happened “in Lake County ... you’d be indicted.”

Legislative leaders have expressed concern over appearances in cases involving legislators and casinos in the past, leading to more hurdles in the legislature for casinos until time passed.

Senate President Pro Tem Bray said of the Spectacle flights at the end of March that “if you follow the laws ... nothing was done incorrectly there. There was maybe a report that the Republican Governors Association should have filed; they’re going to clean that up. That was probably just simply an error.”

The Senate leader added that Gov. Holcomb “has been kind of keeping an eye on it, but has not been engaged or advocating for anything. He has just simply been letting the legislature work through this process, so he really has not been involved in that.”

And will the Governor push for the revival of the Gary port proposal? Is this a project that he even countenances? If Gov. Holcomb seeks the revival of the port complex proposal, does that then change this back into a true legislative issue again, and drive the debate and start the dominoes tumbling?

IN General

- Attorney General Curtis Hill (R) joins a bipartisan coalition of attorneys general from 23 states and the District of Columbia in expressing concern to the U.S. Department of Justice over a sweeping legal opinion that may negatively impact state-run and multi-state lotteries, including the Mega Millions and Powerball draw games. The letter, sent March 21 to U.S. Attorney General William Barr and Deputy Attorney General Rod Rosenstein, warns that the new interpretation of the Wire Act encroaches on state sovereignty, notes that it contradicts conclusions by the majority of states that multi-state lottery games are consistent with federal law, and represents a reversal of course on prior interpretations of the law by DoJ (reverting back to its 1961 perspective), explaining that this controversial new legal opinion regarding the Wire Act could reach beyond the realms of sports gambling and into areas traditionally controlled by the states, potentially jeopardizing in-state lotteries, as we’ve told you in these pages.

- The bipartisan letter contends the new DoJ opinion, which in the industry some suspect emanated from casino mogul Sheldon Adelson, the leading Republican Party donor nationally and a longstanding opponent of online gaming, could call into question interstate transmissions related to all bets or wagers, even where fully authorized under relevant state law. That reality, combined with the increasingly interstate nature of internet and cellular transmissions, may mean conduct that was long understood to be legal now invites exposure to severe criminal penalties. The new interpretation reversed the U.S. Department of Justice’s prior (2011) legal opinion, which prohibited only interstate transmission of information regarding sporting events or contests, and states fear it could end mobile sports wagering before it even gets underway in most states.

- The state coalition’s letter seeks a meeting with AG Barr and Rosenstein. DoJ has seen fit to extend a safe harbor period because of state reaction to the new view of the Wire Act. The state AGs also ask for an extension of Rosenstein’s initial 90-day compliance window for an additional 90 days, from April 15 until or beyond August 13. The state officials contend an extension would provide time for states to meet with the Justice Department and their vendors to enhance each state’s ability to safeguard state services and its citizens.

- “Whatever one’s opinions about legalized gambling,” Attorney General Hill said, “we all can agree on the need for consistent and sensible rules governing states’ participation in lotteries. Indiana relies on lottery proceeds to fund multiple worthwhile programs, and we rely on financial projections from past fiscal years when budgeting for the future. Our office works daily to protect the interest of Hoosiers, and that’s what we’re doing yet again in this instance.”

● An Indiana Department of Administration-organized evaluation team recommends selecting BMM North America, Inc. and Gaming Laboratories International, LLC for contract negotiations to provide Gaming Laboratory Certification Testing Services for the Indiana Gaming Commission, effectively awarding those two entities the IGC contract. These were the only two bidders to respond to the IGC Request for Proposals.

□ BMM North America has committed to subcontract 8% of the total contract value to **Phelco Technologies** (a certified minority-owned business), 8.717% of the total contract value to **ETI Performance Improvement** (a certified woman-owned business), and 3.11% of the total contract value to **Rivera Consulting Group, Inc.** (a certified Indiana Veteran Owned Small Business).

□ GLI committed to subcontract 4.0% of the total contract value to former IGC commissioner **Justin Christian's Bucher & Christian Consulting DBA BC forward** (a certified MBE), 4.0% of the total contract value to **Sondhi Solutions LLC** (a certified MBE), 7.0% of the total contract value to **NetlogX LLC** (a certified WBE), 1.0% of the total contract value to former IGC general counsel **Kay Fleming's Fleming Stage, LLC** (a certified WBE) and 3.0% of the total contract value to **Paladin Defense Groups, Inc.** (a certified IVOSB).

□ The contract will run for a period of two years from the date of contract execution. There may be two one-year renewal for a total of four years, at the State's option.

● Indiana's direct gaming employment remained stable in February, but only after benchmarking (yeah, again) dropped the preliminary January numbers by 200 jobs from the preliminary 11,700 direct gaming jobs in January we touted for you in our last issue. Looking back at January, that means a larger (400-job) drop from January 2018, the month in which the Native American casino opened in **South Bend**, as well as a much smaller (200-job) growth over December 2018, and not 400 more jobs. Preliminary February gaming employment numbers of 11,500 is down by 400 jobs (- 3.36%) from the benchmarked February 2018 total of 11,900 such jobs. February 2018 marked the first full month in which the **Four Winds Casino South Bend** was open for the full month, and the comparison to February 2019 is the first month in which we now have comparable same-unit comparisons. February 2018 was also notable for the heavy flooding along the southern tier which caused some casino closures. February has seen only three over-the-year gains in direct gaming employment since the racinos debuted in 2008.

□ If we had not factored in the ≈ 1,200 Four Winds jobs, January gaming employment would actually be at its lowest level since 1997, in spite of the number of new jobs created by property additions, renovations, and partial land-side moves at the commercial casinos. February becomes the 66th consecutive month – 5½ straight years – in which the state has seen the gaming employment level linger below 13,000 direct gaming industry jobs, a figure surpassed in each month of the first decade of the 21st century, even through the impact of the 9/11 attacks and the 2008-09 fiscal crisis.

Direct Gaming Employment - Past 16 Months

02/19	01/19	12/18	11/18	10/18	09/18	08/18	07/18
11,500	11,500	11,300	11,500	12,100	11,900	11,600	11,700
06/18	05/18	04/18	03/18	02/18	01/18	12/17	11/17
11,800	11,800	11,900	12,100	11,900	11,900	10,700	11,000

□ After 2018 became the first time in which Indiana's February direct gaming employment demonstrated over-the-year growth since 2011 (thanks to the new **Pokagon Band of Potawatomi Indians** casino), it dropped again in February 2019. Compared to February just five years back, Hoosier gaming industry direct employment is down by 600 jobs (- 4.96%) from 2014. Dating back 10 years, the number of jobs are off by 2,500 (- 17.86%) from 14,000 in February 2009, as the national fiscal crisis was making its mark in Indiana (particularly across the northern tier) during the presidential transition. Indiana is also down by 4,600 gaming jobs – off by 28.57% – from the peak of February direct gaming employment, a robust 16,100 jobs in the salad days of 2001 (even through all riverboats were still forced by law to cruise; there was one fewer commercial casino; we were bereft of a Native American casino; and both racinos were not yet open).

Direct Gaming Employment - Prior Months of February

2019 11,500	2012 13,200	2005 14,700	1998 11,000
2018 11,900	2011 13,900	2004 15,300	1997 8,200
2017 11,100	2010 13,700	2003 15,700	1996 1,100
2016 11,200	2009 14,000	2002 15,400	1995 100
2015 11,600	2008 13,800	2001 16,100	
2014 12,100	2007 14,300	2000 14,400	
2013 12,600	2006 14,400	1999 13,100	

● In Supplemental Memorandum of Decision: 01-20181996, the Indiana Department of Revenue finds that out-of-state individuals provided sufficient documentation permitting them to “net” their “per session” gambling losses and gambling winnings on a “per session” basis in determining the amount of “other income” reported on their Indiana income tax return. In this case, the taxpayers argued that the Department erred in denying them a refund of individual income tax on the ground that they had presented sufficiently reliable documentation justifying an offset of their gambling “losses” against their gambling “winnings.”

□ The taxpayers are individuals living in Illinois but who file Indiana income tax returns. They filed a 2016 Indiana tax return seeking a refund of income tax withheld on Indiana gambling winnings, reporting winning approximately \$590,000 from an Indiana casino. On the same return, they reported “same day losses” of approximately \$460,000. They “offset” their Indiana gambling losses against their gambling winnings resulting in “Indiana taxable winnings of [approximately \$130,000].” Revenue reviewed the return, rejected the gambling calculations, and denied the originally claimed refund. The taxpayers disagreed with the conclusion, appealed, and an administrative hearing was conducted during which the taxpayers representative explained the basis for the protest. Final Order Denying Refund 01-20180755R (June 29, 2018), 20180829 Ind. Reg. 045180335NRA, was issued denying the protest. As explained in that order, the taxpayers failed to provide the required documentation necessary for the Department's review and verification.

□ The taxpayers disagreed with the Department's decision and requested a rehearing conducted during which their representative again explained the basis for the argument. The issue here is whether the taxpayers presented sufficient information justifying their assertion that they are entitled to offset their daily gambling losses against their dialing gambling winnings.

□ In this case, the taxpayers provided the Indiana casino's daily gambling activity report, a spreadsheet prepared by the taxpayers' representatives summarizing the taxpayers' own contemporaneous journal, their own handwritten journal summarizing net winnings and losses by date and location, and their federal 1040 calculation of Indiana adjusted gross income.

□ The Department of Revenue ultimately concludes that the documentation provided is sufficient for the Department to substantiate their calculation of the net winnings attributable to Indiana gambling activities and – after verifying the calculation – to issue any consequent refund.

IN Illegal Gambling

● Former five-term Steuben County prosecutor Tom Wilson (R) passed away, leaving us with some great stories about his colorful stand against illegal gambling in Northeast Indiana, where his crusade against **Cherry Masters** earned him both the respect of some upright members of the community and the enmity of owners of businesses targeted by his efforts and prosecutors of neighboring counties who were not interested in being as aggressive in rooting out illegal gambling in their communities.

□ Long-time readers of this newsletter will likely recall how Wilson's efforts, launched in 1995 and maintained through the end of that decade, brought the force of the law down on **Cherry Masters**; pull-tabs; stamp machines; and quarter-pushing devices that became pervasive throughout the county. After issuing a July 1995 county-wide order to local establishments calling upon them to end their illegal gambling (by way of context, that was just as the Indiana Gaming Commission had granted certificates of suitability to the first two Cincinnati market casinos), "That was followed in 1996 with a string of prohibition-style raids on businesses that defied Wilson's orders to remove the games," reports the *Angola Herald Republican*. Local convictions on both misdemeanor and felony professional gambling counts followed, and "In February 1998, Wilson issued an order to mainly bars to remove pull tabs. After Wilson gave businesses a two-week period to remove the machines, some establishments took that to mean they could bring back **Cherry Masters** for that stretch of time. The machines reportedly were kept in homes of friends of proprietors of establishments that had **Cherry Masters**."

□ While prosecutors in some other counties (particularly **Boone County**, **Fountain County**, **Wells County**, and also **Whitley County**) were cracking down on illegal gambling at that point as well (as was the Indiana Alcoholic Beverage Commission, a sit was named then, the Steuben County actions led at least two prominent Allen County Republican lawmakers at the time to open discussions of legalizing machines for bars, taverns, and fraternal organizations.

IN Sports Wagering

● Yet another box of abandoned pigeons turns up at a state-run I-65 rest stop in **White County** (we think this marks the third such instance in about four months), but a big local pigeon race seems to be unaffected.

□ The Wanatah-based proprietors of the **2019 Hoosier Classic Million Dollar Pigeon Race**, featuring the "biggest prize payout in the history of one-loft racing" in North America, claim that nearly 4,000 perches have already been reserved. The organizers are accepting entries from all over the world and have facilities on 20 acres of farmland that can accommodate some 9,000 birds . . . and we're not quite sure whether these folks would qualify under the pending sport wagering bill as an official sanctioning body – or if pigeon racing will be an activity for which the Gameboys will allow wagering.

□ At wincompanion.com, where the races are streamed live, the organizers report that new entries are coming in daily. "4-5 days a week the post office is calling at 6:30 letting us know there are birds to be picked up" according to the pigeon race purveyors. "When shipping remember not to overcrowd the boxes and also include information for the loft in the box along with the payment if not pre-paid."

□ The initial 100 mile qualifying race will be September 1, followed by a series of 125-mile, 150-mile, 180-mile, and 220-mile races. The final 350-mile race (lasting eight hours) is scheduled for October 14, weather permitting. The organizers promise "total guaranteed prizes of over \$1,267,000," including a top prize of \$500,000 for the 350-mile winner. The breeder of the "Best Average Speed Bird" from across all races will take home a choice of \$40,000 or a **2019 Ford F-150** truck. No word as to whether the winner and its crew will peck a yard bricks at the start/finish line.

□ In addition to the prize payouts, the top 100 pigeons from the final race will be auctioned off at **I-Pigeon**, with breeders receiving 50% of their bird's auction proceeds. Elite racing pigeons have been known to fetch more than \$1 million at auction.

IN Native American Gaming

● The **Pokagon Band of Potawatomi Indians** becomes just the fifth tribe to be granted a Certificate of Self-Regulation from the National Indian Gaming Commission (NIGC). The tribe's certificate of self-regulation went into effect on January 1, 2019, and it becomes first tribe in **Michigan** and **Indiana** to receive such certification. Under the Indian Gaming Regulatory Act (IGRA) and NIGC regulations (25 C.F.R. Part 518), self-regulation status allows a tribe to regulate Class II gaming with reduced NIGC oversight. The Commission only issues certificates of self-regulation to a tribe that can demonstrate it has satisfied the applicable requirements, which include a three-year review to ensure its gaming activities have been in compliance with the IGRA, NIGC regulations, and the tribe's laws and regulations.

□ As part of the self-regulation process, the NIGC spent a significant amount of time reviewing the Tribe's gaming regulatory structures. This review process ensures the Tribe has conducted its gaming activity in a manner that effectively accounts for all gaming revenue; that it has a reputation for a safe, fair and honest operation; and that it is free of criminal or dishonest activities. Additionally, the NIGC confirms that the Tribe's gaming operation is operated on a fiscally sound basis and that it has adequate systems for accounting, investigations, licensing and enforcement.

IN Casinos

IN Other Casino News . . .

● In a quick visit to Terre Haute for an Indiana Economic Development Corporation meeting a few days before the House Committee on Public Policy met to discuss SB 552, Governor Eric Holcomb (R) was asked about casino prospects by Howard Greninger of the *Terre Haute Tribune-Star*. The Governor told him, "I applaud the leaders here in the Wabash Valley for coming together and singing from the sheet of music, so to speak. We depend, as a state, on the revenue that is generated from our casinos from gaming across the whole state. I have said, while it is not part of my legislative agenda or administrative agenda, it is something that I am willing to take a second look at because, after all, when all of these (casino) licenses were passed out initially, things have changed over time. He added, "I think it is appropriate to have this discussion in the legislature," and "it does make sense to me that one of those [two Gary licenses] could be split off and moved to another place."

□ Where does Lieutenant Governor Suzanne Crouch (R), who used to represent Evansville in the General Assembly, stand in the gaming debate? She tells Tom Langhorne of the *Evansville Courier & Press* after a Southwest Indiana Chamber event - at Tropicana Evansville March 22 "that she isn't a player in the debate over a Senate-passed bill that could place a casino in Terre Haute. That would likely mean stiff competition for Tropicana Evansville - and, some say, significant losses." "There's a lot of conversations that I'm not privy to," said the official who presides over the Senate. "Until the bill's actually reached the Senate in a final form, I am not too engaged in the process of that until then because that may be when I might have to vote on something if there's a tie vote," she said. The LG told Langhorne she isn't taking a strong stand on the legislation "because it is such a fluid process, and it is such a fluid topic. What came out of the Senate, I know will change in the House," she said. "I expect it will go to conference committee, and we'll have to see what is hammered out."

□ Of note, however, is her Evansville-centric position that could have broader implications for hold-harmless language and those looking for sympathetic Administration ear. "I would love, whatever happens, to see Tropicana's assessment protected because they just invested \$50 million for a land-based casino here in this area," she tells the paper. "So we want to ensure that if anything happens, it doesn't hurt those people and those corporations in those communities that have already created investments in their own communities."

● Here are your February casino numbers:

CASINO	TABLE WIN	SLOT WIN	TOTAL WIN
Ameristar	\$ 3,887,722	\$ 13,122,252	\$ 17,009,974
Belterra	\$ 709,717	\$ 6,128,178	\$ 6,837,895
Blue Chip	\$ 1,357,381	\$ 10,537,935	\$ 11,895,316
French Lick	\$ 1,349,591	\$ 6,621,689	\$ 7,971,280
Hollywood	\$ 2,074,179	\$ 12,300,173	\$ 14,374,352
Hoosier Park	N/A	\$ 16,937,549	\$ 16,937,549
Horseshoe HD	\$ 7,565,770	\$ 23,016,318	\$ 30,582,088
Horseshoe SI	\$ 3,522,741	\$ 10,459,981	\$ 13,982,722
Indiana Grand	N/A	\$ 24,234,927	\$ 24,234,927
Majestic Star I	\$ 1,770,475	\$ 5,651,979	\$ 7,422,454
Majestic Star II	\$ 116,684	\$ 5,117,857	\$ 5,234,541
Rising Star	\$ 363,942	\$ 3,345,738	\$ 3,709,680
Tropicana	\$ 1,902,140	\$ 10,063,676	\$ 11,965,816
STATEWIDE	\$ 24,620,342	\$ 147,538,252	\$ 172,158,594

CASINO WIN, past six months (\$ in millions)

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	\$ 30.58	\$ 28.56	\$ 32.37	\$ 29.79	\$ 33.34	\$ 31.71
Indiana Grand	\$ 24.23	\$ 20.68	\$ 23.80	\$ 22.11	\$ 19.97	\$ 23.15
Ameristar	\$ 17.01	\$ 16.16	\$ 19.50	\$ 18.40	\$ 18.05	\$ 18.14
Hoosier Park	\$ 16.94	\$ 14.68	\$ 18.32	\$ 17.29	\$ 17.58	\$ 18.21
Hollywood	\$ 14.37	\$ 12.32	\$ 15.38	\$ 14.26	\$ 12.86	\$ 13.12
Horseshoe SI	\$ 13.98	\$ 16.47	\$ 20.43	\$ 18.76	\$ 18.29	\$ 19.36
Tropicana	\$ 11.97	\$ 11.34	\$ 12.94	\$ 11.75	\$ 11.39	\$ 12.31
Blue Chip	\$ 11.90	\$ 10.30	\$ 13.16	\$ 12.17	\$ 12.27	\$ 12.82
French Lick	\$ 7.97	\$ 6.84	\$ 9.03	\$ 7.53	\$ 7.93	\$ 7.96
Majestic Star I	\$ 7.42	\$ 6.54	\$ 7.54	\$ 6.94	\$ 7.28	\$ 6.98
Belterra	\$ 6.84	\$ 7.43	\$ 9.64	\$ 8.45	\$ 8.77	\$ 9.23
Majestic Star II	\$ 5.23	\$ 4.29	\$ 5.20	\$ 4.77	\$ 5.05	\$ 4.99
Rising Star	\$ 3.71	\$ 3.25	\$ 4.10	\$ 3.99	\$ 4.14	\$ 4.36
STATEWIDE	\$172.16	\$158.87	\$191.41	\$176.19	\$176.91	\$182.34

CASINO WIN, vs. prior month, past five months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018
Majestic Star II	21.93%	- 17.37%	9.02%	- 5.61%	1.26%
Indiana Grand	17.20%	- 13.11%	7.66%	10.72%	- 13.76%
Hollywood	16.65%	- 19.88%	7.86%	10.88%	- 2.00%
French Lick	16.55%	- 24.27%	19.93%	- 5.03%	- 0.36%
Blue Chip	15.48%	- 21.70%	8.12%	- 0.83%	- 4.30%
Hoosier Park	15.37%	- 19.88%	5.95%	- 1.65%	- 3.45%
Rising Star	14.15%	- 20.81%	2.96%	- 3.65%	- 5.06%
Majestic Star I	13.53%	- 13.24%	8.58%	- 4.61%	4.22%
Horseshoe HD	7.07%	- 11.76%	8.66%	- 10.66%	5.15%
Tropicana	5.55%	- 12.42%	10.16%	3.12%	- 7.42%
Ameristar	5.26%	- 17.14%	6.01%	1.92%	- 0.51%
Belterra	- 7.96%	- 22.93%	14.10%	- 3.60%	- 5.00%
Horseshoe SI	- 15.13%	- 19.38%	8.94%	2.56%	- 5.53%
STATEWIDE	8.37%	- 17.00%	8.64%	- 0.41%	- 2.98%

CASINO WIN, past six years (\$ in millions)

CASINO	02/2019	02/2018	02/2017	02/2016	02/2015	02/2014
Horseshoe HD	\$ 30.58	\$ 30.97	\$ 33.68	\$ 35.58	\$ 36.03	\$ 36.07
Indiana Grand	\$ 24.23	\$ 22.69	\$ 23.31	\$ 23.32	\$ 21.04	\$ 20.43
Ameristar	\$ 17.01	\$ 17.36	\$ 18.89	\$ 20.96	\$ 18.53	\$ 18.27
Hoosier Park	\$ 16.94	\$ 17.17	\$ 17.74	\$ 17.62	\$ 16.39	\$ 17.20
Hollywood	\$ 14.37	\$ 14.59	\$ 13.78	\$ 14.69	\$ 14.34	\$ 17.45
Horseshoe SI	\$ 13.98	\$ 13.52	\$ 20.36	\$ 21.37	\$ 20.52	\$ 21.18
Tropicana	\$ 11.97	\$ 13.19	\$ 10.75	\$ 10.69	\$ 9.62	\$ 9.96
Blue Chip	\$ 11.90	\$ 10.97	\$ 13.05	\$ 13.21	\$ 11.51	\$ 11.86
French Lick	\$ 7.97	\$ 7.36	\$ 7.66	\$ 7.08	\$ 5.37	\$ 5.53
Majestic Star I	\$ 7.42	\$ 7.21	\$ 7.99	\$ 8.44	\$ 7.63	\$ 8.03
Belterra	\$ 6.84	\$ 6.83	\$ 8.67	\$ 8.99	\$ 8.52	\$ 9.15
Majestic Star II	\$ 5.23	\$ 4.58	\$ 5.28	\$ 5.91	\$ 5.65	\$ 6.02
Rising Star	\$ 3.71	\$ 3.68	\$ 4.39	\$ 4.31	\$ 3.56	\$ 4.50
STATEWIDE	\$172.16	\$170.11	\$185.55	\$192.17	\$178.71	\$185.64

CASINO WIN, vs. prior year, past five years

CASINO	02/2019	02/2018	02/2017	02/2016	02/2015
Majestic Star II	14.41%	- 13.40%	- 10.66%	4.65%	- 6.17%
Blue Chip	8.43%	- 15.93%	- 1.21%	14.77%	- 2.94%
French Lick	8.33%	- 3.93%	8.14%	31.92%	- 2.85%
Indiana Grand	6.82%	- 2.65%	- 0.05%	10.82%	3.00%
Horseshoe SI	3.42%	- 33.59%	- 4.73%	4.16%	- 3.12%
Majestic Star I	2.95%	- 9.73%	- 5.42%	10.73%	- 5.03%
Rising Star	0.88%	- 16.29%	2.03%	20.85%	- 20.90%
Belterra	0.13%	- 21.25%	- 3.49%	5.47%	- 6.90%
Horseshoe HD	- 1.26%	- 8.05%	- 5.34%	- 1.24%	- 0.11%
Hoosier Park	- 1.36%	- 3.19%	0.65%	7.50%	- 4.69%
Hollywood	- 1.50%	5.92%	- 6.22%	2.43%	- 17.78%
Ameristar	- 2.02%	- 8.11%	- 9.88%	13.15%	1.41%
Tropicana	- 9.27%	22.66%	0.62%	11.04%	- 3.36%
STATEWIDE	1.20%	- 8.32%	- 3.45%	7.53%	- 3.73%

STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
03/18	\$ 221,057,413	4.60%	\$ 9,723,531
04/18	\$ 195,349,498	2.15%	\$ 4,114,748
05/18	\$ 191,065,884	- 0.25%	(\$ 474,507)
06/18	\$ 186,792,189	4.49%	\$ 8,019,573
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856

STATEWIDE WIN, same month, past years

	Total Win	% Change Prior Year	Actual Change Prior Year
02/99	\$ 127,130,541	25.29%	\$ 25,658,697
02/00	\$ 144,843,487	13.93%	\$ 17,712,946
02/01	\$ 151,612,562	4.67%	\$ 6,769,075
02/02	\$ 167,177,904	10.27%	\$ 15,565,342
02/03	\$ 172,729,673	3.32%	\$ 5,551,769
02/04	\$ 204,140,928	18.19%	\$ 31,411,255
02/05	\$ 213,562,010	4.61%	\$ 9,421,082
02/06	\$ 220,929,886	3.45%	\$ 7,367,876
02/07	\$ 213,516,046	- 3.36%	(\$ 7,413,840)
02/08	\$ 211,069,492	- 1.15%	(\$ 2,446,554)
02/09	\$ 238,356,444	12.93%	\$ 27,286,952
02/10	\$ 232,401,390	- 2.50%	(\$ 5,955,054)
02/11	\$ 227,192,034	- 2.24%	(\$ 5,209,356)
02/12	\$ 245,254,845	7.95%	\$ 18,062,811
02/13	\$ 217,450,216	- 11.34%	(\$ 27,804,629)
02/14	\$ 185,638,169	- 14.63%	(\$ 31,812,047)
02/15	\$ 178,709,837	- 3.73%	(\$ 6,928,332)
02/16	\$ 192,173,284	7.53%	\$ 13,463,447
02/17	\$ 185,550,741	- 3.45%	(\$ 6,622,543)
02/18	\$ 170,114,738	- 8.32%	(\$ 15,436,003)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 59,145,183	\$ 64,514,696	(\$ 5,369,513)	- 8.32%
Indiana Grand	\$ 44,912,484	\$ 43,002,854	\$ 1,909,630	4.44%
Ameristar	\$ 33,170,454	\$ 35,821,914	(\$ 646,458)	- 2.00%
Hoosier Park	\$ 31,618,137	\$ 32,264,595	(\$ 1,530,626)	- 4.78%
Horseshoe SI	\$ 30,457,454	\$ 31,988,080	(\$ 2,651,460)	- 7.40%
Hollywood	\$ 26,696,694	\$ 27,032,417	(\$ 335,723)	- 1.24%
Tropicana	\$ 23,302,057	\$ 24,443,775	\$ 567,531	2.62%
Blue Chip	\$ 22,196,423	\$ 21,628,892	(\$ 1,141,718)	- 4.67%
French Lick	\$ 14,810,739	\$ 13,583,146	(\$ 33,545)	- 0.23%
Belterra	\$ 14,267,551	\$ 14,301,096	\$ 1,227,593	9.04%
Majestic Star I	\$ 13,960,538	\$ 13,766,937	\$ 193,601	1.41%
Majestic Star II	\$ 9,527,787	\$ 9,139,009	\$ 388,778	4.25%
Rising Star	\$ 6,959,448	\$ 7,223,662	(\$ 264,214)	- 3.66%
STATEWIDE	\$ 331,024,949	\$ 338,711,073	(\$ 7,686,124)	- 2.27%

REGIONAL WIN (\$ in millions), past six months

REGION	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Lake	\$ 72.14	\$ 65.86	\$ 77.76	\$ 72.06	\$ 75.99	\$ 74.64
Southern	\$ 58.84	\$ 57.65	\$ 71.53	\$ 64.73	\$ 63.37	\$ 66.33
Racinos	\$ 41.17	\$ 35.36	\$ 42.12	\$ 39.40	\$ 37.55	\$ 41.36

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Caesars*	\$ 85.74	\$ 80.40	\$ 94.92	\$ 87.95	\$ 89.18	\$ 92.44
Penn National*	\$ 31.38	\$ 28.48	\$ 34.88	\$ 32.66	\$ 30.91	\$ 31.27
Boyd Gaming*	\$ 18.73	\$ 17.73	\$ 22.80	\$ 20.62	\$ 21.03	\$ 22.05
Majestic Star	\$ 12.66	\$ 10.83	\$ 12.73	\$ 11.71	\$ 12.33	\$ 11.97

* Assumes current combinations looking retrospectively

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN	TABLE WIN
Majestic Star II	23.58% \$ 976,685	- 23.27% (\$ 35,390)
Rising Star	20.68% \$ 573,239	- 23.74% (\$ 113,327)
Hollywood	18.71% \$ 1,938,477	5.79% \$ 113,533
Indiana Grand	17.20% \$ 3,557,370	N/A N/A
Blue Chip	16.48% \$ 1,491,008	8.23% \$ 103,201
Horseshoe HD	15.75% \$ 3,131,562	- 12.82% (\$ 1,112,569)
Hoosier Park	15.37% \$ 2,256,961	N/A N/A
French Lick	14.12% \$ 819,337	30.13% \$ 312,484
Ameristar	10.63% \$ 1,261,107	- 9.57% (\$ 411,613)
Majestic Star I	10.26% \$ 525,807	25.40% \$ 358,563
Tropicana	7.80% \$ 727,870	- 4.91% (\$ 98,295)
Belterra	1.08% \$ 65,426	- 48.08% (\$ 657,187)
Horseshoe SI	- 19.88% (\$ 2,594,717)	3.00% \$ 102,707
STATEWIDE	11.09% \$ 14,730,132	- 5.52% (\$ 1,437,893)

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN	TABLE WIN
Majestic Star II	14.66% \$ 654,320	4.62% \$ 5,156
Blue Chip	8.46% \$ 821,603	8.24% \$ 103,306
Indiana Grand	6.82% \$ 1,547,915	N/A N/A
Horseshoe HD	6.72% \$ 1,448,361	- 19.55% (\$ 1,838,625)
Belterra	5.50% \$ 319,285	- 30.43% (\$ 310,494)
Rising Star	5.29% \$ 168,159	- 27.16% (\$ 135,731)
French Lick	5.00% \$ 315,474	28.30% \$ 297,654
Horseshoe SI	0.41% \$ 42,684	13.51% \$ 419,313
Hollywood	0.11% \$ 13,031	- 10.08% (\$ 232,618)
Majestic Star I	- 0.75% (\$ 42,562)	16.85% \$ 255,361
Hoosier Park	- 1.36% (\$ 233,721)	N/A N/A
Ameristar	- 3.26% (\$ 442,872)	2.42% \$ 91,821
Tropicana	- 7.80% (\$ 851,449)	- 16.34% (\$ 371,515)
STATEWIDE	2.62% \$ 3,760,228	- 6.52% (\$ 1,716,372)

COIN-IN, past five months (\$ in millions)

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018
Indiana Grand	\$ 257.10	\$ 226.05	\$ 252.78	\$ 228.65	\$ 217.63
Horseshoe HD	\$ 225.14	\$ 203.11	\$ 241.70	\$ 211.92	\$ 227.86
Hoosier Park	\$ 186.15	\$ 162.65	\$ 200.98	\$ 176.31	\$ 210.38
Ameristar	\$ 132.90	\$ 122.59	\$ 143.02	\$ 135.70	\$ 137.28
Blue Chip	\$ 120.56	\$ 105.47	\$ 137.39	\$ 123.21	\$ 131.00
Hollywood	\$ 117.63	\$ 102.71	\$ 129.49	\$ 121.25	\$ 112.39
Horseshoe SI	\$ 105.13	\$ 133.28	\$ 157.44	\$ 147.24	\$ 143.66
Tropicana	\$ 98.68	\$ 88.43	\$ 104.77	\$ 90.88	\$ 93.41
French Lick	\$ 77.03	\$ 67.38	\$ 92.02	\$ 75.66	\$ 79.73
Belterra	\$ 67.11	\$ 65.38	\$ 86.22	\$ 75.93	\$ 81.25
Majestic Star I	\$ 56.70	\$ 51.25	\$ 58.88	\$ 54.18	\$ 57.86
Majestic Star II	\$ 49.08	\$ 41.08	\$ 48.87	\$ 44.94	\$ 48.76
Rising Star	\$ 39.05	\$ 32.35	\$ 44.99	\$ 40.54	\$ 40.02
STATEWIDE	\$ 1.532B	\$ 1.402B	\$ 1.699B	\$ 1.526B	\$ 1.581B

SLOT PAYBACK, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Rising Star	91.43%	91.43%	91.78%	91.20%	91.37%	91.04%
French Lick	91.40%	91.39%	91.47%	91.53%	91.50%	91.58%
Blue Chip	91.26%	91.42%	91.58%	91.23%	91.55%	91.48%
Hoosier Park	90.90%	90.97%	90.88%	90.19%	91.64%	91.59%
Belterra	90.87%	90.73%	90.99%	90.82%	90.35%	91.40%
Indiana Grand	90.57%	90.85%	90.59%	90.33%	90.83%	91.70%
Ameristar	90.13%	90.32%	89.81%	89.90%	89.94%	89.87%
Horseshoe SI	90.05%	90.21%	90.02%	90.22%	90.14%	89.98%
Majestic Star I	90.03%	90.00%	90.07%	89.86%	90.40%	90.49%
Tropicana	89.80%	89.44%	89.72%	89.45%	89.83%	89.56%
Horseshoe HD	89.78%	90.21%	90.24%	89.87%	90.15%	89.79%
Majestic Star II	89.57%	89.92%	89.61%	89.66%	89.86%	90.19%
Hollywood	89.54%	89.91%	89.68%	90.12%	89.89%	90.30%
STATEWIDE	90.37%	90.53%	90.47%	90.28%	90.61%	90.76%

SLOT MACHINES, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	2,217	2,217	2,221	2,205	2,267	2,262
Indiana Grand	2,074	2,069	2,069	2,069	2,071	2,070
Ameristar	1,738	1,749	1,762	1,774	1,777	1,761
Blue Chip	1,676	1,678	1,678	1,675	1,675	1,680
Horseshoe SI	1,580	1,580	1,579	1,586	1,587	1,573
Hollywood	1,543	1,541	1,522	1,509	1,509	1,474
Hoosier Park	1,542	1,599	1,611	1,658	1,811	1,811
Belterra	1,167	1,180	1,186	1,170	1,184	1,182
Tropicana	1,124	1,125	1,128	1,130	1,130	1,130
French Lick	915	915	916	916	919	918
Rising Star	896	897	897	894	901	918
Majestic Star II	832	838	842	859	859	859
Majestic Star I	789	700	818	819	819	819
STATEWIDE	18,093	18,088	18,229	18,264	18,509	18,457

WIN PER SLOT PER DAY

CASINO	02/2019	02/2018	01/2019
Indiana Grand	\$ 417	\$ 382	\$ 322
Hoosier Park	\$ 392	\$ 331	\$ 296
Horseshoe HD	\$ 371	\$ 336	\$ 289
Tropicana	\$ 320	\$ 343	\$ 268
Hollywood	\$ 285	\$ 265	\$ 217
Ameristar	\$ 270	\$ 283	\$ 219
French Lick	\$ 258	\$ 244	\$ 205
Majestic Star I	\$ 256	\$ 234	\$ 236
Horseshoe SI	\$ 236	\$ 234	\$ 267
Blue Chip	\$ 225	\$ 207	\$ 174
Majestic Star II	\$ 220	\$ 191	\$ 159
Belterra	\$ 188	\$ 174	\$ 166
Rising Star	\$ 133	\$ 123	\$ 100
STATEWIDE	\$ 291	\$ 273	\$ 237

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 38,141,640	\$ 7,565,770 19.84%
Ameristar	\$ 24,203,120	\$ 3,887,722 16.06%
Horseshoe SI	\$ 13,279,717	\$ 3,522,741 26.53%
Hollywood	\$ 9,261,434	\$ 2,074,179 34.41%
Tropicana	\$ 9,130,155	\$ 1,902,140 20.83%
Majestic Star I	\$ 7,731,196	\$ 1,770,475 22.90%
Blue Chip	\$ 6,027,962	\$ 1,357,381 22.52%
French Lick	\$ 5,654,052	\$ 1,349,591 23.87%
Belterra	\$ 4,793,167	\$ 709,717 14.81%
Rising Star	\$ 2,599,012	\$ 363,942 14.00%
Majestic Star II	\$ 104,016	\$ 116,684 112.18%
STATEWIDE	\$ 120,925,471	\$ 24,620,342 20.36%

TABLE HOLD, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Majestic Star II	112.18%	152.29%	112.02%	115.59%	108.91%	115.48%
Hollywood	34.41%	34.17%	28.29%	36.29%	24.07%	27.59%
Horseshoe SI	26.53%	20.61%	25.63%	24.17%	25.84%	23.33%
French Lick	23.87%	22.04%	20.76%	23.71%	24.09%	19.11%
Majestic Star I	22.90%	17.45%	21.47%	20.08%	23.02%	19.00%
Blue Chip	22.52%	21.86%	22.20%	21.62%	19.34%	20.36%
Tropicana	20.83%	23.43%	22.01%	25.20%	22.59%	25.89%
Horseshoe HD	19.84%	22.41%	21.51%	21.96%	26.66%	21.65%
Ameristar	16.06%	16.55%	15.72%	16.41%	15.50%	14.98%
Belterra	14.81%	25.14%	27.48%	24.60%	16.66%	18.96%
Rising Star	14.00%	21.07%	13.00%	15.28%	25.04%	18.31%
STATEWIDE	20.36%	20.85%	20.87%	21.42%	22.29%	20.25%

TABLE GAMES, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	157	155	154	156	153	153
Horseshoe SI	103	103	103	103	103	103
Ameristar	79	79	80	76	76	70
Hollywood	78	78	78	73	78	78
Majestic Star I	49	49	49	50	50	50
Blue Chip	48	48	48	48	48	48
Belterra	43	43	43	43	43	43
Tropicana	41	41	41	41	41	41
French Lick	37	37	37	37	37	37
Rising Star	29	29	25	25	25	29
Majestic Star II	14	14	14	14	14	14
STATEWIDE	678	676	672	671	668	666

WIN PER TABLE PER DAY

CASINO	02/2019	02/2018	01/2019
Ameristar	\$ 1,758	\$ 1,883	\$ 1,756
Horseshoe HD	\$ 1,721	\$ 2,195	\$ 1,806
Tropicana	\$ 1,657	\$ 1,981	\$ 1,574
French Lick	\$ 1,303	\$ 1,015	\$ 904
Majestic Star I	\$ 1,290	\$ 1,061	\$ 930
Horseshoe SI	\$ 1,221	\$ 1,076	\$ 1,071
Blue Chip	\$ 1,010	\$ 933	\$ 843
Hollywood	\$ 950	\$ 1,005	\$ 811
Belterra	\$ 589	\$ 868	\$ 1,025
Rising Star	\$ 448	\$ 615	\$ 531
Majestic Star II	\$ 298	\$ 153	\$ 350
STATEWIDE	\$ 1,297	\$ 1,375	\$ 1,243

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	02/2019	01/2019	12/2018	11/2018
Majestic Star II	97.8/02.2%	96.5/03.5%	97.7/02.3%	97.5/02.5%
Rising Star	90.2/09.8%	85.3/14.7%	90.2/09.8%	89.5/10.5%
Belterra	89.6/10.4%	81.6/18.4%	80.5/19.5%	82.5/17.5%
Blue Chip	88.6/11.4%	87.8/12.2%	88.0/12.0%	88.8/11.2%
Hollywood	85.6/14.4%	84.1/15.9%	86.9/13.1%	84.0/16.0%
Tropicana	84.1/15.9%	82.4/17.6%	83.2/16.8%	81.6/18.4%
French Lick	83.1/16.9%	84.8/15.2%	86.9/13.1%	85.1/14.9%
Ameristar	77.1/22.9%	73.4/26.6%	74.7/25.3%	74.5/25.5%
Majestic Star I	76.1/23.9%	78.4/21.6%	77.6/22.4%	79.1/20.9%
Horseshoe HD	75.3/24.7%	69.6/30.4%	72.9/27.1%	72.1/27.9%
Horseshoe SI	74.8/25.2%	79.2/20.8%	76.9/23.1%	76.7/23.3%
STATEWIDE	85.7/14.3%	83.6/16.4%	84.6/15.4%	84.2/15.8%

STATE MARKET SHARE BY CORPORATE PARENT, past six months

CORP	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Caesars*	49.80%	50.61%	49.59%	49.92%	50.41%	50.69%
Penn National*	18.23%	17.93%	18.22%	18.53%	17.47%	17.15%
Boyd Gaming*	10.88%	11.16%	11.91%	11.70%	11.89%	12.09%
Majestic Star	7.35%	6.82%	6.65%	6.64%	6.97%	6.56%

* Assumes current combinations looking retrospectively

STATE MARKET SHARE, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	17.76%	17.98%	16.91%	16.91%	18.85%	17.39%
Indiana Grand	14.08%	13.02%	12.43%	12.55%	11.29%	12.70%
Ameristar	9.88%	10.17%	10.19%	10.44%	10.20%	9.95%
Hoosier Park	9.84%	9.24%	9.57%	9.82%	9.94%	9.99%
Hollywood	8.35%	7.76%	8.03%	8.09%	7.27%	7.20%
Horseshoe SI	8.12%	10.37%	10.68%	10.65%	10.34%	10.62%
Tropicana	6.95%	7.14%	6.76%	6.67%	6.44%	6.75%
Blue Chip	6.91%	6.48%	6.87%	6.91%	6.93%	7.03%
French Lick	4.63%	4.31%	4.72%	4.27%	4.48%	4.36%
Majestic Star I	4.31%	4.12%	3.94%	3.94%	4.11%	3.83%
Belterra	3.97%	4.68%	5.04%	4.80%	4.95%	5.06%
Majestic Star II	3.04%	2.70%	2.71%	2.70%	2.85%	2.73%
Rising Star	2.15%	2.05%	2.14%	2.26%	2.34%	2.39%

STATE MARKET SHARE BY REGION, past six months

REGION	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Lake	41.91%	41.45%	40.62%	40.90%	42.95%	40.94%
Southern	34.18%	36.29%	37.37%	36.74%	35.82%	36.38%
Racinos	23.92%	22.26%	22.01%	22.36%	21.22%	22.69%

LAKE REGION MARKET SHARE, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Horseshoe HD	42.39%	43.37%	41.63%	41.34%	43.88%	42.48%
Ameristar	23.58%	24.54%	25.08%	25.53%	23.76%	24.31%
Blue Chip	16.49%	15.64%	16.92%	16.88%	16.14%	17.17%
Majestic Star I	10.29%	9.93%	9.69%	9.63%	9.58%	9.35%
Majestic Star II	7.26%	6.52%	6.68%	6.61%	6.64%	6.68%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Hollywood	24.43%	21.37%	21.50%	22.03%	20.29%	19.78%
Horseshoe SI	23.76%	28.58%	28.57%	28.98%	28.86%	29.19%
Tropicana	20.34%	19.66%	18.09%	18.15%	17.98%	18.55%
French Lick	13.55%	11.86%	12.63%	11.63%	12.51%	12.00%
Belterra	11.62%	12.89%	13.48%	13.05%	13.83%	13.91%
Rising Star	6.30%	5.64%	5.74%	6.16%	6.53%	6.57%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Ameristar	Horseshoe HD	Indiana Grand
(3)	Horseshoe SI	Hoosier Park	Ameristar
(4)	Hollywood	Ameristar	Hoosier Park
(5)	Tropicana	Hollywood	Hollywood
(6)	Majestic Star I	Blue Chip	Horseshoe SI
(7)	Blue Chip	Horseshoe SI	Tropicana
(8)	French Lick	Tropicana	Blue Chip
(9)	Belterra	French Lick	French Lick
(10)	Rising Star	Belterra	Majestic Star I
(11)	Majestic Star II	Majestic Star I	Belterra
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Indiana	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34
IL Casinos	\$ 97.55	\$ 94.71	\$ 117.69	\$ 107.13	\$ 112.74	\$ 109.55
SPREAD	\$ 74.60	\$ 64.16	\$ 73.72	\$ 69.06	\$ 64.17	\$ 72.80
IL VGTs	\$ 129.06	\$ 120.47	\$ 133.51	\$ 125.14	\$ 127.89	\$ 121.74
IL Total	\$ 226.61	\$ 215.18	\$ 251.20	\$ 232.27	\$ 240.64	\$ 231.29
SPREAD	(\$ 54.45)	(\$ 56.32)	(\$ 62.45)	(\$ 56.08)	(\$ 63.72)	(\$ 48.95)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Indiana	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34
OH Casinos	\$ 69.99	\$ 62.45	\$ 76.25	\$ 67.73	\$ 66.56	\$ 66.48
OH Racinos	\$ 84.96	\$ 78.29	\$ 89.69	\$ 80.41	\$ 83.42	\$ 85.73
OH Total	\$ 154.95	\$ 140.74	\$ 165.94	\$ 148.15	\$ 149.98	\$ 152.21
SPREAD	\$ 17.21	\$ 18.13	\$ 25.47	\$ 28.05	\$ 26.93	\$ 30.13

Hoosier Lottery

→ Cont. from front page . . .

Vice Lotteries seeks to sell games resembling the Hoosier Lottery's scratch-off and quick-pick games, as well as keno. Vice "plans to use artificial intelligence tools to suggest betting and odds limits for individual gamblers to ensure that the frequency and probability of their play aids in their savings and investments rather than depleting them."

Vice does not expect to offer games similar to Powerball and Mega Millions, explaining that the distributional odds for these games "would make equitable gambling equitable in theory only to all except billionaires."

The company wants to "restore states to their roles as business regulators, rather than lottery purveyors" via the "equitable gambling" model, which it believes will also help to "reverse income inequality by building tools to develop financial responsibility and literacy. Starting by taking loss out of lotteries, Vice Lotteries will provide gamblers with transparent, statistical data for informed wagering and saving with knowledge of the effects their decisions can be expected to have on their personal wealth."

The company's founder and top exec is Matthew Curtis, the named plaintiff on the lawsuit who describes himself as a "serial entrepreneur," and an attorney who has litigated constitutional claims for the Institute for Justice. Joining Curtis on the team is Michael Esposito, a former long-time editor for the *Chicago Tribune*, and senior developer Brett Kirby, a former GM employee.

Curtis, a computer programmer, also says that he has written the necessary code for "equitable gambling" games, and built a payment and odds-sourcing infrastructure, along with algorithms to set individual betting limits. He says that he is optimistic about bringing the concept to market within six months, pending necessary approvals.

As you might expect, the State was not pleased with Curtis' plans nor impressed by his argument. The Office of the Attorney General last month filed a motion to dismiss accompanied by a lengthy memorandum in support of the motion effectively contending that the Curtis complaint should be dismissed because he does not have standing and has failed to state a claim upon which relief can be granted under *Federal Rules of Civil Procedure*. "While Mr. Curtis asserts that the Indiana Lottery and Indiana law violates the First, Tenth, and Fourteenth Amendments, Courts have repetitively concluded that the state has police powers to regulate gambling for the legitimate health, safety, and welfare of the public."

While Curtis seeks to enjoin OAG from enforcing the lottery law and pursuing him (and Vice) for any violations, OAG notes that the Lottery is a body separate corporate and politic, and "The Attorney General is not authorized to implement or control the Lottery." While "the State criminalizes operating and advertising a gambling enterprise in Indiana the Attorney General is not charged with enforcing criminal law in the State of Indiana."

Further, "Plaintiff brings no case or controversy to this Court." He also "lacks standing to bring a case on behalf of the public. While Plaintiff claims that Indiana citizens are harmed by the State's monopoly and the loss of money by playing the Indiana Lottery, he has not shown how he has standing to sue on their behalf."

OAG also shoots down each of the respective allegations of constitutional violations, including a contention that "The First Amendment claim fails because Plaintiff is engaging in unlawful speech."

“‘That’s against the law, and you can’t talk about it,’ seems to be the opinion of the State of Indiana, as it protects Hoosier Lottery’s profits and entrenches the misfortune of its citizens,” claims a Vice Lotteries spokesperson. “Indiana also claims that ‘the State is able to protect its citizens from unlawful gambling through its close regulation.’ This from a state that skims about 37 percent of every lottery ticket purchase, adding to many wealth-disparity problems it tries so hard to help. Vice Lotteries simply wants to create a lottery wherein 100 percent of wagers stays in the prize pool, returning the money to the communities where it began. This seems like something Indiana should want, but it doesn’t.”

● The \$768.4 million Powerball jackpot won by a single ticket in Wisconsin in the Wednesday, March 23 draw ranked as the third-largest jackpot ever up for grabs domestically (and second-largest ever for Powerball). The lump-sum cash payout value of \$476.9 million was the fourth-highest in U.S. history (third for Powerball). The big bucks were the result of a string of 25 successive draws without a winner that started with a \$40 million prize on December 29, 2018.

● The Hoosier Lotto jackpot for Saturday, April 6, grew to \$33.5 million, ascending by \$500,000 over the April 3 jackpot of \$33.0 million. The April 3 top prize had represented just a \$200,000 jump over March 30, which tied for the lowest increment since February 20. Jackpot growth slowed for three consecutive draws after two successive \$400,000 jumps and a \$500,000 infusion for the March 9 draw, the second \$500,000 addition during March (after the state had not seen that high a jackpot improvement since the November 7 drawing). The March 6-16 run of jackpot infusions constituted the four largest consecutive additions to the jackpot pool since the quartet of draws that spanned October 31 through November 10. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players.

□ The Hoosier Lotto jackpot for April 6 ranks as the third highest domestically behind only Powerball and Mega Millions. This is also the largest jackpot available in more than seven years, since the \$34.50 million jackpot hit on February 18, 2012 (a similar-sized jackpot was also won October 30, 2010).

□ The current jackpot also still significantly lags the top two jackpots on record, \$54.5 million (won more than 10 years ago, on November 7, 2007) and \$42 million (won on June 5, 1999). The jackpot was last hit on February 7, 2018, so the current jackpot has now gone unclaimed for more than a full year, and has become the third-largest on record dating back at least 17 years.

□ The Hoosier Lotto jackpot reigned as the nation’s fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California’s SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game (by a \$14.1 million margin) since January 24. However, Hoosier Lotto is in danger of being overtaken by the twice-weekly California draw game later this week, because the value of the April 6 Golden State jackpot was \$33 million, and it balloons by \$1 million per draw.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	04/06/19	\$33.5 Million	\$500,000
WED	04/03/19	\$33.0 Million	\$200,000
SAT	03/30/19	\$32.8 Million	\$300,000
WED	03/27/19	\$32.5 Million	\$200,000
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000
SAT	11/24/18	\$22.3 Million	\$300,000
WED	11/21/18	\$22.0 Million	\$200,000
SAT	11/17/18	\$21.8 Million	\$300,000
WED	11/14/18	\$21.5 Million	\$300,000
SAT	11/10/18	\$21.3 Million	\$400,000
WED	11/07/18	\$20.9 Million	\$500,000
SAT	11/03/18	\$20.4 Million	\$600,000
WED	10/31/18	\$19.8 Million	\$500,000

IN Horse Racing & Racinos

● The frustrating weather-related issues that had held back workers from completing the new track surface at Indiana Grand Racing & Casino that we told you about in our last issue lingered on through March. Jon Schuster, the facility’s vice president and general manager of racing, took to social media late in March to update horsemen about the status of the upgrades, and while he wasn’t able to be particularly encouraging at that point, things eventually worked out for the horsemen.

□ He explained that Indiana weather and its typical seasonal patterns have “continued to slow down efforts in getting track cushion material manufactured and delivered. While this entire endeavor has been dictated by the weather at this point, I would like to make sure that everyone knows we are making it our very top priority to get the surface applied to the track correctly. It’s important that this is done the right way – it’s a big project, and it’s a big deal to all of us. We are not going to cut any corners to speed things up by a day or two; the safety of our horses and riders are far too important to us and we intend to get the renovation done right.”

□ “That being said,” Schuster continued, “there is no current planned date for the track to be open for training, but April 1st has been identified as a potential target date. As we gain more information, get more material manufactured and delivered, and begin to actually lay the cushion down, I will keep everyone apprised of how we are proceeding. Taking all that information into account, I will do my very best to get everyone a solid date as soon as I can reliably give you one. Once we are able to confirm an opening date for training, folks can begin making shipping and staffing plans, etc.”

□ As things worked out, April 1 was the opening date for training with the \$700,000 track renovation complete. There will be a daily break between 8:30 a.m. - 9:00 a.m. EDT, same as previous years. The track will be open for training until 11:00 a.m. EDT each day.

● A motion to dissent was filed in the House on Monday on HB 1196, the Indiana Horse Racing Commission’s seemingly noncontroversial agency bill that passed the House 94-0 before clearing the Senate in amended form 46-2, and on Tuesday, the House dissented from Senate amendments

□ The Senate Committee on Public Policy had added a technical amendment by consent to the measure, authored by Rep. Bob Cherry (R) of Greenfield, that struck the definition of a claiming race so that claiming races will continue to be exempt from sales taxes; changed conflict of interest rules for veterinarians to allow them to treat other breeds; and eliminated language on the panels themselves appointing chairs for each breed development committee, because that conflicted with current law affording that power to the governor.

IN Bingo and Charitable Gaming

● Fourteen days after it passed the Senate (unamended) on a 41-7 vote, HB 1517, the Indiana Gaming Commission’s agency bill revamping Indiana’s charity gaming laws, was signed by Senate President Pro Tem Rodric Bray (R) of Martinsville, and heads to the House for signature by the Speaker of the House before proceeding to the Governor’s desk for final approval.

□ By comparison, the Senate concurred Tuesday on the high-profile bias crimes bill that the House passed on March 26, and the Governor signed the measure on Wednesday.

● The House Committee on Public Policy held a Wednesday hearing on SB 393, legislation authored by Sen. Erin Houchin (R) of Salem that would grant certain bona fide civic organizations the ability to hold an annual charity game night license.

□ Before the panel heard from Sen. Houchin, the panel chair, Rep. Ben Smaltz (R) of Auburn, offered a technical amendment, adopted by consent, that was suggested by the Indiana Gaming Commission to make some of the language and citations in the bill consistent with HB 1517, Rep. Smaltz’s agency bill rewriting the charity gaming law. That measure has been passed in the same form by both chambers and should soon be on its way to the governor.

□ Sen. Houchin explained that the genesis of the annual charity game night license came from the Hardinsburg Lions Club in her district, a “civic organization” that sought to conduct a card game on a regular basis, only to be told by the Gaming Commission that the law only allowed one such event per month. With proceeds largely funding utility bills for the Lions building and Bearcat Civic Center, hosting games only once per month would not be enough to keep the facility open. “The Lions Club is the only game in town, no pun intended,” said Sen. Houchin, adding that it was “the only thing to do” in town.

□ While a veterans or fraternal organization license allowed the type of more frequent activity sought by the Lions Club, a charitable organization license did not. She said her measure was drafted with the help of Gaming Commission staff to be very narrowly tailored to counties with three or fewer such opportunities for this type of gaming so that it would not interfere with the ability of other entities to have weekly game. The number of bona fide civic organizations – she mentioned groups such as Lions, Kiwanis, and the Rotary – that may hold an annual charity game night license would be limited to one per county, and they would have to be a bona fide civic organization tied to a national group in existence for a certain period of time, and be housed in “a standalone building.” She believes that only 48 counties would have an entity that could qualify for such a license. If more than one license is requested in a community, the Gaming Commission would determine by random draw who would be licensed for a two-year period, at the end of which, the process would be reopened. for the commission to apply in awarding a license.

□ No one appeared to testify on the matter, no committee members had any questions about the Houchin bill, and the measure advanced to the House floor on an 11-0 vote.

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Some hate how bias bill played out

What happened and the implications for the process and the Governor

Indiana will have a new bias crimes law, but the process by which it occurred may have been more important for the long-term than any short-term gain – which itself may be debatable.

Indeed, like the wake of the forced “RFRA Fix” a few years ago, passage of the bias crimes bill via a Senate concurrence on SB 198 Tuesday didn’t result in a statewide self-congratulatory high-five. Rather, the final measure – which was not heralded by either proponents of “the list” nor derided by opponents of any special treatment – just felt like a box had been checked on a perfunctory basis, and it was time to move on.

However, with no list – and age, gender, and gender identity left off the otherwise ostensibly inclusive protected classes in the measure – advocates for a comprehensive list split on whether the measure was sufficient to cover what “needed” to be covered to make Indiana a more “welcoming” state, or even to get Indiana off the list of states without a meaningful bias crimes law.

Like RFRA, this was “a simple bill” in terms of language, but left anyone who tried to work through it coming down on opposite sides as to what it really meant, depending upon the perspective the reader brought to the table. The American Civil Liberties Union of Indiana contends it chills and threatens to criminalize speech, is unconstitutionally vague, and will lead to litigation.

The language and meaning will be worked through in public debate, writings, and perhaps legal proceedings going forward, and (unlike RFRA) it will take some time to determine the implications, legal and economic, of the measure. But there are some other implications that will emanate from the way that SEA 198-2019 came to be this session that deserve to be tackled here.

Process Implications for the General Assembly. Everyone seemed to be impressed with how Senate leadership and the Senate Committee on Public Policy addressed the initial bill. New Senate President Pro Tem Rodric Bray (R) held the measure in his Committee on Rules to get a sense of his caucus as to their preferences, and to avoid assigning it to an inappropriate panel or to a chair who might hold a hearing too early or too late in the process.

There was praise from all sides and parties for how Sen. Ron Alting (R) handled SB 12 in his public policy panel, hosting a lengthy hearing and hearing from anyone who wished to speak on both sides of the measure (and those who just sought to shape whatever might emerge into good legislation).

When the bill emerged with just one negative vote, those on the outside assumed that the measure – with full backing from Governor Eric Holcomb (R), who sought “the list” that was included in the bill authored by Sen. Mike Bohacek (R) – was headed to the House on rails.

But despite only one negative vote in committee, the Senate Majority Caucus wasn’t able to come to consensus on “the list.” Behind closed doors, tacit agreement was reached for Sen. Aaron Freeman (R) to offer an amendment that would become the GOP alternative, stripping the list, but allowing the majority to coalesce around explicitly allowing judges to aggravate a person’s criminal sentence based on a bias motive . . . even though that didn’t satisfy the business groups that sought the comprehensive list.

For more, please see the following page . . .

Federal race cash race changes

New realities may mean new challengers

Since the 1971 passage of the Federal Election Campaign Act and the ruling in *Buckley v. Valeo*, 424 U.S. 1 (1976), upholding the constitutionality of campaign contribution limits in federal office elections, the long-held conception has been that raising “federal money” was a daunting task, particularly for political newcomers.

But the long-held incumbent advantage on this front may have gone by the wayside given the new realities of fundraising under which a candidate who finds a niche, cause, mentor/sponsor, or good email list can count on being able to tap into a national fundraising network that can mean big bucks in a short time, with those dollars not only helping to fund the campaign, but bringing credibility in the eyes of national and state party officials that further boosts a given candidacy.

The old norms of candidates spending most of a day (at least between retail appearances) phoning interminable lists of \$500 to \$2,750 prospects may be traded in for email consultants who can free up candidate time and raise bigger bottom lines from a bigger base. The new norm may “democratize” the range of candidate who would consider running . . . and you may also see parties recruiting self-funders to fend them off.



The Freeman amendment – driven behind the scenes by Sens. Freeman and Erin Houchin (R) with the help of social conservative groups – was adopted (and the bill passed) with other Republicans largely staying silent during all debate. But just as important to its adoption as the work that Sens. Freeman and Houchin did was the insistence by a handful of Democrats that law enforcement personnel and veterans be dropped from any list . . . which caused the measure to lose support among a handful of Republicans, and made it easier for the Freeman amendment to win support in his caucus as the proverbial needle found itself “unthreaded.”

The bill moved to the House, where Speaker Brian Bosma (R) had long warned that his members were not enamored with a list (and several members were unconvinced that any new law was needed). SB 12 languished without a committee hearing until House Republicans, again behind closed caucus doors, opted to attach an amendment offered by Rep. Greg Steuerwald (R) to a bill authored by Sen. Eddie Melton (D) that would have clarified Bureau of Motor Vehicles gender identity policies for driver’s licenses and identification cards.

House Republicans believed that Rep. Steuerwald had threaded the proverbial needle with his amendment that he said treated everyone equally, and passed his amendment . . . again, with their own members not taking to the floor to defend it or respond to Democratic lawmakers who pointed out what they saw as its flaws, and the non-public process that produced it.

And that was the big rub.

The decision – behind closed caucus doors in the Senate – to use the Freeman amendment to reverse course on SB 12 (and not even put members on record defending it on the floor) left the public out after the committee hearing had focused on something entirely different. And there was no opportunity for the public to weigh in at all on the House side once the closed-door caucus discussions there decided to short-circuit public participation and debate by attaching the Steuerwald amendment to another piece of legislation and not even hold a committee hearing. Republican House members also largely stayed silent, leaving the floor speeches on the amendment to Democrats.

Those from the business community or who were among the classes that sought specific protection hoped that there would be a Senate dissent from SB 198, if only to allow public input for the first time on the Steuerwald language, but Senate Republicans – in caucus – decided not to pursue that course, and the concurrence vote Tuesday came with little Republican floor debate (most notably from Sen. Alting, who emotionally lamented the loss of the list for which he had fought).

Think back to when Democrats controlled the House in the early part of the century (!). Republicans – led by Rep. Bosma – were not pleased with strong-arm Democratic leadership tactics which saw the budget bill dropped on the desks of members just a few hours (and sometimes scant minutes) before a final vote.

Rep. Bosma pledged that when Republicans took control of the House again, members would have at least 24 hours to review the budget bill before voting on it (and that was largely before everything was presented to members in electronic format). He was true to his word, and minority Democrats benefited perhaps more than the majority from the change in practice, which is now an entrenched policy.

Look for Democrats to make some kind of pledge to change rules or practice – if they are to ever regain the majority – to ensure public input on measures of significant public interest if they undergo major amendment throughout the process.

Democrats may also seek to place some restraints on rules of germaneness of amendments. Early last week, several Democratic amendments – and amending bills has typically been the only avenue to impact policy afforded Democrats laboring under the supermajority – were ruled non-germane, even as a neutral arbiter would almost certainly have decided differently, and Republican amendments that seemed even less relevant were approved for votes. When leaders couldn’t even make a straight-faced claim of non-germaneness in some cases, bills were withdrawn rather than allowing Democrats to force Republicans into having to make some uncomfortable votes.

Expect Democrats to look for ways to change germaneness rules in the amendment process going forward. These process concerns are not politically sexy issues, but in their reduced role, Democrats have few opportunities to affect the outcome of legislation, or even to highlight things by forcing symbolic votes, and they need to pursue what they can in any way that they can.

Democrats also had some internal disputes of their own, one of which between an urban and (the) rural member spilled into the hallway. The big process issue: whether Democratic leaders should have called for a roll call vote on the attachment of the Steuerwald amendment to the Melton BMV bill.

Political Implications for the Governor. A bias crimes law with “the list” specifically including the LGB – and especially “T” – community was sought by the Governor in advance of the session, and he pledged to put the full faith and credit of his office behind it. Democrats and the business community lauded the announcement and inclusion of the issue on his “Next Level” legislative agenda – perhaps the heaviest 2019 lift outside of teacher pay hikes, given how reserved and non-committal Republican leaders were about the announcement.

Gov. Holcomb largely served as a cheerleader while the Senate passed SB 12 in committee, and his public presence was absent as Senate Republicans agonized in private over how to proceed on the floor.

He was publicly disappointed by the adoption of the Freeman amendment, but did not condemn nor condone it, expressing his hope that with lots of time left in session House Republicans and eventually the Senate would revive language with which he was more comfortable.

As SB 12 crossed the Rotunda to the House, there was much public speculation – not discouraged by 206 – that the Gov would publicly testify in committee on the measure, expressing his preference for a list. Such appearances by the state’s chief executive before a committee are historically rare, and emphasize the gubernatorial gravitas.

While the folks in 206 will probably tell you that he never had the opportunity to appear before a House panel because SB 12 was not afforded a hearing, he also didn’t force the hand of House Republicans by saying up front that he wanted the chance to speak in public before a House committee.



When it became clear that there would not be a committee hearing, the Governor didn't lament the inability of the public and the business community to weigh in with House members, nor did he seek to intervene in caucus. There have been some examples of governors in the past making dramatic appeals in caucus – and while they may have been more symbolic than effective in driving policy change, much of the hate crime debate has been about symbolism. Even some advocates of a new law would privately suggest that it was largely a matter of sending a message on behalf of the state to the business community (and particularly the growing tech sector) that state government was supportive. Such an appearance would have sent such a message, even if it failed to mean much in practice.

The Governor also raised some eyebrows when he offered a bare minimum of praise for SB 198 after it passed the House, suggesting that there was still time for the bill to be shaped further, but not publicly intervening and calling for (if not demanding) a Senate dissent and full hearing, given the lack of public input on either the Freeman amendment that went to the House nor the Steuerwald amendment in the House.

He seemed willing to settle for the Steuerwald language, serving up post hoc rationalization for it effectively comporting to the criteria he sought at the beginning of the session . . . but it was obvious by the lack of a victory lap of sorts that he found this language less than satisfactory – if minimally meeting standards set by some.

One might even suggest that he moved the goalposts (a tad to the right) to be able to claim a victory . . . to which others might respond: haters gonna hate.

Nevertheless, some gubernatorial allies paint this as a strong victory for him. Indiana Republican Party Chair Kyle Hupfer explains, "From the beginning, Governor Holcomb said his goal was to pass a long overdue bias crimes bill to get Indiana off the list of states without one, to reaffirm that Indiana is welcoming to all, and to aid our economic development efforts. This bill achieves all those goals."

GOP Chair Hupfer adds, "It's important to remember that the only reason – the only reason – we are on the verge of making Hoosier history and joining with the other 45 states that have a bias crimes bill is because of Governor Holcomb's leadership. He recognized it was long overdue to pass a bill and he has courageously led on this issue publicly and privately."

Democrats, however, were apoplectic during their floor speeches Tuesday about what they saw as gubernatorial abandonment of a cause they had championed and for which they saw him as leading in a bipartisan manner. They had publicly and effusively praised him on this issue until SB 12 was changed behind closed Senate Majority Caucus doors.

The Indiana Forward coalition said in a statement that, after consulting with the Anti-Defamation League, the bill "is not a true bias crimes law" and "will not get Indiana off the list of states without one." Besides the obvious omission of a comprehensive list of characteristics, the language is "so vague and overly generalized" that "it can be applied to virtually any crime, targeting almost any person, for almost any reason."

The Governor lost a lot of political goodwill from Democrats, and probably the members of the business community that advocated a much stronger and more explicit law . . . and legislative Republicans find themselves more empowered than before. They had always looked over their collective shoulder at the prospect of a personally and politically popular Republican governor calling in some of his many chits on a given issue, and this was the one in which they feared he would intervene. Since he didn't go to the well on his issue – one on

which he arguably had more support from the public for a strong law than did lawmakers on a weaker law – there's not much you might look to going forward on which he might take on his own party or the legislature as a collective body. That shifts more power to the General Assembly, at least through the end of session.



IN Politics

Federal Office Races . . .

● In an action no doubt being followed closely by largely self-financing U.S. Sen. Mike Braun (R) (and U.S. Rep. Trey Hollingsworth (R) in 2016), U.S. Sen. Ted Cruz (R-TX) files suit in U.S. District Court for the District of Columbia challenging the \$250,000 cap on the amount of money a federal candidate can raise after an election to repay any personal funds the candidate loaned to his or her campaign. *Ted Cruz for Senate, et*

al., v. Fed'l Election Comm'n, et al., No. 1:19-cv- 00908.

□ Sen. Cruz and his campaign committee allege in the complaint that "The \$250,000 post-election loan-repayment limitation violates the fundamental First Amendment rights of candidates, their authorized campaign committees, and their donors. It restricts the political speech of candidates and their campaign committees by limiting the time period in which the candidate may raise money to communicate his or her political message and by effectively limiting the candidate's ability to lend the campaign necessary funds. Criminalizing this basic means of financing political communication" infringes a candidate's fundamental right to spend personal funds for campaign speech, and the post-election repayment limitation "restricts the speech of those potential donors who would otherwise support a candidate financially by contributing after an election to fund pre-election political speech These arbitrary restrictions on core political speech by candidates, their campaign committees, and their supporters are invalid and must be struck down."

● While everyone – including himself – has written off South Bend Mayor Pete Buttigieg (D) as a statewide candidate going forward in Indiana, the new realities of federal office fundraising (which we noted briefly on the front page) and his newfound national buzz could prompt a reassessment of sorts should his presidential (or vice presidential) candidacy flame out late into the 2020 process. At that point, the 2022(!) cycle would be next up, and while that's a long way from today, anyone who can raise \$7 million+ in federal cash in just 68 days (without even being an official candidate) could pose a threat to U.S. Sen. **Todd Young** (R) then – particularly if his position as chair of the National Republican Senatorial Committee heading into the critical 2020 cycle requires him to divert energy and attention away from home. Sounds intriguing but even as Democrats are seemingly short on options (and a line-up, much less a bench), it ain't gonna happen.

State Office Races . . .

● With the office of the superintendent of public instruction now off the ballot going forward beginning with the 2020 cycle, that puts even more emphasis and attention on the attorney general race – and potentially also frees up some cash for that race as well (even though the SOPI campaign has traditionally not been a big-buck enterprise). Given the dynamics that already might be at play in this race in both the state convention and in the general election for Republicans, the deletion of the superintendent race from the ballot leaves AG as the sole 2020 statewide race outside of governor/LG (we will have no U.S. Senate race for the first cycle since 2014).

IN Mayoral Races . . .

● Nile Arena is planning to run for mayor of Bloomington as an independent . . . **Marvin Belcher** (D) is seeking to withdraw from the Jasper mayoral primary . . .

IN the Presidential Race . . .

● South Bend Mayor Pete Buttigieg (D) was the first presidential hopeful to release first quarter 2019 fundraising numbers on Monday morning, getting strong media attention out of the gate last week for what an MSNBC anchor described as a “staggering” \$7 million+ raised during the quarter – although he was helped by the fact that as an unknown, there were no (unreasonable) expectations imposed upon him (and just to underscore how unknown he is, MSNBC's veteran correspondent **Andrea Mitchell**, who spent time anchoring from Indiana in the 2008 campaign, identified him an hour later as the mayor of Fort Wayne. The fact that he released his preliminary numbers so early in the day on Monday while others waited, not only allowed Mayor Pete to dominate the national morning shows with the news, but also the full day's 2020 race news, given that the other candidates all chose to wait, so no one stepped on his coverage . . . key Q1 Buttigieg fundraising metrics: 158,550 donors (about 150% greater than the population of South Bend), an average donation of \$36.35, and almost two-thirds (64%) of the total raised was generated through contributions under \$200 – all figures that the left-handed mayor charted out on a whiteboard in a video detailing the haul . . . apropos of nothing, **Chasten Buttigieg**, Mayor Pete's 29-year-old husband, is the same age as **Susan Bayh** was as the incoming First Lady of Indiana 30 years ago . . . Politico.com chips away at the facade by pointing out that the Buttigieg campaign has no human infrastructure in place in key states. While this has traditionally been important, bear in mind that lots of political rules and mores have changed – even (or especially) in the last 2½ years . . . virtually any set of

metrics you might tap into suggest that Mayor Pete is killing it on social media . . . the Buttigieg net favorability has jumped up by 11 points since Morning Consult began tracking in early February (based on 24,000+ interviews with registered voters each week) – the biggest increase of any candidate . . . a Vox.com explainer published Wednesday made the case that Mayor Pete successfully appeals to both the liberal and moderate wings of the Democratic Party “Some moderates like his Midwestern background, elite credentials (he's a graduate of Harvard and Oxford), and soft-spoken but knowledgeable way of talking about policy. Liberal Democrats see in Buttigieg an intellectual who could be President Trump's polar opposite, and whose focus on political reforms like abolishing the Electoral College channels their frustration with a system that feels rigged in the GOP's favor.” At the same time, the Daily Beast headlined a lengthy analysis, “Conservatives Have No Idea How to Handle Buttigieg” . . . *New York Times* columnist **David Brooks** observed on Monday that Buttigieg “makes people on all sides feel comfortable” and “he's a progressive on policy issues, but he doesn't sound like an angry revolutionary. Buttigieg's policy positions are not all that different from the more identifiable leftist candidates. But he eschews grand ideological conflict” . . . Mayor Pete invites folks to South Bend for a special announcement on April 14, and all indications are that he's not using the occasion just to unveil a special pothole blitz.

● The Commission on Presidential Debates says that the University of Notre Dame is one of six entities that have submitted applications to host presidential debates during the 2020 general election cycle.

IN Political News . . .

● Merrillville's White Lodging Services (which is the owner of the downtown J.W. Marriott and runs other Indianapolis downtown Marriott properties) organizes the Downtown Hotel Owners Coalition PAC to “Educate the public on the need to re-think tax subsidies for new downtown hotels.” This is part of the ad blitz you're seeing in traditional and social media in advance of the April 8 House Committee on Ways and Means hearing on SB 7 and the package that would subsidize a new downtown convention hotel complex.

● Outgoing Knox Clerk-Treasurer **Jeff Houston** (D) becomes the new Starke County Democratic Party chair.

IN Brief

IN Federal Circles . . .

● U.S. Sen. **Todd Young** (R) Young (R-Ind.) joins U.S. Sens. **Bob Menendez** (D-NJ), **Marco Rubio** (R-FL), and 12 other senators to introduce bipartisan legislation to help restore democracy and address the humanitarian crisis in Venezuela. In what the senators label as the most comprehensive effort to date to confront the crisis in Venezuela, the “Venezuela Emergency Relief, Democracy Assistance and Development (VERDAD) Act” would dramatically increase humanitarian assistance, expand current tools to address kleptocracy, and formally recognize and support the interim president of Venezuela's efforts to restore democracy and prosperity in the country, and accelerates planning with international financial institutions to advance the country's post-Maduro reconstruction. “The Maduro regime has created a humanitarian crisis and turned the proud nation of Venezuela

into a land of deep suffering. I am proud to join with my colleagues on both sides of the aisle to introduce this comprehensive bill that will ease human suffering, sanction human rights abusers and narco-traffickers, and help restore the Rule of Law and democracy in Venezuela,” said Sen. Young. “With a Hoosier in custody in Venezuela, the pain of this regime reaches all the way to Indiana. It’s time to stand with the people of Venezuela and hold those in power accountable.” Todd Leininger from Bloomington has been imprisoned in Venezuela since April 2014 when he was convicted by a Venezuelan court in the midst of anti-government protests. Questions linger over the due process afforded to Leininger during that trial. In November 2018, a San Cristobal court ordered Leininger’s release, yet the Venezuelan authorities have refused to comply with the order. Sen. Young has been working with the White House and the U.S. Department of State to secure Leininger’s release and to ensure that his case remains a high priority. While those efforts are underway, this legislation is aimed at holding those in power in Venezuela accountable for the continued detention of Hoosier Leininger and many others . . . Sen. Young and U.S. Sen. Doug Jones (D-AL) introduce the “Nursing Where It’s Needed (Nursing WIN) Act,” bipartisan legislation that to address the high demand for qualified nurses in underserved areas. Specifically, the bill would allow nurses at health care facilities with critical nursing shortages to benefit from the NURSE Corps Loan Repayment Program, regardless of the facility’s tax status. “In the coming years, our nation will face a critical nursing shortage as baby boomers age into retirement and require more healthcare services. Shortages are already being felt in our underserved rural and urban areas who are in dire need of caregivers,” said Sen. Young. “We must address this lack of qualified professionals now by incentivizing nurses to practice in the communities where they are needed most.” This legislation would again expand eligibility under the NURSE Corps Loan Repayment Program – initially limited to public or non-profit facilities – to also include all types of facilities, as it stood between 2002 and 2007.

- U.S. Sen. Mike Braun (R) continues to lead on health care issues, and the President may not be happy about it. In a media call last week, he said that “I don’t like the discussion on repealing [the Affordable Care Act], especially if it’s not combined with a defined, comprehensive plan” as a replacement. His advice to the President: “Quit focusing on repeal until you’ve got something that the American public is going to trust.” As we’ve told you, he wants any Republican ACA replacement to cover pre-existing conditions, contain no lifetime payment caps, and allow individuals to remain covered under insurance plans of their parents until they hit age 26. “Some of the tenets of Obamacare actually were good,” he said, while expressing his concern that “big government and big health care” were responsible for the “details.”

- POLITICO undertakes a takedown of a Hoosier federal agency head, and a one-time low-level press aide from Indiana in a lengthy piece. “The Trump appointee who oversees Medicare, Medicaid and Obamacare quietly directed millions of taxpayer dollars in contracts to Republican communications consultants during her tenure atop the agency – including hiring one well-connected GOP media adviser to bolster her public profile. The communications subcontracts approved by CMS Administrator Seema Verma – routed through a larger federal contract and described to POLITICO by three individuals with firsthand knowledge of the agreements – represent a sharp break from precedent at the agency. Those

deals, managed by Verma’s deputies, came in some cases over the objections of CMS staffers, who raised concerns about her push to use federal funds on GOP consultants and to amplify coverage of Verma’s own work. CMS has its own large communications shop, including about two dozen people who handle the press.” One “subcontract is with Marcus Barlow, whom Verma worked with in Indiana and considered hiring as a top communications official in 2017 before he was blocked by the White House.” As a contractors, Barlow is “paid between \$185 and \$200 per hour, said two individuals with knowledge ... a far higher pay rate than the majority of high-level government officials.” South Bend’s Barlow was a former FSSA media aide who also worked in the Indianapolis Ballard Administration and the Chocoma congressional office. Verma “relied on subcontracting to bring aboard longtime associate Barlow – after the White House blocked him from a permanent job leading CMS communications. Barlow, who served as a spokesperson for Verma’s health care consulting firm in Indiana, had run afoul of the White House for writing a column critical of Trump, POLITICO reported at the time. Nahigian Strategies hired Barlow instead in March 2017, which helped the firm strengthen its relationship with Verma. When Barlow left Nahigian Strategies in August 2018 to return to his own consulting firm, he continued to work for CMS under a separate subcontract that remains in effect,” and he “helped write some of Verma’s most high-profile speeches, including a November 2017 address in which she signaled the Trump administration’s plan to require some Medicaid enrollees to work to keep their coverage for the first time – a controversial policy that a federal judge blocked for the second time” March 27. “Advocates panned Verma’s remarks, contending she misrepresented the patients that she was appointed to serve,” and a top Obama SMS official told POLITICO “he’s more surprised to learn that Verma and her staff don’t always write their own speeches, like CMS did when he worked there in 2016.”

□ U.S. House Committee on Energy and Commerce Chair Frank Pallone, Jr. (D-NJ) called these contracts “a highly questionable use of taxpayer dollars. Given that this agency should be spending tax dollars to ensure Americans can access quality health care, it is particularly egregious that it is using millions to ensure its Administrator has access to outside public relations and image building services.”



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Pollster details demographics of riverbend pro and con voters; Coast Guard casts cold water on Lake Michigan boats cruising; Gary I-80/I-94 casino site floated; Empire Casino plan for Lawrenceburg aquarium panned by locals

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- ◆ EXECUTIVE PROCUREMENT
- ◆ ASSOCIATION MANAGEMENT
- ◆ STRATEGIC COMMUNICATIONS
- ◆ COALITION ORGANIZING
- ◆ BUSINESS DEVELOPMENT



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□ Rep. Pallone will ask the U.S. Department of Health and Human Services Office of Inspector General “to immediately begin an investigation into how these contracts were approved, whether all regulations and ethical guidelines were followed, and why taxpayers are stuck paying for these unnecessary services. This is not the way to drain the swamp,” he adds.

● U.S. Sens. **Todd Young (R)** and **Mike Braun (R)**, joined by U.S. Reps. **Pete Visclosky (D)**, **Larry Bucshon (R)**, and **Todd Hollingsworth (R)** – who represent port districts, send a letter to **Mick Mulvaney**, director of the U.S. the Office of Management and Budget in support of the nation’s waterway system and to impress upon our federal government “the significant impact these waterways have on Hoosier farmers, workers, and families, as well as our nation’s economy.” The lawmakers ask OMB to “adequately fund our nation’s inland waterway system in the President’s FY 2020 budget request.”

● U.S. Rep. **Jim Banks (R)** is the lead Republican cosponsor of the bipartisan, bicameral **E-FRONTIER Act**, legislation on which U.S. Rep. **Susan Brooks (R)** is an original cosponsor. The bill would prevent the U.S. government from managing the construction of a nationwide 5G network, and instead rely on the expertise of the private sector to lead the U.S. mobile broadband expansion.

□ Said Rep. Banks, “Cyber threats are a leading cause for national security concerns. China, Iran, North Korea, and Russia have invested billions of dollars to influence and infiltrate our broadband technology. Each day, U.S. wireless carriers experience billions of cybersecurity incidents and have developed innovative methods to prevent many more. This institutional knowledge can only come from experience and has equipped the American telecommunications industry with the prerequisite expertise to build a robust and secure 5G wireless system. America won the race to 4G by relying on the economic value of free enterprise, not the central planning and economic control of nations like China. 5G technology holds the tremendous potential of unleashing a new technological revolution by providing incredible speeds and use applications. Nationalizing a project of this magnitude would be a massive overreach by the federal government into a marketplace in which it does not have any business. It also would greatly increase the probability of corruption and mismanagement; two problems we cannot afford to have when dealing with major cybersecurity threats. For the sake of the free market and sound national security operations, the federal government should stay out of constructing the 5G broadband network.”

□ Rep. Brooks adds, “As the co-founder and co-chair of the 5G Caucus, I understand how important it is for our laws to support this kind of innovation, but the federal government should not infringe upon the deployment of 5G communications networks in the process. The United States led the way in 3G and 4G, and it is critical that we win the race to 5G as it will create jobs for Americans across the country, boost our economy and provide a new generation of connectivity that will support our increasingly connected world. Government’s role in the race to 5G is to cut regulatory barriers and help establish a spectrum pipeline, but beyond that, the government should stay out of the way. The government must continue to let the expertise and knowledge of industry leaders take the lead in shaping the internet’s capabilities, development, and deployment so we can continue to allow the internet to transform the way we live.”

● U.S. Rep. **Jim Banks (R)** and U.S. Rep. **Liz Cheney (R-WY)**, both members of the House Committee on Armed Services, join forces to introduce the “Ensuring a Secure Afghanistan Act,” a measure which endeavors to prevent a significant U.S. troop drawdown from Afghanistan in case of a bad deal between the United States and the Taliban, specifying a list of requirements that must be met and certified before U.S. troop levels can fall below 10,000 in Afghanistan. If the Taliban does not comply with the standards outlined in this bill, the United States will not be able to withdraw a significant number of troops using FY 2019 funding. Said Rep. Banks, who served in Afghanistan in 2014-15 as a U.S. Navy Reserve officer, “Every American longs for the day when U.S. troops will return home from Afghanistan after a nearly two decade struggle against those responsible for the 9/11 terrorist attacks. However, we cannot afford to be overly eager to strike any deal, especially a bad one, that looks to satisfy short term political pressures at the risk of long-term national security threats. The failed blunders of history, especially President Obama’s disastrous Iraq withdrawal, have demonstrated the grave risks posed by power vacuums in unstable regions of the world that were caused by a premature retreat. As the Administration negotiates with our adversaries to set the terms for a drawdown of U.S. forces in Afghanistan, the Ensuring a Secure Afghanistan Act would set the conditions by which a safe and responsible agreement should be reached. Should America not get this right the first time, ISIS-K and al Qaeda patiently wait to fill the void.” Also concerned about Afghanistan becoming a safe haven for terrorism are U.S. Reps. **Elise Stefanik (R-NY)** and **Michael Waltz (R-FL)**, Armed Services panel members who join Reps. Banks and Cheney as lead cosponsors. Rep. Stefanik is a Bush 43 White House policy staffer. Rep. Waltz is an Afghan combat-decorated Green Beret, and a former White House and Pentagon policy advisor. A statement from the four lawmakers says that “We find the Afghan government’s exclusion from the ongoing peace talks troubling. Also troubling is the Taliban’s continued relationship with al Qaeda. This bill makes clear: The American homeland is more secure when Afghanistan is stable and safe” . . . – Republican Study Committee (RSC) Chair **Mike Johnson (R-LA)** and RSC Budget and Spending Task Force Chairman Banks released a statement Thursday after House Democrats opted against producing a budget proposal and voted to raise discretionary spending caps to some \$2 trillion over 10 years: “Rather than focusing on our ballooning federal debt, currently \$22 trillion and counting, and releasing a budget resolution, Democrats have decided to ignore their responsibilities and drive us further into the hole,” said Reps. Johnson and Banks. “Their proposal to raise the discretionary spending caps not only fails to address America’s increasingly dangerous fiscal situation but highlights just how out-of-touch the Left has become. Moreover, their contention that providing for national security in some way obligates unnecessary spending on non-defense programs is patently absurd. “President Trump is right – Congress cannot maintain the status quo by continuing to push irresponsible caps deals. We stand with the president and look forward to releasing our own balanced budget that will promote many of our shared priorities and restore fiscal sanity to the legislative process” . . . we’ve followed in these pages the work of Rep. Banks to highlight and thwart what the *Washington Post* last week labeled as “China’s attempts to infiltrate the United States’ higher-education system and abuse those relationships to advance Beijing’s strategic agenda.” Indiana University on Wednesday “decided to immediately close the Confucius Institute” at IUPUI, one of the “Chinese government-sponsored language and culture schools embedded

inside U.S. educational institutions. They are wholly controlled by China's education ministry and are part of the Chinese Communist Party's 'United Front' foreign influence operations, and the *Post* observed that "When national security professionals first sounded the alarm about Chinese partnerships in U.S. universities last year, the academic sector was skeptical and resistant. Now, through a mixture of external pressure and internal debate, more U.S. colleges and universities are taking a sober look at the Chinese government's presence on their campuses – and are deciding to curtail it." Indiana University and MIT are leading the way as examples for other colleges to follow in untangling themselves from dangerous Chinese influences like Confucius Institutes and Huawei," said Rep. Jim Banks (R-Ind.). "Undoubtedly more universities will follow suit as they better understand the threats."

- U.S. Rep. Jim Baird (R), ranking member of the House Committee on Science, Space, and Technology Subcommittee on Research and Technology, which has jurisdiction over the National Institute of Standards and Technology (NIST), joins 13 other House colleagues to introduce the "Internet of Things Cybersecurity Improvement Act of 2019," a bipartisan bill to promote security standards for devices on the Internet of Things (IoT) across government and industry. "I'm excited to be working with my colleagues to lead the way on security in this new and innovative field," says Rep. Baird. "The Internet of Things is going to reinvent the way we live, do business, and communicate across the globe. Ensuring that this network is safe from bad actors is of the utmost importance." He notes that despite the growing capabilities and promising innovations of the IoT, many of the devices on the market today come with only limited security features, and the Defense Intelligence Agency considers exploitation of insecure IoT devices as one of the two most important emerging cyber threats to our national security. The IoT Cybersecurity Improvement Act would work to fix potential vulnerabilities by requiring NIST to issue recommendations to ensure secure upgradeable systems. The Office of Management and Budget would then issue guidelines to each agency consistent with NIST recommendations and review those guidelines every five years. Any IoT devices purchased by the federal government would have to comply with those recommendations. "I look forward to ensuring that the U.S. is setting the standard for cyber security in the Internet of Things," says Rep. Baird . . . Rep. Baird has been named co-chair, along with U.S. Rep. Bill Foster (D-IL), of the Congressional Research and Development (R&D) Caucus, a bipartisan group that advocates on behalf of continued U.S. leadership in research and development. Primary caucus activities include hosting briefings to better inform members of Congress of accomplishments across the country in all sectors of the economy and academia. "It is important to identify areas of research that are critical to advancement, so we can invest in initiatives that will move us forward," notes Rep. Baird. "The advances we make in technology and development shape the world for future generations, and it is our duty to ensure that America remains at the forefront of innovation. In order to do that, the work of our scientists must be highlighted."

- U.S. Rep. Greg Pence (R) tells *NewsTalk WCSI 1010-AM* in Columbus that the issues he hears about most while talking to his constituents are infrastructure, jobs, and the health of veterans. Rep. Pence, a member of the House Committee on Transportation and Infrastructure, said that beyond just roads, trucks, and third lanes, he's focusing on a new port for Southern Indiana, short rail, and high-speed internet.

- U.S. Rep. Susan Brooks (R) last week signed a discharge petition that would bring the "Born-Alive Abortion Survivors Protection Act" to a vote on the House floor. This bill is designed to ensure any baby who is born alive after an attempted abortion receives the same protection under the law as any other newborn baby, and would require medical professionals, clinical staff, and other relevant personnel to preserve the life and health of the child as well as to report any violations to state and federal law enforcement. Anyone who violates the requirements would be subject to fines, imprisonment of as long as five years, or both. The mother of the abortion survivor would also enjoy a civil cause of action and protection from prosecution. Rep. Brooks calls the measure "a common sense bill every Member of Congress, whether Republican or Democrat, should support because it protects people who cannot protect themselves – newborn babies" . . . Rep. Brooks teams with U.S. Rep. Paul Tonko (D-NY) in the introduction of the "Advancing Critical Connectivity Expands Service, Small Businesses Resources, Opportunities, Access, and Data Based on Assessed Need and Demand (ACCESS BROADBAND) Act," bipartisan legislation that would expand broadband access in underserved areas and create a simpler process for small businesses and local economic developers to access federal broadband resources. "Hoosiers and Americans across the country who live in rural communities need better access to the internet so they can live and prosper in the 21st century economy," said Rep. Brooks. "Currently, pursuing and managing federal broadband resources is overly burdensome for small businesses and communities as they search and manage multiple federal agencies' application processes. The ACCESS BROADBAND Act will simplify this process for small businesses and local communities and will facilitate their interaction with government agencies as they apply for federal broadband assistance in order to bring internet connectivity to their communities." H.R. 1328 would also fund local training workshops to help small businesses and economic developers put federal broadband resources to work. A bipartisan companion bill was introduced in the Senate.

- U.S. Rep. Trey Hollingsworth (R) teams with U.S. Rep. Josh Gottheimer (D-NJ) to introduce the "Senior Security Act," bipartisan legislation that would create an interdivisional task force within the U.S. Securities and Exchange Commission (SEC) to strengthen financial protections for "our senior citizens and protect their life-long savings and investments from financial scammers," says Rep. Hollingsworth. The SEC task force would be comprised of staff from the Division of Enforcement, Office of Compliance, Inspections and Examinations, and Office of Investor Education and Advocacy, and would be charged with examining and identifying challenges facing senior investors. Every two years, in consultation with other SEC offices, state securities and law enforcement authorities, state insurance regulators, and federal agencies, the task force would be required to report its findings to Congress and recommend any regulatory or statutory changes. Within two years of enactment, the U.S. Government Accountability Office would be charged with studying and reporting on the economic costs and frequency of financial exploitation of senior citizens . . . Rep. Hollingsworth tells the *Bloomington Herald-Times* that "he wants to see the Mueller investigation report to be released in full."

- U.S. Rep. André Carson (D) presided over the House floor Wednesday during debate on reauthorization of the Violence Against Women Act.

● U.S. Rep. Jackie Walorski (R) joins U.S. Reps. Paul Tonko (D-NY), Earl Blumenauer (D-OR), Brett Guthrie (R-KY), Maxine Waters (D-CA), and Chris Smith (R-NJ) to introduce the “Improving HOPE for Alzheimer’s Act,” bipartisan legislation that would require the U.S. Department of Health and Human Services (HHS) to inform health care providers about care planning benefits available through Medicare. H.R. 1873 would also require HHS to identify other barriers individuals may be facing in accessing care planning. “For Alzheimer’s patients, as well as their families and caregivers, care planning can make a real difference in their quality of life and help them get the best care possible,” Rep. Walorski said. “Medicare coverage now includes comprehensive care planning so individuals with Alzheimer’s disease and other forms of dementia can learn about the treatments, services, and other supports available to them. The Improving HOPE for Alzheimer’s Act will improve access to care planning by ensuring doctors and other medical providers are fully informed of the services they can provide under Medicare.” H.R. 1873 would build on the HOPE for Alzheimer’s Act, co-sponsored by Walorski in the 114th Congress, and which created a Medicare coverage benefit for comprehensive care planning services after a dementia diagnosis. Many providers, however, remain unaware of this benefit, so many eligible Medicare beneficiaries are not receiving the assistance that a comprehensive care planning visit can provide. This legislation would increase access to this benefit by ensuring more providers are informed and prepared to offer it . . . Rep. Walorski joins U.S. Reps. Ron Kind (D-WI), Grace Meng (D-NY), and Darin LaHood (R-IL) to introduce the bipartisan “Restoring Access to Medication Act,” designed to improve access to care and help families afford the medications and other health care products they need. The bill would afford individuals the ability to use Health Savings Accounts (HSAs) and Flexible Spending Accounts (FSAs) to purchase over-the-counter medications and menstrual care products. “For millions of Americans, HSAs and FSAs are critical tools to pay for health care, but currently they can’t be used to buy over-the-counter medications,” Rep. Walorski notes. “Restoring this eligibility and expanding it to feminine hygiene products would improve both access and affordability. This is a bipartisan, commonsense way to lower costs, and give consumers more control over their health care” . . . Rep. Walorski signed the discharge petition to bring the “Born-Alive Abortion Survivors Protection Act” to the House floor for a vote. She says the subject of H.R. 962 “is not a partisan issue, and it shouldn’t be controversial – it is simply what’s right. This is about giving babies born alive after a failed abortion attempt the same chance at life as babies born any other way. When it comes to protecting newborns, the American people deserve to know where their elected representatives stand. It is time for Democrat leaders to let us vote.”

● U.S. Rep. Pete Visclosky (D) testified before four House Committee on Appropriations subcommittees during the final days of March on priorities for Northwest Indiana in Fiscal Year 2020 Appropriations bills. He expressed support for several federal programs, including:

- Federal Transit Administration’s Capital Investment Grant program that supports transit projects, including South Shore Rail Line expansion and recapitalization. Rep. Visclosky asserted that the Trump Administration’s request for the Capital Investment Grant program “of \$1.5 billion is wholly inadequate in supporting key transformational investments in our transportation infrastructure,” and urged the panel to “flatly reject this inadequate funding level proposed in the Fiscal Year 2020 budget request.”

- International Trade Commission. The agency instrumental to enforcing U.S. trade laws and supporting steel and manufacturing workers “needs to update and modernize their informational technology infrastructure, hire additional personnel, and manage increasingly high unfair trade caseloads.” He urged the panel to ensure ITC is fully funded at \$101 million for Fiscal Year 2020, “so that it can perform its investigative work, as well as judiciously and expeditiously resolve cases.”

- National Park Service Facility Operations and Maintenance account that supports projects to address the NPS deferred maintenance backlog. He observed, “For Fiscal Year 2018, the Indiana Dunes had a maintenance backlog of nearly \$28 million. This has hindered the Park’s ability to maintain trails and roadways, demolish structures, and restore parcels of land to their natural state for public enjoyment. Nationwide, the National Park Service’s deferred maintenance backlog totals nearly \$11.9 billion.”

- Centers for Disease Control and Prevention’s Childhood Lead Poisoning Prevention program that supports efforts to ensure children exposed to lead can receive blood screenings and be connected with treatment services. Rep. Visclosky explained, “While these efforts are commonly associated with the need to address lead in household paint products, they are also vitally important in communities with an industrial legacy, such as East Chicago, Indiana, which is a city in my district that contains a Superfund site contaminated with lead and arsenic in the soil. No resident of my district or any other area, should have to suffer from the harsh effects of lead exposure, particularly children.”

- Implementation of the Civil Rights Cold Case Records Collection Act of 2018, the law which requires the National Archives and Records Administration collect, prepare, and publish civil rights cold case records kept at the Department of Justice for public disclosure. He asserted, “For too long, families of lynching and other hate crime victims have gone without information regarding crimes against their ancestors. I remain deeply cognizant of the legacy of racial inequality that continues to be present today in the United States, and I believe that we should do everything in our power to confront and address the suffering caused by racial terror and violence.”

● U.S. Rep. Larry Bucshon (R) said last week after signing the discharge petition to bring the “Born Alive Abortion Survivors Protection Act” to a vote in the House, “It is unthinkable that any health care professional would not do everything in their power to save a baby born alive after a failed abortion. I stand with my colleagues in signing this discharge petition and it is a shame that Speaker Pelosi and Democrat leadership will not bring this bill to a vote in the House of Representatives.” He continued, “As a physician, I took an oath to preserve all life to the best of my abilities and I expect all health care providers to do the same. The Born Alive Abortion Survivors Protection Act ensures that every child who survives an abortion will receive the same care and diligence to preserve the life and health of the child, regardless of the terms of their birth. During my time practicing medicine, I operated on babies as young as 23 weeks gestation, and I know that these unborn lives are precious. It is critical that this life-saving legislation be brought up for a vote in the House of Representatives so that we can be a voice for those that cannot speak.”

IN State Circles . . .

● Legislative leaders are targeting Wednesday, April 24 as the final day of session, if all goes according to plan . . . with the House side more optimistic than the Senate about that timetable.

● South Bend-based Vice Lotteries seeks to break into the lottery business on a national basis with a novel “equitable gambling” model under which every dollar wagered will be returned as prize money . . . and the fledgling venture launches its crusade by seeking to overturn the Hoosier Lottery’s Hoosier monopoly status. Backed financially by Y Combinator, an American seed accelerator and incubator, Vice Lotteries, led by Matthew Curtis, an attorney with a law degree from the University of Notre Dame, files suit in U.S. District Court for the Northern District of Indiana, *Curtis v. Hill*, No. 3:19-cv-00073-JD-MGG, in part seeking a declaratory judgment allowing Vice to prepare for and conduct its “equitable gambling” for the benefit of the public.

□ Vice Lotteries filing contends that “The State violates its sovereignty by offering and engaging in *quid pro quo* bargains for exemptions from its laws in exchange for payment to the Hoosier Lottery”; violates Vice’s due process and equal protection rights by barring competition to protect “monopoly profits”; and violates Vice’s free speech rights by criminalizing certain of its preparations for competing with the Hoosier Lottery.

□ The Office of the Attorney General filed a motion to dismiss the lawsuit, accompanied by a lengthy and compelling memorandum in support of the motion effectively contending that the Curtis complaint should be dismissed because he does not have standing and has failed to state a claim upon which relief can be granted.

● A discussion of “Lead Poisoning of Indiana’s Children” is on tap for the U.S. Commission on Civil Rights Indiana Advisory Committee when it meets April 18.

● Coal interests are all fired up over a favorable amendment added to SB 472 Wednesday by House Committee on Utilities, Energy and Telecommunications Chair Ed Soliday (R). The bill, which started out as an effort by Sen. Eric Koch (R) to help eliminate some ratemaking red tape for small utilities, now heads to the House floor with a moratorium (from April 30, 2019 to January 1, 2021) on Indiana Utility Regulatory Commission final in any individual matter or proceeding concerning a proposed (1) electric generation facility; (2) change in fuel source or other resource used to generate electricity; or (3) purchased power agreement; regardless of the number of megawatts of generating capacity involved, once the total number of megawatts of generating capacity approved by the IURC during the moratorium period exceeds 10,000 megawatts on a statewide basis. That would effectively seem to freeze the approval of all new alternative energy sources through the presidential election, offering an incentive for a longer window for coal use after major utilities had committed to phase-outs.

□ The bill as amended would also create and convene a “21st Century Energy Policy Development Task Force” to develop recommendations during that same timeframe for the General Assembly and the governor concerning: (1) Outcomes that must be achieved in order to overcome any identified challenges concerning Indiana’s electric generation portfolios, along with a timeline for achieving those outcomes; (2) Whether existing state policy and statutes enable state regulators to properly consider the statewide impact of changing electric generation portfolios and, if not, the best approaches to enable state regulators to consider those impacts; and, (3) How to maintain reliable, resilient, and affordable electric service for all electric utility consumers, while encouraging the adoption and deployment of advanced energy technologies.

□ The bill as amended passed 8-4, and will face opposition in the full House. If it passes as amended, look for SB 472 to cause some heartburn in the Senate, where Senate Committee on Utilities Chair Jim Merritt (R) could end up having to make some public decisions about this bill in the late weeks of his Indianapolis mayoral primary campaign.

● Expect a lengthy proceeding over the NIPSCO electric rate increase request. An Indiana Utility Regulatory Commission evidentiary hearing is scheduled to start April 16 and you shouldn’t be surprised to see the proceedings last until the end of the month given the nature and extent of the requested change, which effectively transforms an old-school electric generator and provider into a new-era redistribution company that would buy electricity on the market and also allow large industrial users in Northwest Indiana more flexibility in how (and where) they obtain their respective power sources.

□ One thing to watch: LaPorte County Commissioners have instructed attorneys representing the county in the pending electric rate case not to oppose NIPSCO’s plans to close the coal- and natural gas-fired Michigan City Generating Station seven years early . . . but to “see that any generating capacity used to make that up lost capacity – whether it be wind, solar or natural gas-fired is built in LaPorte County so we keep those good paying jobs and millions in tax revenue right here.” NIPSCO originally planned to close its coal-fired Michigan City generating station in 2035, but has moved up closure to 2028 in its latest plan submitted to regulators.

● All parties in the Citizens Energy Group sewer rate case in Indianapolis are scheduled to file a settlement agreement and supporting testimony on April 12.

● The Indiana Department of Revenue is in the market for a quality, cloud-enabled, Information Technology Infrastructure Library (ITIL)-based Service Delivery Solution and related implementation services to replace the current standalone, custom “Service Desk” application which IDOR says is no longer maintainable nor does it meet the Department’s overall Business and IT functionality needs. The existing system also is said to pose a risk to the Department’s security requirements because of both obsolete technology and maintainability.

● The Domestic Relations Committee of the Judicial Conference of Indiana is seeking comments on proposed changes to Indiana’s Child Support Guidelines, which are used to make decisions about child support in dissolutions of marriage, legal separations, paternity cases, Title IV-D proceedings, and all other actions for child support. The proposed changes address:

- A parent’s legal duty to support a prior-born child when no court order exists
- Consideration of whether a child support amount prohibits a parent’s ability to support himself or herself
- In-kind benefits and payments from structured settlements as income
- Situations in which a parent is incarcerated
- Clarification of children’s health insurance costs

● None of the Indiana cases we’ve been monitoring for you were accepted nor disposed of by the Supreme Court of the United States at the March 29 conference of the justices. There is was no conference scheduled for April 5, so we’ll update you on relists in our next issue.

● While the House Republican Caucus continues to freeze out Rep. Curt Nisly (R) (they would not even provide a second for his constitutional carry firearms legislation nor grant him a hearing for his protection at conception bill), measures liberalizing firearms laws and tightening abortion laws did pass the House, and a pair of measures aimed at further curtailing the number of abortion procedures in Indiana are headed to the Governor for signature (and then to court, insist detractors).

□ SB 201 would expand Indiana law to extend conscience protections to additional medical providers, including nurses, physician assistants, and pharmacists. The bill was authored by Sen. Liz Brown (R) and sponsored in the House by Rep. Ron Bacon (R).

□ HB 1211 would proscribe dilation and evacuation (D&E) procedures, labeled as “dismemberment” abortions in the legislation authored by Rep. Peggy Mayfield (R) and sponsored by Sen. Brown. The American Civil Liberties Union of Indiana has already vowed to file suit should it become law.

● The Supreme Court Disciplinary Commission is decidedly not impressed by the response filed with the Indiana Supreme Court on behalf of Attorney General Curtis Hill (R) by Don Lundberg, a long-time former leader of the disciplinary panel, in the battle over potential disciple for General Hill. As you recall, Lundberg had effectively sought to short-circuit any substantive proceedings at the onset, and the Commission quickly responded to his challenge.

□ The Commission reminds General Hill and his attorneys that rules and procedures designed to assure protection of the public and fairness to the lawyer accused of wrongdoing is a system that “has functioned well for several decades.”

□ The Commission’s response labels the Hill motion as “an extraordinary request for the Court to ignore its long-established rules and procedures and grant an order ending the case summarily, despite his statement that the allegations are ‘contested.’ In short, the respondent has requested a special procedure, or rather, non-procedure, just for him.” The Commission acknowledges that “an order dismissing the case would certainly be beneficial to the respondent, it hardly would give assurance to the public that it has been protected. The Commission is mindful of the public interest in this case. Due to the heightened scrutiny and consequences, the Commission requested a three-person panel instead of a single hearing officer. The purpose of that request was to give added assurance to the public that the facts of the case were presented in a complete, thorough process, free of bias or influence, and that no short cuts have been taken.”

□ The Commission, in a filing signed by staff attorney Seth Pruden, suggests that the AG should be treated as any other attorney facing charges. “What his motion boils down to is that the respondent seeks special and favorable treatment by the Court that no other lawyer would ever obtain. He seeks this Court, in essence, to declare that he is a lawyer whose conduct is above the *Rules of Professional Conduct*, simply because he is the Attorney General. The Commission can think of nothing that would deepen the mistrust of the judicial system, diminish the esteem of the Supreme Court and prejudice the administration of justice more than if the Court were to grant the respondent’s motion.

□ The Pruden filing proceeds to knock down each of the contentions raised by the Hill brief, explaining – as we largely did for you recently – that the lawyer discipline process is the best-suited to consider the allegations; lawyer discipline is independent of criminal proceedings and the special prosecutor did not exonerate Hill; private conduct often results in attorney discipline (and the AG’s conduct was not entirely private); lawyer discipline is also independent of inspector general proceedings and civil remedies; the administration of justice is prejudiced when the chief legal officer of the state commits crimes; and “offensive personality” is a well-established professional violation.

□ Because the assorted assertions raised by AG Hill in his initial motion “are likely to be raised again in any further disciplinary proceeding, the Commission urges the Court, to the extent possible, to issue specific rulings or opinions regarding each of the respondent’s assertions. Definitive rulings on these assertions will better permit a hearing panel or hearing officer to focus on the primary goal of determining the factual record of this proceeding.”

□ Lundberg quickly responded with a 30-page brief on Hill’s behalf Tuesday afternoon, contending that Hill was not looking to interpose a new roadblock in disciplinary cases in the form of his contest of the hearing officer (panel) appointment. “Indeed,” he suggested, “the Commission itself recognizes this as an extraordinary case, having proposed to the Court that a three-member hearing panel should be appointed,” and this was effectively a matter of first impression that should be resolved. “There is no reported case (and in counsel’s memory no case) where the decision to appoint a hearing officer was the subject of briefing by the parties. It is warranted in this case because its extraordinary nature. There is no reason to believe that it will become a procedural phase in run-of-the-mill lawyer discipline cases” writes Lundberg.

□ Lundberg also proceeds to answer each of the Disciplinary Commission’s responses to Hill’s initial assertions, once again reaching back to his overarching contention “that the lawyer discipline system is not an appropriate tool for addressing the perceived ills of society-at-large by trumping the decisions of other officials who are authorized by law to make decisions that fall squarely within their realm and that do not relate directly to the practice of law.” He reiterates that there is no nexus between Hill’s alleged misconduct and his fitness to practice law, and that when “a duly authorized prosecutor has affirmatively determined that a crime should not be charged and when the alleged criminal conduct lacks a nexus with fitness to practice law, the use of the lawyer discipline system to address the alleged conduct is unwarranted.” He asserts that “Initiation of the discipline process is by itself an affront to the deference the lawyer discipline process should show toward decisions made by the criminal justice system, by the Indiana Inspector General, by the voters of the State of Indiana, and to be made by the civil justice system.”

□ Lundberg also believes that “negative public perception” alone is insufficient “to provide the nexus with fitness to practice law.” He also questions reliance on the battery allegations, and asks the Court to “defer to the experienced special prosecutor’s correct conclusion that there is no viable basis in fact or law to claim the Respondent engaged in criminal conduct,” nor to have prejudiced the administration of justice. He also labels the oath against engaging in offensive personality as merely a “statement of aspiration.”

□ Look for the Court to allow the Commission to prevail on the issue of allowing the proceedings to go forward at this point – or perhaps even taking the issue on themselves without a hearing officer or panel – but we’re not sure that the Supreme Court wants to get itself wrapped up and on record at this point in offering a detailed legal rationale with respect to each point at this juncture . . . but you can expect Any final ruling will cover going forward the key items capable of repetition yet potentially evading review – an this could be particularly important if General Hill is disciplined and chooses to ask for rehearing or opts to pursue a *writ of certiorari* to the Supreme Court of the United States (which could be an option, according to attorneys we’ve consulted about the process.

IN the Economy

● A new state-by-state analysis, released by the National Partnership for Women & Families to mark Equal Pay Day, finds that women employed full-time, year-round in Indiana are typically paid just 73¢ for every \$1 paid to a man in Indiana, a yearly pay difference of \$13,615. Each year, Indiana Latina women working full time, year-round are typically paid \$23,750 less than white, non-Hispanic men, with black women facing a \$19,529 gap, and white, non-Hispanic women posting the lowest deficit at \$13,202.

□ If the wage gap were closed, on average, the Partnership estimates that a working woman in Indiana would be able to afford more than 17 additional months of rent, more than 17.5 additional months of child care, or 9.3 additional months of premiums for employer-based health insurance. The cents-on-the-dollar gender-wage gap is largest in Louisiana, followed closely by Utah and then Indiana and smallest in California and the District of Columbia.

● The RV Industry Association’s monthly survey of RV manufacturers continues to bring bad news. The Association found that total RV shipments ended February with only 36,421 wholesale shipments, down 15.4% from the 43,038 units shipped in February 2018. This was the seventh consecutive month of declines in shipments, which some see as a larger economic harbinger.

□ Towable RVs totaled only 31,876 units for the month, a decrease of 15.0% compared to February 2018’s bottom line of 37,481 units. Motorhomes finished the month with 4,545 units, down by 18.2% compared to the February 2018 total of 5,557 units. Park Model RVs ended February down by 11.4% vs. February 18, with only 349 shipments to retailers. For the first two months of 2019 shipments are down more than one-quarter (- 27.5%) from January and February 2018.

□ What you’ll hear if you ask around North Central Indiana, home to the RV industry: the slump in shipments is simply due to excess inventory – but dig a bit deeper and query why that surplus exists and units aren’t selling. Manufacturing orders in general nationally were reported to have been particularly strong in March, so we will be watching the RV data for that month to see if there is some recovery that matches the broader national trend.

● Producer sentiment weakened slightly in late Winter, according to the March Purdue University/CME Group Ag Economy Barometer reading, based upon a survey of 400 U.S. agricultural producers.

□ James Mintert, the barometer’s principal investigator and director of Purdue’s Center for Commercial Agriculture, attributes the drop “largely due to producers’ weaker outlook regarding future economic conditions in agriculture and, in some cases, stress regarding their farm’s future financial performance.”

● GTA Containers Inc., of South Bend is one of four entities sharing a maximum \$47 million Defense Logistics Agency Troop Support contract for tank fabrication berm liners. This was a competitive acquisition for one-year base contracts with four one-year option periods, and seven offers were received.

● National Express LLC seeks to acquire control of Free Enterprise System/Royal, LLC (Royal) from Sodrel Holding. Former U.S. Rep. Mike Sodrel (R) holds all of the equity stock of Sodrel Holding, which owns Free Enterprise System, which provides interstate and intrastate passenger charter services in Illinois, Indiana, and Kentucky. Sodrel would retain Star of America LLC, which does not currently have any operations; and Student Transit, LLC, which provides non-regulated school bus transportation services in Indiana. National Express also owns Durham School Services, L.P., which provides student school bus transportation services in Indiana.

● As lawmakers debate gaming law changes, in large part to help Indiana remain competitive with our neighboring states, some are skeptical about that motivation . . . but our sister Hannah newsletter, INDIANA GAMING INSIGHT, serves up a handy little pair of charts that show just how Indiana is feeling the effects of competition from Illinois (which long since surpassed our monthly gaming revenue thanks to more than 31,000 video gaming terminals in more than 6,800 establishments, in addition to the 10 casinos) and Ohio (which brings in even more money from its seven racinos than its four urban land-based casinos), which has cut the monthly revenue gap compared to Indiana casino win by almost one-half in just the last six months.

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Indiana	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34
IL Casinos	\$ 97.55	\$ 94.71	\$ 117.69	\$ 107.13	\$ 112.74	\$ 109.55
SPREAD	\$ 74.60	\$ 64.16	\$ 73.72	\$ 69.06	\$ 64.17	\$ 72.80
IL VGTs	\$ 129.06	\$ 120.47	\$ 133.51	\$ 125.14	\$ 127.89	\$ 121.74
IL Total	\$ 226.61	\$ 215.18	\$ 251.20	\$ 232.27	\$ 240.64	\$ 231.29
SPREAD	(\$ 54.45)	(\$ 56.32)	(\$ 62.45)	(\$ 56.08)	(\$ 63.72)	(\$ 48.95)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	02/2019	01/2019	12/2018	11/2018	10/2018	09/2018
Indiana	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91	\$ 182.34
OH Casinos	\$ 69.99	\$ 62.45	\$ 76.25	\$ 67.73	\$ 66.56	\$ 66.48
OH Racinos	\$ 84.96	\$ 78.29	\$ 89.69	\$ 80.41	\$ 83.42	\$ 85.73
OH Total	\$ 154.95	\$ 140.74	\$ 165.94	\$ 148.15	\$ 149.98	\$ 152.21
SPREAD	\$ 17.21	\$ 18.13	\$ 25.47	\$ 28.05	\$ 26.93	\$ 30.13

● Buck, a New York-based human resources and benefits consulting, administration, and technology services firm, plans to expand its Fort Wayne iterations, opening a Benefits Outsourcing Center of Excellence by year’s end that will be staffed with 50 new employees . . . Viewrail, a family-owned and -operated manufacturer of custom floating stairs, railing systems, and wooden stair components, plans to invest more than \$12 million to double its local footprint and increase production in Goshen, expecting to create up to 200 new, high-wage jobs by 2023 after a 40,000 square-foot expansion

and addition of new equipment. The Indiana Economic Development Corporation offers Iron Baluster (dba Viewrail) up to \$2.6 million in performance-based tax credits based on the company's job creation plans . . . look for Bendix to add a sixth facility to its Huntington operations, expanding into the 409,000 square-foot former Stride Rite distribution center building across from the main Bendix plant. Bendix plans to create 40 new jobs for its commercial vehicle aftermarket business with the move . . . Canadian automotive parts manufacturer Multimatic seeks a pair of 10-year property tax abatement from the New Haven City Council for a planned investment of \$8.9 million in improvements and \$16 million in manufacturing equipment in the former Vera Bradley plant it occupies in New Haven that is expected to create 75 new jobs . . . Multimatic, a Canadian firm that engineers and manufactures complex mechanisms, body hardware, suspension system components, body structures and lightweight composite automotive systems, plans to invest more than \$22 million to expand its New Haven operations by 111,000 square feet, expecting to create up to 75 new final assembly operations jobs by the end of 2021. IEDC offers Multimatic up to \$600,000 in performance-based tax credits. The New Haven City Council will consider 10-year real and business personal property tax abatements.

IN Transition

- Sen. Randy Head (R) has been selected to serve on the Council of State Governments Healthy States: What Works National Task Force. The CSG task force appointment runs for two years. Sen. Head will serve on the panel's Capacity, Preparedness and Resiliency Subcommittee, which will examine case studies and review recent state responses to health crises, including ways to prevent or reduce the impact of crisis through preventive care. There will be four subcommittees, which will convene several times between now and December 2020 to help develop comprehensive solutions to public policy issues facing states, with each comprised of 12 state leaders, including two co-chairs.

□ Sen. Head will be asked to collaborated with his fellow committee members to help subject-matter experts and private-sector partners identify and promote innovative approaches to state health policy challenges, while forging state-centric, problem-solving partnerships.

- Assistant Water/Wastewater Director **Edward Kaufman** is retiring this month after almost 30 years of service with the Office of the Utility Counselor, relocating to the East Coast to be closer to family. During his OUCC tenure, Kaufman also served at the national level as chair of the National Association of State Utility Consumer Advocates Water Committee, and on the board of directors for the Society of Utility and Regulatory Financial Analysts.

- A late addition to the Governor's commission on teacher compensation advisory council: **Becky Gardenour**, a school board member from the New Albany-Floyd County Schools, and the Indiana School Boards Association Region 10 director.

- Hoosier **Jessica Smith**, who moved from reporting for WISH-TV to parent Nexstar Media Group's Washington, D.C. Bureau, is now working as a Washington reporter for Yahoo Finance.

IN the Lobby

- A change in family circumstances will bring a familiar and well-liked face back to Indiana State University and the State House – for a second time. **Greg Goode** will rejoining the leadership team at ISU as executive director of government relations, and add oversight of university communications to his portfolio. Goode, the 2008 CD 08 Republican nominee, had left Terre Haute at the end of 2018 to become president and CEO of The Historic Trust in Vancouver, Washington. He had spent five years in the pacific Northwest in between his previous stints at ISU, returning in 2012, and he and his family will settle back in the Wabash Valley in time for him to start working again at ISU on May 1.

□ ISU alum **Dennis Faulkenberg** and his APPIAN Advisors have been handling legislative representation for the university.

- Bose Public Affairs Group files a federal lobby registration on behalf of the Metropolitan School District of Washington Township to lobby Congress on "Issues related to school safety compliance."

IN Court

- As soon as Hoosier lawmakers are able to convince the U.S. Senate to confirm the two current nominees to the U.S. District Court for the Northern District of Indiana, look for a concerted effort by the delegation to remedy the situation in the Southern District, which currently is struggling under what we understand is the highest weighted caseload per judgeship in the country . . . even at full strength on the bench.

- Axios tips that the President decided against nominating Judge **Amy Coney Barrett** of the U.S. Court of Appeals for the Seventh Circuit to the Supreme Court of the United States last year because " 'I'm saving her for Ginsburg,' Trump said of Barrett, according to three sources familiar with the president's private comments. Trump used that exact line with a number of people, including in a private conversation with an adviser two days before announcing **Brett Kavanaugh's** nomination." Judge Barrett of St. Joseph County, a former law professor at the University of Notre Dame, "is a favorite among conservative activists ... She's young and proudly embraces her Catholic faith. Her past academic writings suggest an openness to overturning *Roe v. Wade*. Her nomination would throw gas on the culture-war fires, which Trump relishes."

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Proposed gaming industry investments are huge economic boost for Indiana

By Spectacle Entertainment

Indiana Senate Bill 552 (SB552) proposes changes to the gaming industry that would mean huge economic benefits for Indiana. This bill warrants support for three reasons:

1. Moving the two casino vessels out of Buffington Harbor would allow it to be used as an intermodal hub, port and logistics center. SB552 will allow our company, Spectacle Entertainment, to move Majestic Star and Majestic Star II out of Gary's Buffington Harbor. The harbor is a shallow-water port on Lake Michigan with only limited maritime operations currently taking place. This move presents Gary with an opportunity to diversity its economy, create good jobs and increase tax revenues.
2. Relocating one of the Majestic Star casinos adjacent to I 80/94 in Gary would boost economic development and job growth, generating higher state and local tax revenues. SB552 authorizes one casino to be relocated near I 80/94 in Gary, where Spectacle will build a casino/hotel project costing \$300 million and generating many building trades jobs. We project that the 800 current team members would be necessary to operate the new venue, plus 400 new hires, for a total work force of 1,200. In addition, the new casino and hotel are expected to generate \$78.75 million annually in state and local tax revenues, compared to the two existing properties.
3. **Relocating the second Majestic Star casino to Terre Haute would create jobs, generate increased state and local tax revenues and possibly avert Illinois casino competition.** SB552 authorizes the relocation of the second Majestic license to Terre Haute in Vigo County. Siting a casino in Terre Haute makes sense because the area does not have convenient access to gaming facilities and has a long history of advocating for a casino. This relocation would result in an investment of \$100 million and generate \$24 million in annual tax revenue. Also, a casino in Terre Haute would draw from Illinois, including the population center of Danville, Ill., and possibly would forestall the opening of a casino in Danville.

Altogether, these investments would make Indiana increasingly competitive with other states for gaming revenue and would likely lead to additional economic investment by lodging, restaurant and entertainment businesses. Please join us in supporting SB552 to bring these exciting economic opportunities to our state.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 4/6-4/8
Date: Monday, April 8, 2019 11:12:35 AM
Attachments: [Howey 4-7-19.pdf](#)
[Howey 4-8-19.pdf](#)

Pillar 1- Diversify our economy

AP- [Greenleaf Foods SPC to Construct North America's Largest Plant-Based Protein Facility in Indiana](#)
Inside IN Business- [Greenleaf Investing \\$300M in Shelbyville Facility](#)
Star Press- [Accutech Systems investing \\$5.5 million in downtown Muncie](#)
Inside IN Business- [Muncie IT Company Details Expansion](#)
Inside IN Business- [Hicks: Jobs Report Shows Economy 'Cooling Off'](#)
Inside IN Business- [Colorado Company Plans CBD Production in Michigan City](#)
IU- [IU engagement efforts continue to strengthen state's economic vitality](#)
WIBC- [Newfields Receives Around \\$22 Million In Grants And Gifts For Upgrades](#)
Journal Gazette- [Headwaters, railroad strike deal](#)

Pillar 2- Upgrade our infrastructure

RTV6- [Latest phase of I 69 work underway](#)
14 News- [Gov. Holcomb presents grant checks in New Harmony](#)
Tristate Homepage- [Gov. Holcomb announces infrastructure changes](#)
Indy Star- [INDOT wants your feedback on the I-65/I-70 North Split's specific details](#)
NWI Times- [Federal loan and grant to pay for sewer service improvements in Northwest Indiana city](#)

Pillar 3- Strengthen our workforce

NWI Times- [New NWI reentry service will help people with criminal backgrounds land jobs](#)
RTV6- [EmployIndy uses basketball to re-engage unemployed adults back into the workforce](#)
NWI Times- [More Indiana students are prepared for college, new report finds](#)
Republic- [Ivy Tech to help boost single mothers' college success rates](#)
Tribune Star- [Ivy Tech offers session on career training](#)

2019 Legislative Session

Indy Star- ['He moved mountains': 14-month-old Hoosier whose rare disease inspired a live-saving law dies](#)
IN Public Media- [14-month-old Who Inspired Newborn Screening Law Dies](#)
Indy Star- [Law would prevent animal abusers from owning pets](#)
Hill- [Indiana Gov poised to sign bill that would prevent animal abusers from owning pets](#)
Indy Star- [Indiana utilities want to move away from coal. The legislature could slow them down. Here's how.](#)
IN Public Media- [Republicans Seek Two-Year Moratorium On New Power Plants](#)
Fox59- [Indiana Republicans aim to prohibit opening new power plants](#)
Chalkbeat- [Indiana Senate Republicans hope to curb funding cuts to high-poverty districts](#)
WFYI- [Indiana's School Funding Is Billions Behind With Teachers Across The State 'Restless' For Action](#)
NWI Times- [Fate of some Region children hangs in balance as Senate panel delays action on hospital payment plan](#)

Fox59- [Holcomb calls hate crime bill “step in right direction”](#)

Journal Gazette- [Hoosiers lose direct say over state school chief](#)

Tribune- [Township surplus bill moves to Senate floor](#)

Journal Gazette- [From towing to child support, area bills move](#)

IN Public Media- [Weekly Statehouse Update: Hate Crimes Bill Signed, Two Anti-Abortion Bills Approved](#)

WTHR- [Payday lending and school funding among top issues awaiting action in General Assembly](#)

Misc.

WIBC- [Pres. Trump to Speak at NRA Annual Meeting in Indy](#)

Indy Star- [Obesity is one of Indiana's greatest health challenges](#)

Journal Gazette- [Epidemic proportions](#)

Sincerely,

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April 7, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Sunday, April 7, 2019 11:28 AM

BUTTIGIEG TALKS CAPITALISM, FAITH ON MEET THE PRESS: South Bend Mayor Pete Buttigieg began the week he is expected to formally announce for the Democratic presidential nomination by talking about capitalism and faith on NBC's Meet The Press this morning (*Howey Politics Indiana*). Buttigieg will announce his candidacy in South Bend next Sunday. Host Chuck Todd asked the mayor, "Are you a capitalist?" Buttigieg responded, "Sure. America is a capitalist society, but it's got to be democratic capitalism and that part is really important. It's slipping away from us. When capitalism comes into tension with democracy, which is more important? I believe democracy is more important. When you have capitalism capturing democracy, when you have a regulatory capture where powerful corporations are able to arrange the rules to their benefit, that's not real capitalism. If you want to see what happens with capitalism without democracy, you can see it very clearly in Russia. It turns into crony capitalism and that turns into oligarchy. I know the temptation especially from the communitariat is to align everybody as dots on a spectrum. That's not how most voters think. Think of the number of voters mathematically in St. Joseph County, Indiana who must have voted for Obama and Trump and Mike Pence and me. There's a lot more to this than an ideological analysis, especially with the ideology in our country so scrambled, having a president who doesn't even have an ideology, just a style, undertaking a hostile takeover of the Republican Party."

MAYOR PETE ON TRUMP AND GOD: Mayor Buttigieg was asked about President Trump and God, with Vice President Mike Pence and Secretary of State Mike Pompeo saying that "God" wanted him to become president (*Howey Politics Indiana*). Buttigieg responded, "It's something that really frustrates me because the hypocrisy is so unbelievable. Here you have somebody who not only acts in a way not consistent with anything I hear in Scripture and church, where it is about lifting up the least among us and taking care of strangers, which is another word for immigrants, and making sure you're focusing your effort on the poor. But also personally how you're supposed to conduct yourself, not chest-thumping and 'look at me,' but humbling yourself before others. Foot washing is one of the central images in the New Testament and we see the diametric opposite of that in this presidency. There was a process where he began to pretend to be pro life and govern accordingly, which is good enough to bring a number of evangelicals to his side. I can't believe someone who is writing hush money checks to adult film actresses is somebody they should be lifting up."

NISOURCE TO CUT GREENHOUSE EMISSIONS BY 90%: NiSource plans to slash greenhouse gas emissions from electricity generation by 90 percent by 2030, as compared to 2005, as it takes coal-fired plants offline in favor of greener energy sources (Pete, [NWI Times](#)). The Merrillville-based parent company of NIPSCO unveiled new emission reduction targets in its 2018 Integrated Annual Report that it says builds upon "the aggressive environmental targets the company announced in 2016." "NiSource has long been committed to improving the environmental performance of our energy systems and making it more affordable for our customers," NiSource President and CEO Joe Hamrock said. "The updated targets we're highlighting in our 2018 Integrated Annual Report demonstrate our continued progress doing just that. We'll continue to make our business more sustainable for our customers, the communities we serve, our employees and our investors." By 2030, NiSource aims to reduce nitrogen oxide, sulfur dioxide and mercury emissions by 99% as compared to 2005 levels. The utility hopes to reduce water withdrawal by 99%, wastewater discharge by 99% and coal ash generation by 100%. After being pressured by environmental groups like the Sierra Club to reduce its carbon footprint, the company now aims to retire all its coal-fired power plants by 2028. Instead, NIPSCO will generate power with wind, solar and battery storage technology.

SOLIDAY DENIES AMENDMENT AIMED AT 'SAVING COAL': At a time when two of the state's biggest electric utilities are planning to retire a majority of their coal power, a House committee has voted to put a moratorium on such decisions ([IndyStar](#)). The House Utilities committee voted 8-4 on an amendment that would temporarily prevent Indiana regulators from approving large projects that generate electricity for Hoosiers. The new amendment, which was added to Senate Bill 472 on Wednesday without testimony, would prohibit the Indiana Utility Regulatory Commission from approving plans written by electric utilities to change the way they generate electricity. The moratorium would be in effect from April 30 to January 1, 2021. Rep. Ed Soliday, R-Valparaiso, said the amendment was necessary to slow down the rapid changes happening in Indiana's energy markets. It would give a statewide energy task force, formed by another amendment to the same bill, the time to properly study and make recommendations about the state's energy future. "If we don't do something that slows things down we will have a policy dictated by decisions" made by utilities and the IURC, Soliday said at a House Utilities committee meeting this week. Opponents of the measure say it's just another way to keep coal alive in the state, an idea that Soliday vehemently denied in this week's committee meeting. "Neither amendment is a coal amendment," Soliday said on Wednesday. But Kerwin Olson, executive director of the Citizens Action Coalition, said that he finds that hard to believe, as the only parties benefiting from the amendment are coal companies. "This is sort of the Hail Mary, in our opinion, for coal, because the only way that we can keep burning coal is to effectively stop the commission from issuing orders for new generation, which sort of requires the coal plants to stay open," Olson said.

TIPPING POINT REACHED ON COAL: Is the Indiana coal industry heading for the scrap pile? Its biggest traditional customers, electrical utilities, are quickly moving to less-expensive fuel sources—including natural gas, solar and wind—to

power their generating plants. The shift, years in the making, is accelerating and shows no signs of letting up (Russell, [IBJ](#)). Three years ago, Indianapolis Power & Light sent a shudder through the coal industry when it converted its Harding Street Station power plant—which used to burn 2 million tons of coal a year—to natural gas, ending a coal tradition that began when the plant opened in 1931. A few months later, IPL converted the coal-fired units at its Eagle Valley power plant in Martinsville to natural gas. Vectren Corp., based in Evansville, plans to retire three of its four coal-burning generating units by 2024. In their place, Vectren will substantially increase the use of natural gas as a fuel source and build a 50-megawatt solar farm. “We have demonstrated a tipping point where coal is no longer the exclusive solution for southwest Indiana customers and continues to be highly risky due to plant age and environmental regulations,” Mike Roeder, Vectren’s vice president of government affairs, told the Indiana House Utilities Committee last month. And last fall, in the latest bombshell for the coal industry, Merrillville-based Northern Indiana Public Service Co. said it plans to retire four of its five remaining coal-fired electricity-generating units within five years and the other within a decade. The move will save NIPSCO \$4 billion over the next 20 years, the company said. It plans to generate 65 percent of its power from solar, wind and other renewables by 2028, and at least 25 percent from natural gas, as it shifts toward less-costly energy sources. “As utilities look further into the future, where they expect things to trend, that dynamic is not changing,” said Doug Gotham, director of the State Utility Forecasting Group at Purdue University. “On an economic basis, coal has trouble competing.”

HAMILTON ELECTION BOARD TO PROBE CARMEL ALLEGATION: The Hamilton County Election Board plans to look into allegations that Carmel Mayor Jim Brainard’s re-election campaign offered money to his challenger to drop out of the race. But the meeting will be after the May 7 primary election involving both candidates (Quinn, [IBJ](#)). The board has tentatively slated a meeting for May 14 to meet with both campaigns and the two major political parties to hear testimony and determine whether the people involved have evidence supporting the claim. Election board member Ray Alder, a Republican, likened the meeting to a probable cause hearing in a court case. Last week, the Hamilton County Democratic Party called for an investigation into the allegations made by Republican mayoral candidate Fred Glynn that Brainard’s campaign offered him \$140,000 to withdraw from the race. Joe Weingarten, chairman of the county Democratic Party, told [IBJ](#) he filed a request with the election board in order to get to the bottom of the claims, which were originally reported in a March 21 [Current](#) in Carmel article. Glynn told the [Current](#) that the alleged bribe took place during a Feb. 3 meeting involving Glynn’s former campaign manager Dan Hennessey, Brainard consultant Allan Sutherlin and Hamilton County GOP chair Laura Campbell, who is also a Carmel city councilor. Hennessey then reported the bribe to Glynn—who said he turned down the offer—before resigning from his campaign to work with Brainard, the [Current](#) reported. The Brainard campaign said it is not employing Hennessey or paying him directly. Stakeholder International, a consulting firm owned by Sutherlin, hired Hennessey. Sutherlin and Campbell told the [Current](#) there was a bribe offered during the meeting, but it didn’t come from Brainard’s team. Instead, Hennessey asked for the money on Glynn’s behalf, Sutherlin said.

FARMERS TELL PENCE TO PASS USMCA, END TARIFFS: It was anything but a typical day at Lamb Farms in Boone County when the Vice President and a gaggle of media showed up for a visit. “I told the President I was going home to Indiana to listen to farmers,” Vice President Mike Pence told the group of about 50 Hoosier farmers who gathered for the event. True to his word, Pence did more listening than talking during the 90 minute event (Truitt, [Hoosier Ag Today](#)). The message the former Indiana Governor heard was loud and clear: pass USMCA, remove the tariffs, strike a deal with China, and get the farm economy back on track. The listening sessions were emceed by Indiana Farm Bureau President Randy Kron who told HAT Pence got the message, “I think he heard the message that agriculture needs the USMCA. We have got to get this done.” In his closing remarks, the Vice President said the President is committed to getting the deal ratified by Congress this spring, “President Trump has done his job it is time for Congress to do theirs.” Kron said Farm Bureau has made adoption of USMCA by Congress its top legislative priority this spring. Jeff Demerly, from Wolcott, told Pence, “I know of some young farmers who will not be able to start their tractors this spring because they just don’t have the money to farm.” Mike Beard, a corn grower from Clinton County, told HAT that farmers are beginning to lose patience with the lack of progress on trade and continued low crop prices.

YOUNG SAYS USMCA PASSAGE UNCERTAIN : President Trump’s replacement for the North American Free Trade Agreement faces an uncertain path to approval by Congress ([WIBC](#)). Indiana Republican Todd Young says he supports the U.S.-Mexico-Canada Agreement. He says Indiana’s heavy concentration of manufacturing and agriculture makes a trade deal with America’s neighbors critical. And he says the deal improves on NAFTA by covering services as well as goods. But Young says it’s unclear whether Trump’s renegotiated NAFTA has the votes to pass the Democratic House. He says many members have policy disagreements with the deal, and charges some Democrats want to deny Trump a victory. Trump added a complication with a threat to impose tariffs on Mexican auto imports even if the trade deal is approved, unless Mexico makes progress in controlling illegal border crossings. Young says he doesn’t expect that threat to affect the debate -- he says lawmakers are focused on the deal itself. He’s steering clear of commenting on the tariff threat itself.

KNIGHT RETURNS TO IU CAMPUS: Former IU men’s basketball coach Bob Knight returned to IU’s campus Saturday afternoon to take in a baseball game at Bart Kaufman Field (Drummond, [Indiana Daily Student](#)). The 78-year-old Knight arrived prior to the start of IU’s afternoon doubleheader against Penn State, marking his first public and most visible appearance on campus since he was fired in September 2000 and spoke to a crowd in Dunn Meadow. He entered the

stadium on a golf cart driven by an IU official, and was followed in another golf cart by former Herald-Times sports editor Bob Hammel and IU Deputy Director of Athletics Scott Dolson. Knight watched the game from a suite inside the stadium press box. As he entered the suite, Knight said "it's nice being here." During his time at IU, Knight led the men's basketball program to three national championships over his 29-year career. The Hoosiers also reached five Final Fours under Knight and won 11 Big Ten Regular Season titles. IU Athletic Director Fred Glass told the Herald-Times in a text message he was happy to help Knight attend the baseball game, but hadn't talked to him yet and didn't expect to.

TRUMP TO SPEAK TO NRA CONVENTION IN INDY: President Donald Trump will be in Indianapolis on Friday, April 26 to speak at the NRA Annual Meeting, according to the NRA's Institute for Legislative Action ([WIBC](#)). For the third consecutive year, Trump will address NRA members at the NRA-ILA Leadership Forum, according to the group's website. It will be his fifth consecutive year appearing at the Annual Meeting. "Donald Trump is the most enthusiastic supporter of the Second Amendment to occupy the Oval Office in our lifetimes. It is truly an honor to have President Trump address NRA members for the fifth consecutive year," said Chris Cox, NRA-ILA Executive Director, on the NRA-ILA website. "Our members are excited to hear him speak and thank him for his support for our Right to Keep and Bear Arms." The NRA Convention will take place from Thursday, April 25 - Sunday, April 28 at Lucas Oil Stadium and the Indiana Convention Center.

WILL TRUMP'S ANSWERS TO MUELLER BE MADE PUBLIC? Investigators for the special counsel spent months trying to get answers from President Trump: what he knew about a meeting between senior campaign aides and Russians; about changes to the Republican Party platform making it more Russia-friendly; about his associates' outreach to WikiLeaks as it prepared to publish Democratic emails stolen by Russian hackers (Savage, [New York Times](#)). After months of resistance, his lawyers finally turned over written answers in November to those questions and others. But the public has not seen them. Now, the question of whether they become part of the available history of Russia's 2016 election interference and its aftermath — along with whatever else the special counsel, Robert S. Mueller III, may have gathered — turns on Attorney General William P. Barr. Since Mr. Mueller submitted a nearly 400-page report on his investigation two weeks ago, Mr. Barr, his aides and other law enforcement officials have been reviewing it to determine which portions to provide to lawmakers and the public — and what to black out. Mr. Barr has promised to give lawmakers — by mid-April, "if not sooner" — as much of the report as possible, subject to several categories of necessary deletions. But much will turn on how expansively or narrowly he interprets those categories.

HPI DAILY ANALYSIS: We are in for a compelling week, folks. Hopefully we'll see the unredacted portions of the Mueller report, as promised by Attorney General Barr. Next Sunday, Mayor Buttigieg kicks off his Democratic presidential campaign in South Bend. HPI and our commentators will be ready to report, analyze and weigh in. - *Brian A. Howey*

Campaigns

BIDEN STRUGGLES WITH ALLEGATIONS: If Joe Biden was hoping on Friday to move past the controversy over his unwelcome physical contact with women, he did not succeed ([Politico](#)). The former vice president, even as he inched closer to announcing a presidential bid, twice made light of his touchy, close-talking political style during a speech to a major labor union, the International Brotherhood of Electrical Workers — drawing further attention to a fraught issue that has generated damaging headlines for days. Biden opened his address to the IBEW conference at the Washington Hilton by joking about his embrace of the man who introduced him, union president Lonnie Stephenson. "I just want you to know, I had permission to hug Lonnie," Biden told the crowd, prompting laughter. Fifteen minutes later, Biden invited a group of children on stage with him, shaking each of their hands. He put his arm around one male child before telling the crowd: "He gave me permission to touch him," again prompting laughter from the crowd. "I'm sorry to take so long. Everybody knows that I like kids better than people."

PRIEBUS SAYS TRUMP MUST WIN PA, MI, WI: Former White House chief of staff Reince Priebus warned in an interview that aired Sunday that President Trump needs to repeat his success in Michigan, Pennsylvania and Wisconsin in 2020 to win re-election ([The Hill](#)). Priebus told AM 970's "The Answer" that the president's path to victory in 2020 lay in reigniting the support that he received in working-class communities across the Rust Belt. "[Trump] has to win Wisconsin and Michigan," Priebus told host John Catsimatidis. "We have to win Pennsylvania." "We're likely to have a battle in Arizona, which is new for the Republican Party. I think we have to be very careful in Georgia," he continued.

PRESIDENTIAL CANDIDATES DON'T HAVE TRACTION IN HOME STATES: Sen. Kamala Harris has been elected three times to statewide office, and she's one of the most popular politicians in California. Yet according to the latest Public Policy Institute of California poll, just 38 percent of likely state voters say she should be running for president ([Politico](#)). In New Jersey, only 37 percent of Sen. Cory Booker's constituents think he would make a good president. In Massachusetts, two-

thirds of likely voters told a Suffolk University Political Research Center/Boston Globe Poll last fall that Sen. Elizabeth Warren shouldn't run for the White House.

Sunday Talk

MULVANEY SAYS TAX RETURN ISSUE ALREADY RESOLVED: Acting White House chief of staff Mick Mulvaney said Sunday that congressional Democrats will "never" see President Donald Trump's tax returns, arguing that any controversy surrounding the elusive financial statements was "already litigated" during the 2016 campaign. "Oh no. Never. Nor should they," Mulvaney told host Bill Hemmer on ["Fox News Sunday."](#) "Keep in mind, that's an issue that was already litigated during the election," Mulvaney said. "Voters knew the president could have given his tax returns, they knew that he didn't, and they elected him anyway — which, of course, is what drives the Democrats crazy."

SEKULOW SAYS IRS 'WEAPONIZED': House Democrats' request for President Trump's tax returns amounts to "using the IRS as a political weapon," Trump's attorney Jay Sekulow said on Sunday morning. Sekulow told ABC's George Stephanopoulos on ["This Week"](#) that Congress may only request individual citizens' tax returns for a "legitimate legislative purpose," which he claimed House Ways & Means Committee Chair Rep. Richard Neal (D-Mass.) has not identified.

NADLER SEES 'COLLUSION IN PLAIN SIGHT': There was "open collusion" between President Trump's campaign and Russia regardless of whether special counsel Robert Mueller found evidence of criminal conspiracy, House Judiciary Committee chairman, Rep. Jerrold Nadler (D-N.Y.), said Sunday morning. Donald Trump Jr. and Jared Kushner's 2016 Trump Tower meeting with Russian associates allegedly indicates "there was in plain sight open collusion with the Russians," Nadler said on CBS' ["Face The Nation."](#) Mueller last month concluded his investigation into Russia interference in the 2016 election and possible collusion between Trump's campaign and Moscow. He did not find evidence of cooperation between Trump's campaign and Russia, according to a four-page summary of his findings provided to Congress by Attorney General William Barr.

GIULIANI SAYS NADLER WILL SEE FULL MUELLER REPORT: President Trump's attorney, Rudy Giuliani, said Sunday that House Judiciary Committee Chairman Jerrold Nadler (D-N.Y.) should "get all of the information" from special counsel Robert Mueller's investigation. Nadler should have access to "everything," including grand jury material, Giuliani said on CBS' ["Face the Nation."](#) "Except for little quibbles, I'm not worried about the report at all," Giuliani added. Giuliani also said that while Trump "can't waive all executive privilege," the president's team is eager to disclose as much information as legally possible. "The [attorney general] has said he's going to put up the maximum amount...possible," Giuliani said. "The only thing that will stop him will be legal barriers."

KUDLOW DEFENDS CAIN: Top White House economic adviser Larry Kudlow on Sunday weighed in on sexual harassment allegations against Herman Cain, whom President Trump plans to nominate to the Federal Reserve Board, saying accusations sometimes "don't necessarily pan out." "Look, we are going through a vetting process in the White House. I'm sure the Senate Banking Committee will do likewise," Kudlow, the director of the National Economic Council, said on CNN's ["State of the Union"](#) when asked if the allegations against Cain trouble him. "There's big disputes here. Mr. Cain disagrees with this point of view. I'm not going to litigate that here," he added, confronting past allegations by four women that ended Cain's 2012 presidential bid.

SCHIFF SAYS DEMS, JEWS WILL CEMENT: Rep. Adam Schiff (D-Calif.) on Sunday dismissed comments from President Trump, who the previous day said a "radical agenda" being pushed by Democrats could "very well could leave Israel out there all by yourselves." "I hate to even dignify those remarks, but look, it's not the Democratic Party that believes that there are good people on both sides of a Nazi rally. There's just one party and one party leader who believes that, and that's Donald Trump," Schiff, one of the highest-ranking Jewish members of Congress, said on CNN's ["State of the Union."](#) "If there's anything that is likely to cement the relationship between the Democratic Party and the Jewish community, it's the presidency of Donald Trump."

SCHIFF DEFENDS CALLING OUT TRUMP: House Intelligence Committee Chairman Adam Schiff defended his past comments about President Donald Trump on Sunday, disavowing calls from Republicans that he step down from leading the key committee. "I don't regret calling out this President for what I consider deeply unethical and improper conduct," Schiff said on CNN's ["State of the Union"](#) with Jake Tapper.

He continued, "Not a bit. And I think the moment that we start to think that we should back away from exposing this kind of malfeasance and corruption is a dangerous point."

ROMNEY BLASTS DEMS OVER TAX RETURNS: Sen. Mitt Romney (R-Utah) on Sunday called Democrats "moronic" for attempting to obtain President Trump's tax returns through legislative action. Romney added, however, that he wishes Trump would publicly release his tax returns. "[Trump] said he would be happy to release his returns. So I wish he'd do that. But I have to also tell you I think the Democrats are just playing along his handbook, which is, going after his tax returns

through legislative action is moronic," he said during an interview on [NBC's "Meet the Press."](#) "That's not going to happen," Romney continued. "The courts are not going to say that you can compel a person running for office to release their tax returns. He's going to win this victory."

KILDEE DEFENDS TAX RETURN QUEST: Rep. Dan Kildee (D-Mich.) defended Ways & Means Committee Chair Richard Neal's (D-Mass.) authority to request President Trump's tax returns Sunday, calling Trump the "least transparent president in half a century." Contrary to language used by Trump's attorneys in a letter to the Internal Revenue Service Friday, Neal's request is "not a Pandora's box" and derives from "legitimate authority," Kildee told ABC's George Stephanopoulos. "We are looking very carefully right now as to whether or not the IRS is properly auditing and enforcing tax law on the President of the United States, and we're considering legislative changes to that end," Kildee said on ABC's ["This Week."](#)

General Assembly

HATE CRIME SIGNING HEADLINES WEEK: Gov. Eric Holcomb signed hate crimes legislation into law. Two anti-abortion bills are headed to the governor's desk. And the Senate approved a measure allowing pregnant minors to make their own health care decisions ([Indiana Public Media](#)). Here's what you might have missed this week at the Statehouse.

Hate Crimes Bill Signed: Gov. Holcomb quietly signed into law a bill that aims to create hate crimes protections – one day after the Senate gave final approval to the language sharply criticized by many hate crimes measure advocates as inadequate. The new law allows judges to enact harsher penalties for crimes committed because of bias and references a list of victim characteristics. But that list falls short of what advocates had long pushed for – it leaves out sex, age and gender identity.

Anti-Abortion Legislation: The Senate gave final approval to two anti-abortion measures. One allows pharmacists, nurses, and physician assistants to refuse to provide abortion services. Doctors and hospital employees already have that ability. The other bill largely bans dilation and evacuation abortions, second trimester procedures known as D&Es. Anti-abortion activists call them "barbaric." Many doctors say they're the safest way to end a pregnancy at that stage.

Pregnancy Care For Minors: Senate lawmakers approved a bill Tuesday allowing 16- and 17-year-olds to make their own decisions about pregnancy care. Indiana law generally doesn't let minors make their own health care decisions without a parent's consent. That includes 16- and 17-year-olds who are pregnant. But the Senate voted down such a bill earlier this year in part because of concerns the girl's parents were entirely left out. The new version requires physicians to try to contact the pregnant teen's parents.

School Safety Referenda: A proposal moving forward at the statehouse would allow school districts to ask voters for a property tax increase specifically to pay for school safety projects. School corporations can ask voters to approve two types of referenda, to fund construction projects or, general operations. Many districts have included school safety improvements as part of the reason for their referendum proposals, along with other expenses like teacher pay, but the House Ways and Means Committee approved a bill this week to let schools ask for tax hikes for safety costs alone.

Volunteer Coach Discipline: Senate lawmakers approved legislation Thursday that ensures Indiana law deals with how volunteer coaches at high schools are disciplined. State law already governs how coaches who are employees of a high school are treated when fired for criminal acts or misconduct. But the law didn't contemplate volunteers. The bill applies to public, charter and private schools. The Senate approved the measure unanimously. The House could vote to send it to the governor as early as next week.

House Rejects Rental Fee Cap Increase: The Indiana House rejected an attempt Monday to raise the cap on rental fees cities can charge to landlords. Current law says municipalities can't charge landlords an inspection fee of more than \$5 per unit. Those charges are often passed on to renters. An amendment would have raised the cap for all cities to \$150 per unit. It failed, 21 to 73.

TOWNSHIP SURPLUS BILLS ADVANCE: Legislation that would require officials of Indiana's townships with high budget surpluses to explain their plans for capital projects passed this week through the state Senate Committee on Local Government (Miley, [CNHI](#)). The legislation, House Bill 1177 by Rep. Cindy Ziemke, R-Batesville, now heads to the Senate floor. The bill has already passed the House. Ziemke's bill attempts to address excessive budget surpluses in many of Indiana's 1,005 townships. Across the state, townships had budgets totaling \$389.3 million in 2017. But they had a total cash balance of \$453.6 million, more than 16 percent above their budgeted amounts. That's enough for 14 months of operating revenues, as much as seven times the generally accepted threshold for government units. The bill is geared to townships

that have capital improvement funds amounting to 150 percent of the total budget and exceeding \$200,000. They would be required to complete a three-year capital improvement plan by Sept. 30, 2020. Without such a plan, the township wouldn't be able to receive property taxes. "After they complete the capital improvement plans (the bill would) allow them to transfer surpluses into another fund they can actually use. That's been a big issue with a lot of these townships," Ziemke said.

Congress

BRAUN ENJOYING 'GUMMED UP' SENATE: U.S. Sen. Mike Braun said Wednesday he has enjoyed his first few months on Capitol Hill even if Congress is "a gummed-up process." "I think it's been going great," he said during a conference call with Indiana news reporters ([Fort Wayne Journal Gazette](#)). Braun, R-Ind., said he plans to concentrate on legislation affecting health care, infrastructure and the budget, "and if I can do well in those three arenas, I think it's going to be well worth the price of admission." He said that price was an "acrimonious" campaign in 2018 that was "a long, hard journey to get here." Braun is the wealthy owner of a Jasper-based auto parts distribution business who lent millions of dollars to his campaign. He defeated U.S. Reps. Todd Rokita and Luke Messer in the Republican primary election and Democratic Sen. Joe Donnelly in the general election to reach the Senate. "The problem is, it is such a gummed-up process," he said about Congress. "It becomes so polarized. ... It's very congenial, even reaching out across the other side of the aisle, when you're not talking about anything important on policy. Once it becomes a significant policy issue, pretty well everybody gets into their own camp, nothing gets done. "That's disappointing. You could never run a school board, a state government, any business in that fashion. And to be honest, I don't see that changing for a while. I think it's been so built into the dynamic here," Braun said.

BRAUN PRAISES DONNELLY: U.S. Sen. Mike Braun praised Donnelly's constituent work ([Fort Wayne Journal Gazette](#)). "Sen. Donnelly ran a very good operation back in Indiana. He interfaced with agriculture well, many of the other business interest groups. I built my business on customer service; that's how you distinguish yourself. ... I made it clear we want to emulate what Sen. Donnelly did and even make it better. I think we're off to a great start," Braun said. He said Donnelly's staff worked with his staff "to get our Senate office off to a good start, and I appreciate that."

State

EDUCATION: MORE STUDENTS PREPARED FOR COLLEGE - More Hoosier students than ever are prepared for college. That's according to the most recent College Readiness Report compiled by the Indiana Commission for Higher Education (Lanich, [NWI Times](#)). The 2019 report, released this week, shares data based on students who graduated high school in the previous academic year and enrolled in college within a year of their graduation. Major takeaways include data trends showing fewer college-age students are in need of remediation, and more high school students are receiving college credit early, as well as a decrease in Indiana high school graduates immediately enrolling in college. "While we understand that people are benefiting from a strong economy and job opportunities, we must continue to make a case for a quality degree or credential to ensure that Hoosiers are prepared for a dynamic economy," Indiana Commissioner for Higher Education Teresa Lubbers said in a news release.

HEALTH: MEASLES EXPOSURE IN ANGOLA - State health officials confirm a new case of measles in northern Indiana ([AP](#)). They're working with local health officials in LaGrange and Steuben counties to identify anyone who may have been exposed to the infected patient to prevent it from spreading any further. They're also consulting with their counterparts in Michigan and Texas because there may be exposure in those states as well because of this same case. Anyone who has visited these locations on the dates indicated may have been exposed: Friday, March 29, Cameron Memorial Community Hospital Urgent Care – 1381 N. Wayne St., Angola, IN 46703; 3:45 p.m. - 6:35 p.m. Saturday, March 30; Cameron Memorial Community Hospital Laboratory 5:30 p.m. - 8 p.m. Saturday, March 30.

ECONOMY: SHORT TERM RENTALS FACE NEW TAX - Ruth Floyd uses the income she earns from Airbnb to fund improvements to her circa-1880s home in downtown New Albany (Thomas, [News & Tribune](#)). A retiree and "not quite a spring chicken anymore," Floyd also is an unofficial ambassador of sorts for the Ohio River town, nudging guests toward places to grab a bite to eat and relax just a short stroll from her Mansion Row home on Main Street. But Floyd is concerned about an Indiana law, passed in 2016 but effective July 1, requiring the collection of sales tax from online short-term rental platforms like Airbnb. She's worried how potential guests might react to a possible increase in rates to compensate for the added levy. "A lot of people that I meet, if it weren't for Airbnb, they probably wouldn't travel as much," said Floyd. "They wouldn't be spending money in Indiana, so if the fees start going up and people start saying, 'well, I can't travel anymore,' then Indiana or whoever's trying to make some money will lose out on all of that." Indiana is one of three states that currently doesn't charge a sales tax for online short-term rental platforms, so how that levy will be collected and remitted is

still up in the air. The law that will go into effect this summer stipulates that sales tax to be collected by a facilitator, like Airbnb, if the rental transpired on such a platform, or the property owner if the property owner makes the transaction directly. A short-term rental is defined as a period of less than 30 days.

INDOT: SECTION 6 WORK ON I-69 BEGINS - In Martinsville, it looks like a tornado hit right along the State Road 37 corridor ([WRTV](#)). Trees are down, homes and businesses are boarded up. Martinsville residents and those who drive through the Morgan County town are seeing sure signs that work on the next phase of I 69 is underway. Its official name is "Section Six," the 26 miles of highway between Martinsville and I 465 in Indianapolis which will follow the current State Road 37. When it's done, I 69 will be complete from Evansville to Indianapolis.

DNR: TURKEY RUN SP ON NATIONAL REGISTRY - Western Indiana's Turkey Run State Park has been added to the National Register of Historic Places more than a century after it opened ([AP](#)). The park near Marshall, Indiana, boasts scenic views of Sugar Creek, which meanders along sandstone cliffs and outcroppings and is traversed by a 200-foot-long suspension bridge. The Indiana Department of Natural Resources says Turkey Run State Park was added to the national registry because of its cultural value to Indiana and its national history. The park was founded in 1916 about 25 miles northeast of Terre Haute. It's Indiana's second-oldest park, after McCormick's Creek. Turkey Run includes the Lusk Home, which was already listed on the national registry.

SPORTS: GUY LEADS UVA TO FINAL GAME - Think of all the kids who spent 10,000 hours in practice, hoping for this moment. U.Va. will play for the national men's basketball title for the first time after pulling off a last-second stunner last night in the Final Four in Minneapolis ([Axios](#)). Kyle Guy of Indianapolis, 21, made three free throws with 0.6 seconds after a disputed foul call, steadily swishing each one to dance past Auburn, 63-62. Lookahead: The Virginia Cavaliers and Texas Tech Red Raiders, with two of the three best defenses in the nation, will meet for the title Monday night — the first appearance in the final for each program.

Nation

WHITE HOUSE: TRUMP SEEKS QUICK FIX AS IMMIGRATION SURGES - More than halfway through President Trump's first term, unauthorized immigration has surged to the highest levels in a decade, leaving him searching for quick-fix solutions and his administration roiling with internal tensions over how to address a problem the president promised to solve ([Washington Post](#)). Trump sought to project confidence and strength on a visit to a renovated section of border fencing in Calexico, Calif., on Friday, amid warnings from federal authorities that the U.S. immigration system is at a "breaking point" in handling a record influx of Central American families. But his public indecision over the past week — threatening in a tweet to close the border with Mexico before reversing himself six days later — revealed an administration that is grasping to deal with a humanitarian challenge without a well-defined strategy and with significant divisions within Trump's team.

WHITE HOUSE: TRUMP SAYS DEMS WOULD ABANDON ISRAEL - President Donald Trump warned on Saturday that a Democratic victory in 2020 could "leave Israel out there," as he highlighted his pro-Israel actions in an effort to make the case for Jewish voters to back his re-election ([AP](#)). Speaking at the annual meeting of the Republican Jewish Coalition, Trump touted his precedent-shredding actions to move the U.S. Embassy to Jerusalem from Tel Aviv and recognition last month of Israeli sovereignty over the disputed Golan Heights, a strategic plateau that Israel seized from Syria in 1967. "We got you something that you wanted," Trump said of the embassy move, adding, "Unlike other presidents, I keep my promises." The group, backed by GOP megadonor Sheldon Adelson, supported Trump's 2016 campaign and is preparing to spend millions on his 2020 effort. "I know that the Republican Jewish Coalition will help lead our party to another historic victory," Trump said. "We need more Republicans. Let's go, so we can win everything."

WHITE HOUSE: CAIN NOMINATION DRAWS FIRE - Payments to women who complained of sexual harassment. Accusations of groping. Allegations of a 13-year extramarital affair. As President Trump moves ahead with his plan to nominate Herman Cain, a 2012 Republican presidential candidate, for a seat on the Federal Reserve's board of governors, Republican lawmakers are being forced to confront a fresh round of uncomfortable allegations of sexual misconduct against women as the 2020 campaign begins. A day after Mr. Trump made the choice of Mr. Cain official, Senate Republicans expressed quiet anxiety over the prospect of another #MeToo minefield even as the White House exalted the decision. The choice of Mr. Cain comes as Mr. Trump's other pick to fill an open seat on the seven-member Fed board, the conservative economist Stephen Moore, has been under fire for ethical and financial lapses that emerged from his divorce records. In both cases, the White House has publicly backed Mr. Trump's selections despite criticism that he was installing loyalists with questionable credentials in two of the country's top economic policy jobs.

ECONOMY: 196K JOBS CREATED IN MARCH - Hiring in the United States rebounded in March as U.S. employers added a solid 196,000 jobs, up sharply from February's scant gain and evidence that many businesses still want to hire despite signs that the economy is slowing ([AP](#)). The unemployment rate remained at 3.8%, near the lowest level in almost 50 years, the Labor Department reported Friday. Wage growth slowed a bit in March, with average hourly pay increasing 3.2% from a year earlier. That was down from February's year-over-year gain of 3.4%, which was the best in a decade. The employment figures reported Friday by the government suggest that February's anemic job growth figure—revised to 33,000, from an initial 20,000—was merely a temporary blip and that businesses are confident the economy remains on a firm footing. Even with the current expansion nearly 10 years old, the U.S. economy is demonstrating its resilience.

PENTAGON: U.S. TROOPS MOVED IN LIBYA - American forces currently operating inside Libya have relocated temporarily outside the war-riven country due to growing unrest in the Libyan capital, the U.S. military's top commander for Africa said Sunday ([Washington Post](#)). "The security realities on the ground in Libya are growing increasingly complex and unpredictable," Marine Corps Gen. Thomas Waldhauser, head of U.S. Africa Command, said in a statement Sunday.

MUELLER: BARR DEFENDS HANDLING OF REPORT - Attorney General William Barr is defending his handling of special counsel Robert Mueller's report on the Russia investigation, saying the confidential document contains sensitive grand jury material that prevented it from being immediately released to the public ([AP](#)). The statement Thursday came as Barr confronts concerns that his four-page letter summarizing Mueller's conclusions unduly sanitized the full report in President Donald Trump's favor, including on the key question of whether the president obstructed justice. House Democrats on Wednesday approved subpoenas for Mueller's entire report and any exhibits and other underlying evidence that the Justice Department might withhold. The disparity in length between Barr's letter and Mueller's full report, which totals nearly 400 pages, raises the likelihood of additional significant information that was put forward by the special counsel's office but not immediately shared by the attorney general. Barr is now expected to release the entire report, with redactions, by mid-April. "Given the extraordinary public interest in the matter, the Attorney General decided to release the report's bottom-line findings and his conclusions immediately — without attempting to summarize the report — with the understanding that the report itself would be released after the redaction process," the Justice Department statement said.

Local

CITIES: HOMICIDES UP IN GARY - Homicides and shootings have been on the rise this year in Gary, but police said gang-related cases are down and they've been able to secure charges or have a person of interest in a majority of the cases ([NWI Times](#)). Another positive sign is that the number of gang-related homicides is down, police Cmdr. Jack Hamady said. Of the 17 homicides this year, police currently think two were gang-related. Last year, nine of the 15 homicides reported during the first quarter were believed to be gang-related.

CITIES: BARNES & THORNBURG TO MOVE TO NEW DOWNTOWN SOUTH BEND SITE - Plans for the downtown's first new high-end office building in nearly three decades now include a major tenant ([South Bend Tribune](#)). The law firm Barnes & Thornburg LLC will occupy the middle three floors of a five-story modern glass and steel structure to be built at the southwest corner of Main Street and Jefferson Boulevard, and it will be called "The Barnes & Thornburg Building," the firm announced. The firm will remain in its First Source Bank Center space until the new building is finished, expected in the summer of 2021. A groundbreaking ceremony is set for Tuesday.

CITIES: NEWFIELDS GETS \$22M GRANT - Newfields announced it has received nearly \$22 million in grants and gifts that will go to upgrades to the popular attraction's infrastructure ([WIBC](#)). The money, which was gifted by private donors as well as foundations and public entities, will go to upgrading The Virginia B. Fairbanks Art & Nature Park: 100 Acres and The Garden. "Newfields is committed to strategic, impactful and sustainable growth that benefits the Indianapolis community. With these key infrastructure improvements, new contemporary art commissions and the addition of a Harvest festival, we will be able to welcome more people to Newfields for exceptional experiences with art and nature," said Dr. Charles L. Venable, The Melvin & Bren Simon Director and CEO. "Over the next 30 years the institution will expand its offerings in the Indianapolis Museum of Art, The Garden, the Lilly House and The Virginia B. Fairbanks Art & Nature Park. This funding lays the groundwork for the development of a campus and programs unlike anywhere else in the nation."

CITIES: FORT WAYNE CUTS PARK DEAL WITH RAILROAD - The plan for Headwaters Junction has chugged forward, moving closer to being part of the redevelopment of the North River property in Fort Wayne (Rodriguez, [Fort Wayne Journal Gazette](#)). The nonprofit organization behind the attraction has secured a purchase agreement with the Norfolk Southern railroad for 1.4 miles of railroad right of way. The acquisition would bring historic trains up to the approximately 30-acre former OmniSource property across Clinton Street from Science Central. The multimillion-dollar proposed attraction would offer the public a chance to learn about, view and ride trains headed by 20th-century locomotives already woven into the city's culture and history. Backers say the venue could attract 140,000 visitors and provide more than \$63 million in economic impact annually.

CITIES: KOR'S MUSEUM SEEKS NEW HOME - The CANDLES Holocaust Museum in Terre Haute aims to give visitors more than a lesson in history ([Indiana Public Media](#)). That's because Holocaust survivor and Terre Haute resident, Eva Kor, founded the museum on a unique message she continues to spread to this day: forgiveness. Eva and her sister Miriam were among the thousands of twins who were subjected to disturbing genetic experiments at the Auschwitz concentration camp. Together, Eva and Miriam were among only a few of the children who survived. Holocaust survivor, Eva Kor founded the CANDLES Holocaust museum to spread her message of healing and forgiveness. In 1993, Eva conceived the idea for the CANDLES Holocaust Museum and founded it in honor of her sister who died that year.

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CIB, GAMING, ON DECK THIS WEEK: The House Ways & Means Committee will have its hands full with two of the largest remaining bills receiving hearings this week (Curry, *Howey Politics Indiana*). After a several-weeks hiatus for negotiation and revision, both the Capital Improvement Board bill (SB7, set for today's 10:30 a.m. meeting) and the major gaming bill (SB552, to be heard Tuesday at 9:00 a.m.) are on the block for committee members to amend and vote on. Once that's done, the bills will be eligible for floor discussion. The House has already changed the gaming bill significantly in the Public Policy Committee, moving back some dates and adding additional charges to planned casino moves, among other things. On the CIB bill, Speaker of the House Brian Bosma's comments through March and April have indicated that his caucus is receptive to concerns shared by Indy's hoteliers over the current bill's impact on the market, signaling that SB7 will also be seeing some changes. So, these likely won't be the final committee discussions on SB7 and SB552 – they'll almost certainly head to conference.

2ND HALF DEADLINES NEARING; BOSMA AIMS FOR APRIL 24 SINE DIE: Both chambers of the Indiana legislature will be pressed by time this week, as the last days for third readings and conference committee reports are coming next Monday and Tuesday (Curry, *Howey Politics Indiana*). The General Assembly is also just three weeks shy of its adjournment deadline, April 29. With these deadlines approaching, lawmakers are still grappling with some major issues like the budget, DCS, the CIB bill, a payday lending bill, and the gaming bill. Speaker of the House Brian Bosma, however, has been telling members "that the only thing we have to do this session is the budget," where he says discussions are going down a good path. Bosma also told reporters that he wants to avoid last year's late-ending debacle and close session early – April 24th, to be exact. His Senate counterpart, President Pro Tempore Rod Bray, wasn't ready to name a date, but agreed that it was "something to shoot for." If that is the goal, it's going to be a busy two-and-a-half weeks in the Statehouse.

SOUTH BEND TO BE BUTTIGIEG'S KICKOFF BACKDROP: Mayor Pete Buttigieg began his latest next big week on NBC's "Meet The Press" talking not only about capitalism and faith, but his hometown of South Bend which he will portray in the coming days as the scene of success. He'll end the this week kicking off his Democratic presidential campaign on Palm Sunday in the city he has led for seven and a half years and one where voters reelected him with 80% of the vote ([Howey Politics Indiana](#)). It comes as Buttigieg's social media contacts have soared, he reported \$7 million raised by his exploratory committee, and he has made an array of national TV appearances, with a recent Iowa poll showing him trailing Joe Biden and Bernie Sanders with a third-place 11%. With Buttigieg's announcement that is expected to draw more than 10,000 people, this urban backdrop will receive unprecedented scrutiny for the first presidential campaign by a Hoosier headquartered outside of Indianapolis since Wendell Willkie's 1940 effort was run out of Rushville. But Buttigieg made clear Sunday morning that South Bend will become a campaign metaphor. "There's the sense we've really changed the story for our city," Buttigieg told moderator Chuck Todd. "I think that's something the country needs to hear because you've got a president who's telling anybody from a community like mine, be it an industrial community or a rural community where people growing up, means getting this message that success means you have to get out. "He's telling us the greatness is in the past; we've got to stop the clock and turn it back," Buttigieg said of Trump and his campaign slogan "Make America Great Again." The mayor added, "I'm out there making the case that South Bend is living proof that good politics is not one based on the word 'again.'"

BRYCE CLAUSEN DIES: A 14-month-old Indianapolis boy who inspired legislators to pass a bill adding Krabbe and two other diseases to the state's list of medical screenings for newborns died Friday (Brosher, [Indiana Public Media](#)). Bryce Clausen's parents didn't learn he had Krabbe until a few months after he was born. The deadly genetic condition attacks the nervous system. But, it can be treated with an early stem cell transplant. In a post on Facebook, Bryce's father Joel says his son died in his sleep in Florida. The family was vacationing there as they tried to complete several "Greatest Hits" goals for Bryce. "I like to think that he wanted to wait until he got the bill signed, and he wanted to go to Heaven while feeling the sun on his face here in Florida, while knocking off one last item on his list," Joel wrote.

INDY GOES THROUGH WEEKEND SHOOTING SPREE: It may be the start of a long summer, said Rev. Charles Harrison. "It very well could be," Harrison told [WISH-TV](#). "When the weather tends to warm up we tend to have more violence on the streets. It should be concerning to all of us and we have to address it immediately." Harrison's prediction comes as six people were shot and killed in the span of about 24 hours over the weekend in Indianapolis. IMPD does not have any suspects to speak of an any of the shootings.

NIELSEN OUT AT HOMELAND SECURITY: Kirstjen Nielsen resigned Sunday as homeland security secretary, adding another challenge for an administration grappling with its core immigration agenda while facing a surge of migrants at the southern border ([Wall Street Journal](#)). Ms. Nielsen met with President Trump and acting chief of staff Mick Mulvaney at the White House on Sunday to discuss immigration and personnel issues, one person briefed on the meeting said. Ms. Nielsen had been blindsided by Mr. Trump's sudden decision to drop the nomination of Ron Vitiello, a veteran border official, from

consideration to head U.S. Immigration and Customs Enforcement, this person said. That, at a time when the agency is wrestling with record numbers of families crossing illegally in search of asylum, prompted Ms. Nielsen to resign, the person said. Mr. Trump made public Ms. Nielsen's exit via Twitter on Sunday, thanking her for her service. He named U.S. Customs and Border Protection Commissioner Kevin McAleenan as acting homeland security secretary. Mr. Trump's defense secretary and interior secretary are also serving in an acting capacity. In a letter to the president, Ms. Nielsen wrote that "despite our progress in reforming homeland security for a new age, I have determined that it is the right time for me to step aside."

MORE POWER FOR HARDLINER MILLER: Secretary Nielsen's departure empowers White House hardliner Stephen Miller (*Axios*). A Republican Senate aide tells Jonathan Swan: "Nielsen leaving will make conservatives who were getting fed up with DHS happy. Real question will be who's the [permanent] replacement and does that person have the credentials? Whoever replaces will have one hell of a confirmation hearing." As President Trump roils the capital over illegal immigration, his influential aide Stephen Miller is playing a more aggressive behind-the-scenes role in a wider administration shakeup (*Politico*). Mr. Trump in recent weeks had asked Ms. Nielsen to close the ports of entry along the border and to stop accepting asylum seekers, which Ms. Nielsen found ineffective and inappropriate (*Politico Playbook*). While the 30-minute meeting was cordial, Mr. Trump was determined to ask for her resignation. After the meeting, she submitted it.

MULVANEY ON TRUMP TAX RETURNS ... 'NEVER': President Trump's acting chief of staff said Sunday that Democrats will "never" see the president's tax returns, abandoning Trump's long-held position that he would someday release the documents for public inspection and setting up what could be a protracted fight with Congress ([Washington Post](#)). Mick Mulvaney and other Trump allies spent the weekend casting Democrats as politically motivated for formally asking the Internal Revenue Service to turn over six years of Trump's personal and business tax returns. House Democrats last week asked the IRS to release the documents, setting a deadline of Wednesday, part of an ongoing battle with the White House as they seek information about Trump for numerous investigations into his businesses, campaign and conduct. The Trump administration has been trying to shield the president from such inquiries, and Mulvaney was adamant that Democrats won't ever gain access to Trump's tax returns. When asked about it on "Fox News Sunday," Mulvaney said: "Never. Nor should they."

ESCALATING POLITICAL BATTLE OVER MUELLER REPORT: The escalating political battle over special counsel Robert S. Mueller III's report centers on redactions — a lawyerly editing process that has angered distrustful Democrats eager to see the all evidence and conclusions from his 22-month investigation of President Trump's conduct and Russia's elaborate interference operation during the 2016 campaign ([Washington Post](#)). Attorney General William P. Barr is redacting at least four categories of information from the report, which spans nearly 400 pages, before issuing it to Congress and the public. Legal experts say he has wide discretion to determine what should not be revealed, meaning the fight over blacked-out boxes is likely to spawn months of fights between Congress and the Justice Department, and it may end up in the courts. The first public confrontation is imminent, with Barr scheduled to appear Tuesday and Wednesday before the House and Senate Appropriations committees for hearings ostensibly about the Justice Department's budget. He is expected to face extensive questioning about the Mueller report and his ongoing redaction process, though, and his testimony will be scrutinized for any sign he is trying to protect the president. "There's a lot of pressure all pointing in the direction of doing a robust release," said John Bies, who held senior roles in the Justice Department during the Obama administration and now works at American Oversight, a liberal watchdog group. "We are very hopeful the attorney general will do the right thing here and make everything public that can lawfully be made public."

TRUMP SEES RYAN, PENCE AS 'BOY SCOUTS': You'll find a trove of deeply sourced reporting in the new book, out Tuesday, by Politico's Playbook authors Jake Sherman and Anna Palmer. Here's a taste of the reporting from Trump's Washington, found in "The Hill to Die On" (Swan, *Axios*): On November 10, [Paul] Ryan and Trump met face-to-face. The Speaker hosted Trump; his wife, Melania; and Mike Pence on Capitol Hill for lunch at the Capitol Hill Club, and a subsequent tour of the Capitol and the Speaker's balcony, the space off of Ryan's office. When Ryan walked into the Capitol Hill Club, Trump grabbed the Speaker's hand and brought him close in. "I think I got you figured out," Trump said to him. "That thing really rattled you." He was talking about the Access Hollywood tape. "Yeah, it really did," Ryan replied. "I get you," Trump said. "You're just a Boy Scout. You're also kind of religious, aren't you?" "You're like Mike on that, aren't you?" Melania chimed into the conversation. "I'm a devout Catholic," Ryan said, "and yes, I take that stuff very seriously." "Oh, okay," Trump said. "You're just a Boy Scout. That's what it is."

HPI DAILY ANALYSIS: Mr. President, let's review the Scout Oath is: "On my honor, I will do my best; To do my duty to God and my country and to obey the Scout Law; To help other people at all times; To keep myself physically strong, mentally awake and morally straight." By the way, Mr. President, the Scout Law is: "A Scout is ... Trustworthy, Loyal, Helpful, Friendly, Courteous, Kind, Obedient, Cheerful, Thrifty, Brave, Clean, and Reverent." These have been the guiding light for many of us for most of our lives. All of us should keep these tenets in mind as we live our lives, including you, Mr. President. - *Brian A. Howe*

SANDERS EMERGES AS FRONTRUNNER: Vermont Sen. Bernie Sanders is ... surpassing his rivals in early fundraising and establishing himself as an indisputable front-runner for the Democratic presidential nomination, *AP's* Juana Summers and Julie Pace write. Less than two months into his second White House bid, no other declared candidate in the crowded Democratic field currently has amassed so many advantages: a \$28 million war chest, a loyal and enthusiastic voter base. He now carries the weight of high expectations and will face heightened scrutiny over everything from the cost and feasibility of his government-funded policy proposals to his tax returns, which he has not yet released."

MAYOR PETE CALLS TRUMP EVANGELICAL SUPPORTERS 'HYPOCRITES': Democratic mayor and presidential candidate Pete Buttigieg argued that evangelicals who support President Donald Trump are hypocrites in a Sunday edition of "Meet The Press." "It's something that frustrates me because the hypocrisy is unbelievable," Buttigieg said, defending past comments he made about Trump's religion ([Daily Caller](#)). "Here you have somebody that not only acts in a way that's not consistent with anything I hear in scripture, lifting up those among us, immigrants, focusing your efforts on the poor but personally how you're supposed to conduct yourself, not look at me-ism but humbling yourself among others. Foot washing is a central image in the new testament," Buttigieg continued. "We see the diametric opposite of that in this presidency. I think there was a cynical process where he decided to, for example, pretend to be pro-life and govern accordingly which was good enough to bring many evangelicals over to his side. But even on the version of Christianity that you hear from the religious right, which is about sexual ethics, I cannot believe that somebody who was caught writing hush money to adult film actresses is somebody they should be lifting up as the kind of person you want leading this nation," he concluded. "Mayor Pete" announced his candidacy in January and has made news criticizing Trump's religion before. He called Vice President Mike Pence the "Cheerleader for the porn-star presidency" during a CNN town hall last month. "I'm reluctant to comment on another person's faith, but I would say it is hard to look at this president's actions and believe that they're the actions of somebody who believes in God," Buttigieg told Kirsten Powers, according to an op-ed in *USA Today*.

BUTTIGIEG TALKS OF PENCE AND BEING GAY: Pete Buttigieg got a hero's welcome as he took the stage Sunday at a fundraising brunch for a group that supports LGBTQ candidates (Groppe, [USA Today](#)). The improbable presidential campaign of the previously little-known, openly-gay mayor of South Bend, Indiana, has been generating significant buzz, positive headlines, and large crowds in important primary states like New Hampshire. He arrived at the LGBTQ Victory Fund event fresh off an interview with NBC's "Meet the Press." He was on the front page of that morning's *Washington Post*. "In Buttigieg, gay Americans see a symbol of acceptance," the headline read. But as he spoke to a packed hotel ballroom illuminated with lavender lights, Buttigieg shared something that he's still uncomfortable admitting. "It's hard to face the truth that there were times in my life when, if you had shown me exactly what it was inside me that made me gay, I would have cut it out with a knife," he said. "If you had offered me a pill to make me straight, I would've swallowed it before you had time to give me a sip of water." Fortunately, there was no knife and no pill, Buttigieg said. Because then he would not have met his husband, Chasten, who has made him a better person, he said – and their marriage has moved him closer to God. The message many gay people get that there's something wrong with them, he continued, "is a message that puts you at war not only with yourself, but with your maker." "That's the thing that I wish the Mike Pences of the world would understand," Buttigieg said of the vice president, who has opposed same-sex marriage. "That if you have a problem with who I am, your problem is not with me. Your quarrel, sir, is with my creator."

MAYOR PETE CITES DC 'MESMERIZING HORROR SHOW': Pete Buttigieg is eager to "change the channel" from what he said is Washington's "mesmerizing horror show" ([POLITICO](#)). "Here you have this moment, probably the only moment in American history where it just might make sense for somebody my age, coming from experience in the industrial Midwest, nonfederal, different background, bringing something that will actually help Americans envision the world as it will be in 2054," the 37-year-old mayor of South Bend, Ind., said Sunday, referring to the year he'll be the current age of President Donald Trump, "and just change the channel from this mesmerizing horror show that's going on in Washington right now."

MERRITT CONDOLENCES TO VIOLENCE VICTIM FAMILIES: State Sen. Jim Merritt has issued the following statement regarding the violence that has occurred in Indianapolis over the past 24 hours (*Howey Politics Indiana*). "It is with deep sympathy that I offer my condolences to the families and friends of the four people who were killed by senseless violence overnight, as well as to those who were wounded and their loved ones. It's difficult to know what to say at times like these. There's nothing rational about brutal acts of violence. Nothing to explain the damage it does to families and our community. Nothing we can say will help loved ones accept the tragic outcomes. There's only the compassion, strength and support offered through your family, your friends and your faith that can help you through these dark times. I hope that peace and comfort come to those who are personally affected. I offer my thoughts and prayers for last night's victims, as well as for all who deal with the senselessness of violent crimes. And I encourage everyone to pray for those who have perished and for a safer, more secure future for our city."

BUTTIGIEG IN NEVADA TODAY: Mayor Pete Buttigieg will be in Las Vegas, NV today for the first time since announcing his exploratory committee. He will speak with voters at a meet and greet over coffee and join fellow veterans at Veterans Village. 10:30 AM: Meet and Greet, Location: MadHouse Coffee, 8470 W Desert Inn Road, Las Vegas, NV 12:00 PM: Veterans Village Location: Veterans Village II, 50 North 21st Street, Las Vegas, NV 89101 Host: Nevada Democratic Veterans and Military Families Caucus Chair Mikey Kelley.

BOOKER POSTS \$5M: New Jersey Sen. Cory Booker's campaign for president announced Sunday it raised over \$5 million in February and March, and it had over \$6.1 million cash on hand ([Fox News](#)). It was among the smallest fundraising figures to be disclosed voluntarily by a Democrat so far, with roughly 10 months left before the start of primary voting. Six candidates have released totals: Vermont Sen. Bernie Sanders said he raised \$18.2 million; California Sen. Kamala Harris raised over \$12 million; former Rep. Beto O'Rourke raised \$9.4 million; and Pete Buttigieg, the mayor of South Bend, Ind., raised \$7 million. Booker outpaced only the political newcomer Andrew Yang, who said he'd raised \$1.7 million.

ROUSER NEW CASS COUNTY DEM CHAIR: Lita Rouser was recently named the Chairwoman for the Democratic Party of Cass County. In a news release last month, Paul Ulerick, longtime chairman of the party, stepped down from that post which he had held since 2011. "I offer my resignation, not because I want to do so, but because I must," Ulerick said (*Logansport Pharos-Tribune*). "I have found that I am not able to commit the time necessary to properly represent our Democratic Party." Rouser, on the other hand, said now is the perfect time for her to step forward and lead the party. She explained that it's that vision that drives her in a video posted on social media — not the chicken noodle dinners, the newsletters, the election-night stress and most certainly not the pay. "Now, I am ready to step forward and build a team to continue our party's progress," Rouser said in a news release.

TODAY LAST DAY TO REGISTER: Care about your garbage pickup? Potholes? Where your tax dollars are going? Then register to vote. Hoosiers have until Monday to register so they can vote in the May 7 municipal primary election (Fort Wayne Journal Gazette). Most cities and towns will have races for mayor, council and even city ballot questions.

Sunday Talk

BUTTIGIEG DEFENDS HIS EXPERIENCE: Pete Buttigieg, the mayor of South Bend, Indiana, defended his lack of experience Sunday, arguing that voters should look at the "quality, as well as quantity" of time spent in public service. Appearing on ["Meet the Press"](#) a week before he formally announces his presidential bid, Buttigieg argued he would step into the White House with more executive and military experience than the two most recent presidents, and said he's been on the front lines of major issues like infrastructure, economics and race relations as mayor. And the 37-year-old mayor brushed aside any worry that Americans might want a more seasoned candidate to follow President Donald Trump, who never served in public office until he won the White House in 2016. "I would stack up my experience against anybody," he said. "I know it's not as traditional, I know I haven't been marinating in Washington here for a very long time and I'm not part of the same establishment. But I would argue that being a mayor of a city of any size means you have to deal with the kinds of issues that really hit Americans." He added: "I think you can see pretty clearly I'm about as different from this president as you get."

RYAN URGES DEMS TO UNITE: Citing his time as a quarterback in high school and college, Ohio Rep. Tim Ryan, the latest Democrat to join the crowded and diverse primary field for the presidential nomination, said his party needs to "move the ball down the field" and unite around issues like single-payer healthcare — a progressive proposal some of his fellow candidates have already endorsed. "Here is the key: progress. We're going backwards," Ryan said on ["Face the Nation"](#) Sunday. "I'm an old quarterback. Look, you got to get first downs, you got to move the ball down the field if you're going to score, and we're going backwards right now. So, we've got to find issues we can unify around and pass them."

MULVANEY SAYS WHITE HOUSE HASN'T SOUGHT MUELLER REPORT: Acting White House chief of staff Mick Mulvaney said Sunday no one in the White House has requested from the Justice Department an advance copy of special counsel Robert Mueller's final report — but he also noted that "anything could change" in the days before a redacted version of the document is delivered to lawmakers. "No," Mulvaney said on ["Fox News Sunday,"](#) when asked whether any West Wing personnel had asked Attorney General William Barr to see Mueller's findings. "Mr. Barr is going to make those decisions," Mulvaney added. "Will that change?" Fox News guest host Bill Hemmer asked. "Anything could change," Mulvaney responded. "But our position is that Mr. Barr runs this process because that's the way the law is, and we're very interested in following the law."

NADLER DEMANDS FULL, UNREDACTED MUELLER REPORT: New York Rep. Jerry Nadler, the Democratic chairman of the House Judiciary Committee, said Congress is "entitled to see all" of special counsel Robert Mueller's report, doubling down on his demand that the Justice Department provide his committee with the findings of the nearly two-year Russia investigation with no redactions. "Congress has a right to the entire report with no redactions whatsoever so we can see what's there," Nadler said on ["Face the Nation"](#) Sunday. "We're entitled to see it because Congress represents the nation. And Congress has to take action on any of it. So we're entitled to see all of it."

GIULIANI SAYS TRUMP WANTS 'MAXIMUM TRANSPARENCY': President Trump's personal attorney Rudy Giuliani said he's "not worried" about the looming release of a redacted version of special counsel Robert Mueller's 400-page report, saying the president wants "maximum transparency." "I guarantee you, except for little quibbles, I'm not worried about the report at all. There's no way those two good lawyers would have written that kind of letter if there's any issue," Giuliani said on ["Face the Nation"](#) Sunday, referring to Attorney General William Barr and Deputy Attorney General Rod Rosenstein, who authored the four-page summary of Mueller's conclusions.

KUDLOW SAYS BORDER CLOSING 'OFF THE TABLE': White House economic adviser Larry Kudlow said the "worst case scenarios" for the economic impact of a full closure of the U.S.-Mexico border "are off the table," but added that President Trump's threats to shut down ports of entry should be taken "quite seriously." "The worst case scenarios are off the table for the moment," Kudlow said on ["Face the Nation"](#) Sunday. Still, Kudlow said people, including the Mexican government of Manuel López Obrador, need to understand the president is not bluffing. "We're not there, but people should take it quite seriously," he added. "Mexico should take it quite seriously. This is a major issue."

BENNET PANS BIDEN JOKES: Likely Democratic presidential contender Michael Bennet on Sunday criticized former Vice President Joe Biden for joking about the controversy swirling around his touchy, avuncular style that some women say made them uncomfortable (Politico). "I don't think anyone should make jokes about it," the Colorado senator told CNN's Jake Tapper on ["State of the Union."](#) "This is an important time in our country's history when women are coming forward and able to say when they've been made to feel uncomfortable, whether in a sexual way or a nonsexual way. People's voices should be heard on that."

General Assembly

BUDGET GETS SENATE HEARING THURSDAY: The Senate's approach to the House's proposed budget will reach the public eye Thursday, as HB1001 is up for a Committee on Appropriations hearing (Curry, *Howey Politics Indiana*). That hearing signals the beginning of the "official" movement of the budget for the second half of this legislative session, but lawmakers from the House and Senate have been meeting to discuss the bill for some time already. GOP leadership has said those discussions have gone smoothly, telling reporters that the disagreements between the two chambers aren't as wide as might typically be the case. Education issues will be the number one concern, and the complexity funding index for Indiana schools has garnered particular attention. The funding, meant to aid schools in dealing with impoverished students, is being cut in districts across the state. Expect that to be one of the big talking points on Thursday.

ELECTION BILLS STILL MOVING: In the House, two election bills are currently on the floor after passing out of the Committee on Elections and Apportionment last week (Curry, *Howey Politics Indiana*). Senate Bills 558 and 560 both make numerous changes to elections laws, largely designed to ensure ballot security and expedite the voting process. Passing out of the Senate Elections Committee and now set for 3rd reading this week is HB1217, which establishes a new bipartisan election board in Porter County, requires Porter County to count absentee ballots in a central location, and enacts statewide anti-nepotism laws for county election boards. HB1217 is meant to cleanup some of the practices that led to long delays and confusion over vote counting on election night last year in Porter County. One elections bill that hasn't moved at all in the second half? Senate Bill 105, a redistricting standards bill that imposes a few new rules meant to guide lawmakers when drawing districts (but nothing beyond that). That bill barely passed the Senate by a two-vote margin, and Elections and Apportionment Chair Rep. Tim Wesco has indicated it's unlikely to see House progress, meaning it's likely dead.

Congress

HOUSE ACTION ON INTERNET EXPECTED: The House is in session Monday through Wednesday before House Democrats leave town for their policy conference in Leesburg, Virginia, per a senior House Democratic aide (*Axios*). The Democrats' main floor action will be a vote on net neutrality (Save the Internet Act). Several Cabinet secretaries will testify on Capitol Hill this week: Education Secretary Betsy DeVos before the House Committee on Education and Labor, EPA administrator Andrew Wheeler before Energy & Commerce, and Attorney General Bill Barr before Appropriations. Democrats

plan to press Barr on the Mueller report and on the Trump Justice Department's support for a lawsuit to kill the Affordable Care Act. After this week Congress breaks for a two-week Easter recess.

SENATE SET TO CONFIRM BRADY OF INDIANA: The Senate will confirm a slate of Trump nominees under the new rules that McConnell instituted to shrink debate time from 30 hours to 2, according to a Senate Republican leadership aide (*Axios*). This week's expected confirmations, per the aide: Daniel Domenico to be a judge for the District of Colorado; Patrick Wyrick to be a judge for the Western District of Oklahoma; Holly Brady to be a judge for the Northern District of Indiana; David Morales to be a judge for the Southern District of Texas; Cheryl Stanton to be administrator of the Wage and Hour Division in the Department of Labor; John Abizaid as ambassador to Saudi Arabia.

DISASTER BILL STALLS IN SENATE: With a disaster relief bill deadlocked in the Senate, House Democrats are prepared to move ahead with their own package that includes billions of dollars in aid for the rain-swollen Midwest. The Democrats' revised bill would add \$2.5 billion for heartland states reeling from catastrophic floods, an overture to Republicans after months of partisan bickering (*Politico*). "But the new version is unlikely to advance in the Senate because it includes the same contentious pot of money for Puerto Rico, which has been among the GOP's chief criticisms against the bill."

SENATORS SEE NO NEW TRUMP HEALTH PLAN: President Donald Trump promised a new plan to replace Obamacare. But the four Senate Republicans he tapped for the job aren't jumping at the opportunity (*Politico*). Sen. Rick Scott (R-Fla.) says any new plan has to come from the White House — and that he had no warning Trump planned to make him part of the health policy group. Mitt Romney (R-Utah) won't say more than he and colleagues are 'working on health care thoughts.' John Barrasso (R-Wyo.), when asked about the Republican plan, turned the question back on the opposition, saying, 'Democrats want to go to the complete government takeover of health care.' And Sen. Bill Cassidy (R-La.), the fourth member of Trump's team, hasn't committed to anything more than conversations with colleagues' about health care affordability

State

STATEHOUSE: REVENUE BEATS ESTIMATES - Indiana revenue exceeded the most recent projections in March. The Indiana State Budget Agency says General Fund revenues totaled more than \$1.1 billion last month, nearly 4 percent higher than the December revenue forecast and nearly 11 percent higher than the same month last year (Brown, [Inside Indiana Business](#)). Individual income tax collections and corporate tax collections were both above the monthly estimate. However, sales tax collections, riverboat wagering collections and racino wagering collections all fell below estimates. "Overall, for the month of March, higher than expected collections from individual income taxes, corporate taxes and interest outweighed lower than expected collections in sales and use taxes," the agency said. "Significant monthly fluctuations are expected and revenues are better interpreted within the context of the longer term trend for fiscal year 2019 as April and June are by far the months with the most revenue activity." Year-to-date, the state has collected nearly \$11 billion, which is only one-tenth of a percent higher than the revenue forecast and nearly 4 percent above collections through the same period in the previous fiscal year.

EDUCATION: IVY TECH TO HELP SINGLE MOTHERS - Ivy Tech Community College is one of four community colleges across the nation chosen for a push to boost single mothers' college success rates ([AP](#)). The national nonprofit Education Design Lab will oversee a structured process under which the four colleges will design, implement and scale efforts intended to dramatically improve single mothers' success rates at the four institutions by addressing the unique needs of those women. The other participating schools are Central New Mexico Community College, New York's Monroe Community College and Louisiana's Delgado Community College. Each will launch a pilot effort to test strategies for single mothers' academic success over six years. Ivy Tech will launch its pilot effort at the Indianapolis, Muncie, Lafayette and Sellersburg campuses, but eventually expand across its 19-campus system.

EDUCATION: IU DATA CENTER TO GET UPGRADE - The Indiana University Board of Trustees has approved \$12 million worth of upgrades to the IU Bloomington Data Center. The university says the project will include enhancements to the overall reliability and backup capabilities of the data center's infrastructure (Brown, [Inside Indiana Business](#)). The data center provides space and infrastructure for computing technology services for all of IU's campuses statewide. IU says the project will enhance the facility in the event of a power failure and during equipment maintenance, while also increasing electrical and cooling capacity. The upgrades will include equipment such as power distribution units and electrical panels, an uninterrupted power supply, emergency power supplies, computer room air handling units, among others. The university says the upgrades will position IU to be competitive for advanced research computing initiatives. "In its first decade of use, the IU Bloomington Data Center has been an amazing asset for all IU campuses," said Bradley Wheeler, vice president for

information technology and chief information officer at IU. "These needed upgrades, along with the already completed 100 Gigabit I-Light fiber optic network across the state to all IU campuses, will enable the Data Center to do even more as IU competes at the highest levels for federal research supercomputing contracts and grants."

EDUCATION: ISU CREATES SPORTS MEDICINE GROUP - Indiana State University's College of Health and Human Services will serve student athletes' health care and performance needs through its new Center for Sports Medicine and Performance (McLaughlin, [Inside Indiana Business](#)). The center will focus on providing independent medical care for student athletes and support for improving athletes' performance. The center will also combine Indiana State's athletic training services and athletics strength and conditioning units while implementing recommendations by the NCAA Interassociation Consensus: Independent Medical Care for College Student-Athletes Best Practices. "The center builds on the deep history of athletic training education and practice at Indiana State University," said Caroline Mallory, dean of the College of Health and Human Services, in a news release. "We expect the center to serve student athletes and provide excellent opportunities for students in our degree programs to access experiential learning opportunities."

DNR: NORTH ENTRANCE TO BROWN COUNTY SP CLOSSES - The north entrance into Brown County State Park, which is 2 miles east of Nashville on Ind. 46, will be closed from Monday through May 9 while repairs are made to the park's Ramp Creek Covered Bridge ([Bloomington Herald-Times](#)). During the time the bridge is being repaired, park visitors must use the state park's west entrance 2 miles south of Nashville on Ind. 46. Horse campers can continue to use the south entrance into the equestrian campground.

MEDICAID: WORK REQUIREMENTS FACE LEGAL CHALLENGE - Starting July 1, some Hoosiers on Medicaid will be required to work part time or risk losing their health coverage (Carden, [NWI Times](#)). But there's a chance that might never happen. Late last month, a federal judge blocked similar Medicaid work requirements in Kentucky and Arkansas, saying they went against the health insurance program's objective of providing medical care for the needy. And a lawsuit has been filed to stop the only other active program of its kind, in New Hampshire. So where does that leave Indiana? Some observers say its new work requirements could be challenged in court, as happened in the other three states, and potentially overturned. "Local lawyers are waiting to see how hard this hits their clients," said Sara Rosenbaum, a professor of health law and policy at George Washington University.

HONORS: 3 RECEIVE KATIE HALL AWARDS - Three people were honored by the Katie Hall Educational Foundation, including a longtime publisher, news anchor and a historical society chairwoman ([NWI Times](#)). The Katie Hall Educational Foundation, Inc. held its 7th annual Katie Hall Public Service Awards Luncheon Saturday at the Genesis Convention Center in Gary. Dorothy Leavell, publisher of the Chicago Crusader and the Gary Crusader, was honored with the Katie Hall Public Service Award. Leavell is also the chairwoman of the National Newspaper Publishers Association. The Chicago Crusader is the largest African-American weekly newspaper in Chicago. Steve Sanders, anchor for WGN-TV Channel 9 Chicago, was honored with the Chairman's Award. Sanders, a native from Alabama, began working in radio and then transitioned into being a reporter and most recently works as a broadcast journalist.

SPORTS: NOTRE DAME LOSES TITLE GAME - Baylor lost a star player, then the rest of its 17-point lead. But the Bears, led by Chloe Jackson, kept their composure ([AP](#)). Jackson drove for a tiebreaking layup with 3.9 seconds left, and that put the game into the hands of another tournament hero. Notre Dame's Arike Ogunbowale missed the first of two free throws with 1.9 seconds remaining, and Baylor held on for an 82-81 victory Sunday in the NCAA women's basketball championship game. "They just kept doing what we've been taught to do, and that's guard people," Baylor coach Kim Mulkey said. "We just beat the defending national champions. That team is so good, so talented. You're going to see those guys play at the next level. Wow."

Nation

WHITE HOUSE: TRUMP TRABES McALEENAN AT DHS - One of the most difficult jobs in Washington now belongs to Kevin McAleenan, who President Trump is placing in charge of the Department of Homeland Security after the ouster of Secretary Kirstjen Nielsen on Sunday ([Washington Post](#)). As the new acting secretary at DHS, McAleenan faces the largest wave of illegal crossings at the Mexico border in more than a decade. In Washington, he'll contend with an impatient boss who is demanding an immediate halt to the surge. And to deliver that, McAleenan will have to court Democratic lawmakers with little political incentive to help the White House ahead of the 2020 election.

TRUMP ON MANIC BORDER CONFRONTATION: Tensions are rising, fingers are pointing and the search for solutions is becoming increasingly fraught. Overwhelmed by an influx of migrants at the U.S.-Mexico border that is taxing the immigration system, President Donald Trump is grasping for something — anything — to stem the tide ([AP](#)). Trump, who campaigned on a promise to secure the border, has thrown virtually every option his aides have been able to think of at the problem, to little avail. He has sent out the military, signed an emergency declaration to fund a border wall and threatened to completely seal the southern border. On Thursday he added a new threat, warning of hefty tariffs on cars made in Mexico if the country doesn't abide by his demands. Now, with the encouragement of an influential aide and with his re-election

campaign on the horizon, Trump is looking at personnel changes as he tries to shift blame elsewhere. The first move was made Thursday, when the White House unexpectedly pulled back the nomination of Ron Vitiello to permanently lead U.S. Immigration and Customs Enforcement, where he had been acting director. The abrupt reversal was encouraged by top Trump policy adviser Stephen Miller and seen by some as part of a larger effort to bring on aides who share Miller's hard-line immigration views. "We may go a different way. We may have to go a very tough way," Trump said in an interview with "Fox & Friends Weekend" that aired Saturday.

WHITE HOUSE: CAIN NOMINATION GETS SUPPORT - White House officials on Sunday backed Herman Cain for a seat on the Federal Reserve's board of governors even after the former restaurant executive and onetime GOP presidential candidate warned that he expects renewed scrutiny of sexual-harassment allegations against him ([Wall Street Journal](#)). White House economic adviser Lawrence Kudlow said the administration is vetting Mr. Cain, a process of background checks conducted before sending formal nomination documents to the Senate for confirmation. President Trump already has nominated for the Fed board former campaign adviser Stephen Moore, who like Mr. Cain has frequently echoed the president's complaints about the central bank and its interest-rate policies. The seven-member board has two vacancies after two earlier Trump nominations expired last year without a vote. "We've seen a lot of charges here. They don't necessarily pan out," Mr. Kudlow said of Mr. Cain on CNN, suggesting the sexual-harassment allegations wouldn't necessarily disqualify the 73-year-old former restaurant executive, who ran for the 2012 GOP presidential nomination.

WHITE HOUSE: TRUMP SCHEDULE - President Trump's schedule, per a White House official: **Monday:** Trump has lunch with Mike Pence and meets with Secretary of State Mike Pompeo. **Tuesday:** Trump hosts Egyptian President Abdel Fattah el-Sisi for meetings at the White House. **Wednesday:** Trump travels to Texas — San Antonio and Houston — for events with supporters. **Thursday:** President Trump and first lady Melania Trump will meet with South Korean President Moon Jae-in and first lady Kim Jung-sook. Trump is also scheduled to meet with World War II veterans.

NEW YORK: BILL IN LEGISLATURE AIMED AT TRUMP TAX RETURNS - In an attempt to work around the White House, Democratic lawmakers in Albany are trying to do what their federal counterparts have so far failed to accomplish: to obtain President Trump's tax returns ([New York Times](#)). Albany lawmakers are seeking state tax returns, not the federal ones at the heart of the current standoff in Washington. But a tax return from New York — the president's home state, and the headquarters of his business empire — could likely contain much of the same financial information as a federal return. Under a bill that is scheduled to be introduced this week, the commissioner of the New York Department of Taxation and Finance would be permitted to release any state tax return requested by leaders of three committees of the House of Representatives for any "specific and legitimate legislative purpose."

Local

CITIES: COLORADO CBD FIRM CHOOSES MICHIGAN CITY - Denver-based PHM Brands LLC has announced plans for a Michigan City facility that will produce cannabidiol, or CBD. Our partners at The Times of Northwest Indiana report the industrial hemp processor will create more than 50 jobs over the next five years ([Inside Indiana Business](#)). Jenilee Haynes Peterson, economic development manager for Economic Development Corp. Michigan City tells the publication PHM Brands had previously acquired the Prinova wheat germ plant in the LaPorte County city, however low demand and sales led to the decision to convert the facility for industrial hemp processing and CBD production. The existing Prinova employees will be retained and the company plans to add 32 workers as part of the project's \$6 million first phase. Haynes Peterson says the company looks to add another 20 workers in the second phase.

CITIES: PORTAGE CONSIDERS RAISING FEE - Over the next 10 years, the city's population could increase some 3,700 people, according to a study commissioned by the park department ([NWI Times](#)). With more people comes the demand for more recreational facilities, according to the study completed by Lehman and Lehman of Mishawauka. The study was commissioned as an update to the park department's recreation impact fee. The fee is charged on a per residential unit basis to developers to help defer the additional costs of providing recreational amenities to new residents. The study proposes raising the present \$697 per unit fee to \$986 with a 3% annual escalator.

COUNTIES: MONROE DEMOCRATS CALL FOR BARGE TO RESIGN - The Monroe County Democratic Party is calling on Monroe County Commissioner Amanda Barge to resign in the wake of sexual harassment allegations (Brosher, [Indiana Public Media](#)). Brandon Drake accused Barge of repeatedly hitting on him when he was working as an independent contractor for the county. He provided text messages, emails and recordings to the Indiana Daily Student, which published a report detailing the allegations. In a press release sent Sunday, the county's Democratic Party says Barge's alleged actions are incompatible with public office and the party's platform. "As we have done in the past, the Monroe County Democratic Party will continue to speak up for the voiceless and defend the marginalized and vulnerable in our community by holding those in power accountable," the release says. In addition to resigning, the party is also asking Barge to clarify that she will not accept the nomination for Bloomington mayor if she gets enough votes in the primary. While Barge suspended her mayoral campaign in the wake of the allegations, she could still win the primary.

COUNTIES: HOWARD TO MOVE OFFICES - Howard County government officials are in the early phases of a project that could relocate numerous departments and potentially eliminate the need to construct a new morgue (Myers, [Kokomo Tribune](#)). The project was publicly unveiled during this week's meeting of the Howard County Board of Commissioners, when President Paul Wyman said the county is "looking at doing some renovation work and/or moving some offices within county government." A document submitted by DLZ – the county will work with the same engineering consultant it used to help implement its work release program – details the potential scope of work, which Wyman said could be completed by the end of 2019 or early 2020 and have a price tag of up to \$1 million. The proposed work includes renovating the Community Corrections department in the Howard County Courthouse; moving part of the prosecutor's office from the courthouse to the county's Administration Center; and relocating the Plan Commission offices from the Government Building to the main level of the Administration Center.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 4/12
Date: Friday, April 12, 2019 11:43:35 AM
Attachments: [Cheat Sheet 4-11-19.pdf](#)
[Howey 4-12-19.pdf](#)
[EduInsight April 12.PDF](#)
[LegInsight April 12.PDF](#)

Pillar 1- Diversify our economy

Inside IN Business- [IT Consulting Firm Expanding in Carmel](#)
Republic-[Suburban Indianapolis company plans to create 300 new jobs](#)
RTV6- [IT consulting firm announces expansion to Hamilton County, adds 300 new jobs](#)
Inside IN Business- [IU School of Business Tops 'World Rankings for Entrepreneurship'](#)
Inside IN Business- [AgriNovus Releases New Study on Entrepreneurial Agbioscience](#)
Tribune- [Marine management company expanding in New Albany](#)

Pillar 3- Strengthen our workforce

Indy Star- [Indiana has more high-skill jobs than it can fill. That's why inmates are learning to code.](#)
Herald Argus- [NWIWB awards \\$600,000 for re-entry services to ex-offenders](#)
Courier Journal- [Indiana displays the biggest growth in clean energy jobs](#)
Times Herald- [Manufacturers finding skills gap solutions with Vincennes University](#)

Pillar 4- Attack the drug epidemic

US News- [Indianapolis' New Needle Exchange Will Enlist Mobile Vehicle](#)
USA Today- [Drug czar James Carroll: Stop illicit drug use before it's too late](#)

SB 552

Indy Star- [Lawmakers vote to restrict Holcomb's casino boss meetings following IndyStar report](#)
Indy Star- [Indiana Dems: Investigate Gov. Holcomb's private flights with casino mogul](#)
NWI Times- [Hoosier lawmakers OK second \\$50 million fee in connection with Gary casino move](#)
Nuvo- [Governor's Gaming Meetings Would Be Public Under House Amendment](#)
Tribune Star- [Adding public question on a casino could boost voter turnout](#)
IN Public Media- [Terre Haute Gambling On Casino Bill's Success](#)
Tribune Star- [Vigo casino effort survives scare](#)
Journal Gazette- [Gambling bill amendments pass House](#)
WFYI- [House Amends Gaming Bill, Seeks Transparency](#)

Senate Budget

Indy Star- [Indiana budget: 7 takeaways from the Senate's spending plan](#)
NWI Times- [Senate budget tops House, governor on school spending, but increases not earmarked for teacher pay](#)
Chalkbeat- [Indiana schools get a funding boost under Senate budget plan after debate over cuts to poverty aid](#)
WISHTV- [Indiana Senate Republicans outline \\$34.6 billion budget proposal](#)
Tribune Star- [Indiana Senate GOP rolls out its budget proposal](#)
Journal Gazette- [Senate unveils its version of new budget](#)

2019 Legislative Session

Indy Star- [A measure to put a 'pause' on new Indiana electricity projects is defeated — for now](#)
Indy Star- [Out-of-state coal interests are funding a battle to keep Indiana coal plants from closing](#)
Indy Star- [Indiana House approves deal to fund Pacers' 25-year extension, Indy Eleven soccer stadium](#)
Indy Star- [Pacers, city agree to \\$295M deal to keep team in town for 25 years](#)
Inside IN Business- [Long-Term Deal Secures Pacers, Fieldhouse Upgrades](#)
Fox59- [Convention organizer says more hotel rooms needed in downtown Indianapolis](#)
IN Public Media- [Construction Erosion Bill Amended To Allow Some Local Control](#)
WSBT- [Indiana would impose 20 percent tax on e-cigarette liquids under new proposal](#)
WIBC- [Senate Proposes 20% Vaping Tax](#)
IN Public Media- [Beekeeping Bill Buzzes To Holcomb's Desk](#)
Indy Politics- [Two weeks notice](#)

Misc.

Indy Star- [Indiana veterans agency's shoddy records are 1 reason state inquiry yields no charges](#)
RTV6- [No criminal charges in Indiana Dept. of Veterans Affairs flap](#)
Indy Star- [Curtis Hill is breaking state record laws by keeping his email address secret](#)
News and Tribune- [Holcomb to give Anderson University commencement address](#)
Inside IN Business- [Governor Appoints Kosciusko Co. Judge](#)
Inside IN Business- [Governor Appoints Wabash Co. Judge](#)

Sincerely,

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The Cheat Sheet, Vol. 8, Issue 10 – April 2019

A Few Items worth Mentioning



The rumor mill is abuzz with what's going on with **gaming legislation** and why things seem to have gotten so complicated lately. From what we're able to figure out it is Spectacle's competition that is behind the recent roadblocks of late.

And from what we're told they've been behind everything from the \$100,000,000 now \$50 million transfer fee to the story about **Rod Radcliff** underwriting the flight for **Governor Eric Holcomb** to the most Republican Governor's Association conference.

And allegedly a couple more stories are about to drop as well, with the logic and rational being that the casino bill will die and Rod will take a hit, making life easier for the competition. We plan to do some follow up with all this in our LNG capacity, but at least we know that this out there and it's finally coming to light.

Rumors keep popping up that Indiana House Speaker **Brian Bosma** is going to announce he is retiring after this session. We don't think so, but we do understand that the Speaker is looking at winding things down soon. The way we know he would stay at least through the next cycle to oversee redistricting. The likely replacement, we're hearing, is State Rep. **Todd Huston** of Fishers.



If there's been any pushback on **bias crimes**, we haven't heard much of it. We've been talking to lawmakers from across the state, and no one has really been out of sorts. The only real blowback we've heard is from some supporters who don't think it goes far enough and the measure doesn't have any real teeth. They say if it did, the people who usually oppose these types of laws would not have been so quick to get on board.

EDGE | MEDIA STUDIOS

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The Cheat Sheet, Vol. 8, Issue 10 – April 2019

The **Indiana Republican Party** is stepping up its attacks on South Bend Mayor **Pete Buttigieg**. The folks we've spoken to say it's a clear sign they are taking him seriously and have seen some long-term polling that he could be a serious contender against **Donald Trump**.



One of Indiana Democratic Party Chairman **John Zody's** latest news releases has some folks scratching their heads because they're not sure if he was attacking Republicans or Democrats. Shortly after the bipartisan Houe ethics committee unanimously dismissed a complaint against House Speaker Brian Bosma Zody wrote, *"I don't blame Hoosiers for distrusting a shadowy process where the judge and jury are politicians, and the trial is conducted completely behind closed doors. After nearly a decade in complete control, it's clear Republicans just don't think the rules apply to them. Today's result is just another confirmation to Hoosier taxpayers that the system appears rigged to protect politicians."* Does that mean Democrats **Sue Errington**, **Matt Pierce**, and **Terri Austin** are part of the problem?



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We're hearing Indianapolis Mayor **Joe Hogsett's** administration is not very happy with the **Central Indiana Community Foundation**, especially when it comes to crime prevention. The organization has spent millions doling out crime grant prevention dollars, but the results seem spotty at best, especially in the wake of the last four years of rising murder rates. The CICF has a news conference today to announce a "reboot" of its crime prevention efforts.



We're hearing the **FBI** may be taking a look at the **Hamilton County Drug Task Force**.

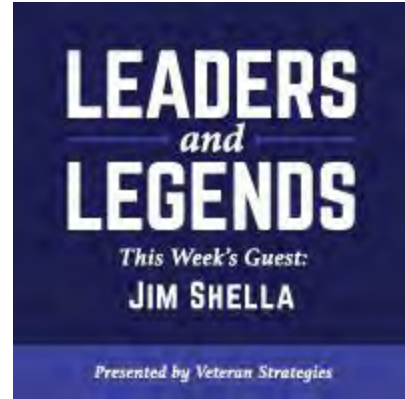
Look for some no so flattering news to break soon out of **Johnson County** involving a prominent elected official being investigated for reportedly holding a woman against her will, battering and confining her on March 4 in Trafalgar.

Look for Congressman **Greg Pence** to report raising more than \$405,000 in the first quarter of 2019.

The Cheat Sheet, Vol. 8, Issue 10 – April 2019

Chalkbeat Indiana's **Shaina Cavazos** is reportedly leaving to go work for the city of Indianapolis' Office of Education and Innovation.

We keep hearing **Courtney Arango** may be leaving the Governor's office soon and may be replaced by **Abby Grass** at the IEDC.



The Usual Disclaimer Stuff:

***The Cheat Sheet** is a publication of IndyPolitics.Org. This is a compilation of pure gossip, rumor and blatant innuendo.*

We assume no liability if it is wrong, we only take credit for it when it's right!

If you've got something you want to share, (good, bad or ugly) send it to Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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April 12, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, April 12, 2019 7:20 AM

BIRCH BAYH MEMORIAL SERVICE SET FOR MAY 1: A memorial service honoring the career of Indiana's former United States Senator and House Speaker Birch Bayh (1928-2019) will be held Wednesday, May 1, 2019, at noon EDT in the south atrium of the Indiana Statehouse (*Howey Politics Indiana*). Among those remembering Sen. Bayh's accomplishments will be Gov. Eric Holcomb, House Speaker Brian Bosma, Purdue President Mitch Daniels, former Congressmen Lee Hamilton and Baron Hill, and Federal District Court Chief Judge Jane E. Magnus-Stinson. Indiana's former Secretary of State, Governor and United States Senator Evan Bayh and Indianapolis attorney Christopher Bayh will eulogize their father. Former First Lady Susan Bayh will attend, as will their sons Beau (2LT, USMC) and Nick (2LT, USA). Sen. Bayh's widow, Katherine "Kitty" Bayh (née Halpin), will read a poem written by the Senator. The event is open to the public and no RSVPs are necessary. Attendees should enter the Statehouse from either the upper east (Capitol Street) or lower west (Senate Avenue) entrances. While the Indiana General Assembly is not scheduled to be in session, attendees should adjust for parking challenges in the vicinity of the Statehouse.

PENCE RESPONDS TO BUTTIGIEG CRITICISM: Vice President Mike Pence is pushing back at criticism from South Bend Mayor Pete Buttigieg (*Howey Politics Indiana*). "He said some things that are critical of my Christian faith and about me personally, and he knows better," Pence said in an interview with Joe Kernen on CNBC's "Squawk Box". "We had a great working relationship. He knows me." It was Pence's response to South Bend Mayor Pete Buttigieg's NBC "Meet The Press" interview in which the mayor discussed his own sexuality, saying, "That's the thing I wish the Mike Pences of the world would understand: That if you have a problem with who I am, your quarrel is not with me. Your quarrel, sir, is with my creator." Second Lady Karen Pence also weighed in, saying, "Well, it's kind of funny, because I don't think the vice president does have a problem with him, but I think it's helping Pete get some notoriety by saying that about the vice president." Buttigieg stopped by "The Ellen DeGeneres Show" to talk about Pence's recent comments, and this historic moment in politics and in his own life. "I'm not critical of his faith; I'm critical of bad policies," Buttigieg said. "I don't have a problem with religion. I'm religious too. I have a problem with religion being used as a justification to harm people and especially in the LGBTQ community. So many people, even today, feel like they don't belong. You can get fired in so many parts of this country just for who you are and that's got to change. And if the VP, I'm not interested in feuding with the Vice President, but if he wanted to clear this up, he could come out today and say he's changed his mind that it shouldn't be legal to discriminate against anybody in this country for who they are. That's all.""

BUTTIGIEG 3RD IN ANOTHER IOWA POLL: Former Vice President Joe Biden leads the 2020 Democratic presidential field in Iowa, according to a new poll released Thursday that also suggests Pete Buttigieg — a previously unknown, small-city mayor from Indiana — is gaining significant traction with likely caucus-goers (*Politico*). The Monmouth University poll shows Biden, who hasn't officially entered the race, is the first choice of roughly a quarter of likely caucusgoers, 27 percent. He's followed by Sen. Bernie Sanders (I-Vt.) with 16 percent and Buttigieg, the mayor of South Bend, Ind., with 9 percent. That places Buttigieg marginally ahead of a handful of candidates who entered the race with more established profiles: Sens. Kamala Harris (D-Calif.) and Elizabeth Warren (D-Mass.) are at 7 percent, former Rep. Beto O'Rourke (D-Texas) is at 6 percent, Sen. Amy Klobuchar (D-Minn.) is at 4 percent and Sen. Cory Booker (D-N.J.) is at 3 percent. Buttigieg has his fans: 45 percent of caucusgoers view him favorably, while 9 percent have an unfavorable opinion of him. "Buttigieg's current standing in the horse race is impressive given that nearly half of likely Democratic caucus goers have yet to form an opinion of him," said Patrick Murray, the director of the Monmouth University Polling Institute. "He has one of the best positive to negative ratios in the field. He could move up if he is able to maintain that rating as he introduces himself to more voters." It's the second early-state poll released Thursday showing Buttigieg surging into third place. A St. Anslem's University poll in New Hampshire showed Buttigieg at 11 percent in that state's first-in-the-nation primary.

GAMING BILL FURTHER AMENDED ON HOUSE FLOOR: The Indiana House debated 11 amendments to the major gaming bill into the evening on Thursday en route to its final vote Monday (Curry, *Howey Politics Indiana*). The 11 considered on the floor was just over one-third of the 30 amendments filed for the bill, and only 6 were adopted. However, there were some key changes. Two amendments added to provisions on the matter of casino licenses, with one clarifying that should a casino move from Gary its previous license would be terminated, and the other adding an additional \$50 million fee to the casino should they transfer or sell the new license within 5 years. An amendment from former House Speaker Pat Bauer mandates that all meetings between the governor (or any representative of the governor) or a gaming commission member with a casino license operator or intended operator be put on public notice 48 hours in advance. Similarly, an accepted proposal from Rep. Holli Sullivan adds conflict-of-interest provisions to membership eligibility for a casino advisory board. The House also accepted sending some of the new tax revenues to the West Baden historic fund, as well as an amendment mandating job-assurances and transition training for casino employees should their facility be moved to Vigo County. Interestingly, among the amendments that went uncalled was a sweeping change filed by bill sponsor and Ways & Means Co-Chairman Rep. Todd Huston which would have struck out all portions of the bill dealing with the Gary riverboat moves, leaving only the sports wagering provisions behind.

HOUSE REJECTS ENERGY 'MORATORIUM': A controversial decision to add what has been called a "moratorium" on major energy projects into a utilities bill in the House was reversed in a 53-38 vote by that body on Thursday (Curry, *Howey Politics Indiana*). Republican Rep. Ed Soliday introduced the proposal in a committee amendment, which lead opponents to decry the bill as an attempt to prop up Indiana's struggling coal operations at the expense of the renewable industry. The reversal came in the form of an amendment authored by Rep. Matt Pierce striking Soliday's language from the bill, SB472. Pierce relayed that opposition to the bill when he spoke on the floor and added that there was little precedent – or interest – for the legislature to halt an industry in this manner. Soliday defended his addition to the bill, saying it had been mislabeled as a moratorium when it was really meant to slow down the industry to avoid a potential "bust" of the energy market caused by short-term overconfidence in newer parts of the industry. 26 Republicans joined with 27 Democrats to pass the amendment.

'VOTE COMPACT' REJECTED IN HOUSE: House Republicans, and four Democrats, voted down an amendment put forward by Democratic Representative Matt Pierce which would have added Indiana to the National Popular Vote Interstate Compact (Curry, *Howey Politics Indiana*). The compact, which currently includes 14 states and Washington D.C., is an agreement by all of its members to pledge their electoral college votes to the presidential candidate that wins the national popular vote. That would kick in only if the total elector count of the members reaches the 270 needed to win the election. Pierce argued that the compact shouldn't be seen as unconstitutional because it is up to the individual states to choose how they allocate their electoral college votes. He also added that it shouldn't be seen as partisan, saying that past Republican presidents have won by narrow electoral college numbers despite larger margins in the popular vote. The amendment wasn't well received, GOP Rep. Ethan Manning, who served as a member of the electoral college in 2016, said detractors of the system were politically motivated and called the compact "sour grapes." Speaker Bosma wasn't fond of the idea either, quipping after its defeat "the republic shall survive."

SEN. YOUNG PRESSES VENEZUELAN ON IMPRISONED HOOSIER: Senator Todd Young (R-Ind.) says he met with a representative from Venezuelan President Nicolas Maduro's government months ago to try and get answers about why a Bloomington man hasn't been released from a prison there (Brosher, [Indiana Public Media](#)). Police arrested Todd Leininger when he was visiting the country in 2014. He was convicted of attempted homicide and concealing a firearm, but a court ordered his release in November. Leininger remains in prison. Young says the meeting took place before the political and humanitarian crisis in Venezuela escalated, and the Maduro representative said Leininger was still imprisoned because of a disagreement between the courts and the country's justice agency. "Frankly, they've come up with all manner of excuses to try and explain why Todd remains in prison long after there was a court order indicating that he needs to be released, none of which were credible," Young says.

CONVENTION ADVOCATES FRET LACK OF HOTEL ROOMS: For 25 years the annual FDIC firefighters instructors conference has come to Indianapolis and plans to return annually until 2028 ([Fox59](#)). Organizers said any commitment after that may depend on the city's ability to add more hotel rooms connected to the Indiana Convention Center downtown. "Indianapolis growing is really critical, and has been really critical, to our success and our growth out here. Our firefighters love this city," said Eric Schlett, senior vice president of Clarion UX Fire & Rescue Group, the conference organizer. "Literally our biggest hang up so far now is the fact that we are so limited on hotels in the downtown area. We could grow this thing bigger. We already bring about \$43 million of economic impact into the city for the week that we come and that's with 34,000 firefighters. If we had more rooms downtown we could blow this thing up to \$50, \$60 million economic impact for the city." Chris Gahl, senior vice president of Visit Indy, said he hears the same worries from other convention planners. "It's this one roof everything is under with connected hotel rooms that continues to help Indianapolis win major business," he said. "They pay a premium for hotel rates. The city of Indianapolis is making money and keeping the hospitality workforce growing and working."

HPI DAILY ANALYSIS: Here's a hunch ... the Mueller report will be released late this afternoon by Attorney General Barr. He's promised the report released by mid-April. If there is troubling political news for President Trump, the best time to do it would be the bad news dump hour, which is about 5 p.m. on a Friday. - *Brian A. Howey*

Campaigns

HOGSETT, OSILI JOIN FORCES: Indianapolis Democrats are making earlier-than-usual organizing efforts to try to ensure as many victories as possible in the municipal election this November, when Mayor Joe Hogsett and all 25 City-County Council seats will be on the ballot (Colombo, [IBJ](#)). Hogsett and Council President Vop Osili have decided to pool resources and launch what Democrats say is the first true citywide coordinated campaign in Marion County in order to try to re-elect the one-term mayor and expand Democrats' current three-seat majority on the 25-member council. The coordinated

campaign is also staffing up early, opening new offices and investing in technology they say will enable them to reach more voters. Hogsett and Osili hope to devote \$250,000 to the effort, according to a source with knowledge of the campaign. It is being funded by their campaigns, and individual council candidates are not being asked to contribute. "It's a landmark campaign for Indianapolis," said Hogsett's campaign spokeswoman, Heather Sager. "We've never seen an effort like this at this level." This weekend, the coordinated campaign will open two physical offices: one at 5416 W. 38th St. and one at 2111 Washington St. It plans to open a total of four throughout the campaign, which will be used by campaign staff and volunteers. It also hired Democratic strategist Peter Luster as the coordinated campaign manager, and four field organizers: Courtney Meyers, Shea Joyce, Alex Nyirendah and Spencer Garner.

General Assembly

SENATE GOP REVEALS BUDGET PROPOSAL: The Senate majority's take on the budget bill that came to them from the House was revealed Thursday, showing slight increases in general education spending and corresponding cuts in other areas (Curry, *Howey Politics Indiana*). The most noticeable addition is on school funding, where the Senate proposal puts forward increases to the total fund of 2.7% in 2020 and 2.2% in 2021, up from 2.2 and 2.1 in the House version. That's also above Governor Holcomb's request of a basic 2-and-2 increase that he proposed in his state of the state address. Also seeing an increase is Teacher Appreciation Grant funding, which Senate Republicans would like to fund at \$90 million for the biennium, a 50% increase. The overall spending increases come out to be about 1.3% higher than the total set out in the House version. Seeing a decrease is virtual student funding, which drops to 80% of basic tuition support in this proposal. Also getting cut for the benefit of the general education fund is a 13th check provided per year to Indiana's pensioning educators. In addition, while the Senate budget would still meet the governor's proposal to spend \$150 million once to fund the post-96 Teacher Retirement Fund perpetually, opening up savings to give to current teachers, it does so by taking money from the pre-96 plan's pension stabilization fund. Also, although the Senate GOP would maintain the current complexity-foundation spending ratio for schools, its proposal still lowers the total funding like the House. Finally, the Senate budget meets Holcomb's request to fully fund DCS, but uses a less direct route than the House, opting to mandate about \$105 million less in increases over the biennium and leaving the remainder as an option available through a flexibility fund created under last session's gas tax.

BOSMA RAISES CAUCUS CONCERNS ON SENATE BUDGET: Speaker of the House Brian Bosma told reporters Thursday that while his GOP caucus was not "overly surprised" by the Senate budget proposal, there are a few points of disagreement that will need to be worked out (Curry, *Howey Politics Indiana*). Bosma said the Senate's take on topping out the post-96 retirement fund, taking money from the pre-96 fund, caused "heartburn" amongst himself and some members of his caucus. On the use of gas tax money, the speaker doubted whether or not rerouting the flexibility money to DCS matched that particular fund's purpose. Moreover, he relayed concerns on virtual education funding decreases, saying that to his knowledge the majority of virtual schools have seen successful results in Indiana. The elimination of a 13th check to teacher retirees also caught Bosma's eye, as he stated it would be the first time such a check would not be provided since 2008. These are all closely tied to the Senate budget's key additions to the school funding increases of 2.7% and 2.2%, however, and will require significant negotiation over the General Assembly's final weeks. The speaker acknowledged that, saying "we'll have good faith discussions with all parties, including the governor. We'll try to get to 'yes' and get a great state budget that keeps our strong AAA credit rating, keeps our reserves in place, and does the best for Hoosier and, especially, educators."

DEMS STILL UNIMPRESSED WITH GOP TEACHER PAY EFFORTS: Senate Democrats continued their party's disapproval of Republican efforts on teacher pay in wake of the Senate budget reveal Thursday (Curry, *Howey Politics Indiana*). Indiana Senators Karen Tallian and Eddie Melton led a press conference where they outlined adjustments to the budget that they say would lead to direct teacher pay increases. The Senators proposed repurposing Teacher Appreciation Grants into base salary pay, saving money by stretching out the timeline for paying down the post-96 Teacher Retirement Fund, and diverting planned increases to charter and voucher grants (about \$96 million in total). The Dems' plan also makes vouchers available only to students who have previously attended public schools and would eliminate a proposed tax credit to scholarship-granting organizations. Tallian and Melton, both members of the Senate Committee on Appropriations, introduced these proposals in an amendment to the budget bill and said that almost all of the freed-up money could go towards teachers and classrooms, but received no Republican votes (unsurprisingly) en route a 4-9 defeat. Committee Chair Ryan Mishler expressed interest in some of the ideas going forward, but said he was uneasy making the changes in short measure.

HOUSE PASSES CIB BILL: The Capital Improvement Board Bill is nearing Governor Holcomb's desk after the Indiana House voted 78-13 to pass the bill Thursday, but still needs to meet the Senate's approval (Curry, *Howey Politics Indiana*). Earlier this week, the House Ways & Means Committee adopted an amendment from co-chair Rep. Todd Huston removing the state from discussions over bringing new hotels to Indianapolis, following concerns from the industry. The amendment also relaxed the requirements for the Indy Eleven soccer team to build a public-private funded stadium, requiring the team to join a "pro league" rather than a "major league," which would allow the facility to be built under the team's current status.

The version that came out of the Ways & Means Committee went unchanged on the floor and passed with strong margins, but its deferral from the hotel question could cause a hang up in the Senate.

MORRISON DEFENDS GAMING INDUSTRY: Legislation that could bring a casino to Vigo County lived on Thursday evening when the Indiana House by voice vote ordered Senate Bill 552 on to its third reading, which is set for Monday (Modisitt, [Terre Haute Tribune-Star](#)). Vigo County's casino effort seemed to face a challenge earlier in the day as Rep. Todd Huston, R-Fishers, filed an amendment that could have cut the county out of the legislation entirely. Amendment 10 was filed by Huston but never brought forward on the floor, ending the scare for now. Also OK'd was an amendment offered by Rep. B. Patrick Bauer, D- South Bend. On the heels of recent news that owners of Spectacle Entertainment treated Governor Eric Holcomb to private flights to a Republican governors' conference, the Bauer amendment requires that any meeting with the governor's office regarding gaming be public. Rep. Alan Morrison, R- Brazil, seemed to take exception, and he took to the podium to offer his opinion. "The way we treat gaming in this state so differently, and I understand there will be arguments about other industries, but they are job creators and put a lot back into their communities," Morrison said. "They are a big part of this state, and so I'm not going to vote for this. I think it's bad policy." Morrison ended up being one of 39 no votes, with the amendment passing 55-39.

BEEKEEPING BILL TO HOLCOMB: A bill that would loosen restrictions on beekeepers is heading to Gov. Eric Holcomb's desk ([Indiana Public Media](#)). The measure comes after some Indiana governments began exploring beekeeping bans. Legislators say they don't want to keep cities from regulating beekeeping activity, but say it's impossible to ban something that occurs in nature. Mooresville beekeeper Debbie Seib says she doesn't want to limit a city's ability to regulate either. "We're not trying to get them to prevent to be able to ban bees," she says. "We want them to regulate them, we just don't want them to ban them." The bill isn't expected to affect communities like Indianapolis and Bedford who already have ordinances limiting beekeeping.

LEGISLATORS EYE 20% VAPE TAX: Legislators are still looking to tax vaping, but the Senate has a different idea of how to do it (Berman, [WIBC](#)). The House voted to tax e-liquids by the ounce. A Senate committee has changed that to a straight 20% tax on the price. Markle Senator Travis Holdman says he wanted a tax more directly related to the potential health effects, including a tax based on the nicotine content. But he says that would be too hard to calculate. And Holdman says with so many one-man operations making e-liquids, it's not practical to tax the wholesale price. Holdman says the 20% tax accomplishes another goal of creating rough parity with the cigarette tax. Cigarettes are taxed per pack regardless of the price, but Holdman says the tax works out to about 22%. The amendment originally would have added a registration fee for sellers of CBD oil, to pay for testing to confirm the product is staying within legal limits for THC content.

TALLIAN SEEKS EMS INTEGRATION: This week, Senate Bill (SB) 498, authored by State Senator Karen Tallian (D-Ogden Dunes), passed out of the Indiana House of Representatives unanimously. SB 498 would allow the creation of a mobile integrated healthcare program (*Howey Politics Indiana*). Sen. Tallian had the following comments on the passage of her bill: "Paramedics repeatedly service patients whom they call 'frequent fliers' – Hoosiers whose long-term illnesses force them to seek ambulance services for simple medical needs and treatments. Medics have the knowledge and capability to treat these Hoosiers in their own homes for routine care, but they currently cannot bill Medicaid for these services. Currently, emergency medical service (EMS) providers can only bill Medicaid for costly emergency transport services. "My proposal allows certain EMS providers to be reimbursed for covered services that they provide to a Medicaid recipient. In consultation with the State Departments of Health and Homeland Security, the EMS Commission can develop a community paramedicine program. The Commission will also be able to establish and administer grants for cities and towns who start up such a program.

CONSTRUCTION EROSION BILL ADVANCES: A controversial bill regarding erosion on construction sites is headed back to the state House. It wouldn't allow local governments to make stricter erosion control rules than state ones. But now, after a Senate amendment, there's one exception ([Indiana Public Media](#)). Legislators recently amended the bill to allow local governments to make stricter erosion regulations for projects covering less than an acre of land. The state doesn't currently have rules for these very small construction sites. Kerry Daily heads the legislative committee for the Indiana Association for Floodplain and Stormwater Management. He says the sites tend to be closer to the road and so sediment can more quickly find its way into storm drains and then local waterways. "There's a lot less room for error on these sites and — from what we've heard from some of our members — that those are the sites they get the most public complaints about," Daily says. Daily says local governments should be allowed to make rules that are stricter than what the state requires to protect sensitive areas like parks and wetlands.

SEN. J.D. FORD CHOSEN AS PARADE MARSHAL: On Thursday, the 2019 Cadillac Barbie Pride Parade announced State Senator J.D. Ford (D-Indianapolis) as one of four Grand Marshalls of Indy Pride's annual summer event. Sen. Ford had the following remarks on his appointment (*Howey Politics Indiana*): "I am incredibly humbled to have been selected as a Grand Marshall of this year's Pride Parade. It has always been my personal policy as a legislator that the Statehouse is your house."

Congress

YOUNG SEEKS TO MONITOR OVERSEAS NUKE TRANSFERS: U.S. Senators Todd Young (R-Ind.), Edward J. Markey (D-Mass.), Marco Rubio (R-Fla.), and Tim Kaine (D-Va.), members of the Senate Foreign Relations Committee, yesterday introduced legislation to ensure that Congress has the legislative authority to review all materials related to so-called "Part 810 authorizations" and is aware when the U.S. government authorizes persons or companies to transfer certain nuclear technologies and services to governments overseas (*Howey Politics Indiana*). Part 810 agreements authorize the transfer of nuclear technologies and information related to the production of "special nuclear materials" as defined in Title I of the Atomic Energy Act. Some authorizations, which are approved by the Secretary of Energy, may be non-public and can thus be withheld from Congressional oversight. These 810 authorizations are different than civil nuclear cooperation – so-called "123" – agreements, which are subject to Congressional approval. The Senators are introducing this legislation after revelations that seven undisclosed authorizations were recently granted for companies to engage in nuclear cooperation with Saudi Arabia. In March 2018 Saudi Crown Prince Mohammed Bin Salman stated in an interview that his country would develop nuclear weapons "without a doubt if Iran developed a nuclear bomb". Just a few months later, Saudi Arabia's Foreign Minister Adel Al-Jubeir echoed these comments. "The transfer of nuclear technology overseas poses a major threat to our security as a nation and demands rigorous Congressional oversight," said Senator Young. "This bipartisan legislation would ensure that the transfer of nuclear technology or expertise to foreign countries, like Saudi Arabia, cannot move forward without Congressional review. Nuclear technology is too sensitive and the risks are too great to allow for these agreements to move forward in the dark."

YOUNG QUESTIONS TELECOM EXECS: In reaction to the high volume of illegal robocall scams flooding Hoosiers' phones, U.S. Sen. Todd Young (R-Ind.), a member of the Senate Commerce Committee, questioned a panel of telecommunications experts in today's Commerce Hearing on his recently released Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act (*Howey Politics Indiana*). During the hearing, Senator Young asked the panel about improving phone call authentication standards to proactively prevent unsolicited phone calls. Mr. Kevin Rupy, Partner at Wiley Rein's Telecom, Media & Technology (TMT) Practice, responded by saying, "The TRACED Act does two things that are going to help with that – the facilitation and interagency work... will make finding these actors easier and faster, but I really think that at the end of the day, that the criminal enforcement component so if they get caught that first time they can't set up shop again."

BANKS SEEKS MED DEVICE REPEAL: U.S. Rep. Jim Banks (R-IN) released the following statement regarding his cosponsorship of the "Protect Medical Innovation Act of 2019," which would repeal the excise tax on medical devices. Northeast Indiana is a leader in medical device development and manufacturing (*Howey Politics Indiana*). Said Rep. Banks, "Since I first entered Congress, I have been fighting for the permeant repeal of the disastrous medical device tax that has cost 29,000 jobs and made health care more expensive. As the representative of the 'Orthopedic Capital of the World,' it is important that we give clarity to medical device makers so that they can invest in lifesaving innovations. I am proud to support this bipartisan effort to fully eliminate this counterproductive tax once and for all."

CAIN LOSING GOP SENATE SUPPORT: Four Republican senators say they oppose President Trump's latest pick for the Federal Reserve Board, Herman Cain, effectively sinking the former presidential candidate's chances ([Wall Street Journal](#)). Sens. Mitt Romney (R., Utah), Cory Gardner (R., Colo.), Lisa Murkowski (R., Alaska) and Kevin Cramer (R., N.D.) all said this week that they wouldn't vote to confirm Mr. Cain if he were formally nominated for a Fed board job. "If I had to vote today, I would vote no," Mr. Cramer said Thursday, the latest senator to take a public stance on the matter.

State

GOVERNOR: HOLCOMB COMMENTS ON SENATE BUDGET – Gov. Eric J. Holcomb offered the following statement regarding the budget proposed by the Senate (*Howey Politics Indiana*): "I appreciate the Senate's hard work in crafting its budget priorities. There are now three budget proposals – the House, the Senate, and my administration. Now we can and will build consensus during the final stretch."

GOVERNOR: HOLCOMB NAMES KOSCIUSKO JUDGE - Gov. Eric J. Holcomb today announced Christopher D. Kehler as his appointment to the new Kosciusko County Superior Court which will open July 1. Kehler has been in private practice in Warsaw, Indiana since graduating law school (*Howey Politics Indiana*). He has also served as an adjunct professor at Ivy Tech Community College. Kehler earned a Bachelor of Arts from Franklin College and his law degree from Valparaiso

University School of Law. Kehler will be sworn in as the judge of the Kosciusko County Superior Court on a date to be determined.

GOVERNOR: HOLCOMB SELECTS WABASH JUDGE - Gov. Eric J. Holcomb today announced Benjamin D. Vanderpool as his appointment to the Wabash County Superior Court to succeed Judge Amy Conner Cornell who passed away earlier this year (*Howey Politics Indiana*). Vanderpool has been in private practice in Wabash and Warsaw, Indiana since graduating law school. Vanderpool earned his Bachelor of Science from Purdue University and his law degree from Thomas M. Cooley Law School. Vanderpool will be sworn in as the judge of the Wabash County Superior Court on a date to be determined.

EDUCATION: JUDGE CURIEL SEEKS TO INSPIRE STUDENTS - Federal judge and Region native Gonzalo Curiel returned to his home turf Thursday to talk to hundreds of local high school students about the door-opening benefits of higher education (. Speaking at a town hall at Purdue University Northwest (Racke, [NWI Times](#)), Curiel recalled the journey from his hometown of East Chicago to the heights of the U.S. legal system, where he now serves as a U.S. district judge for the Southern District of California. The key to his rise, he said, was seeing challenges related to his upbringing not as obstacles, but as way to prove what he was capable of achieving. "Embracing challenge is the greatest opportunity you can have," he told the students. "They are opportunities because they test us." Describing himself as an "accidental judge," Curiel reassured students it wasn't a big deal if they didn't know what subjects they wanted to study or careers they wanted to pursue. He confessed he didn't even consider the legal field until late in college, and only then after dropping his original dream to be a jazz guitarist.

EDUCATION: IU KELLEY SCHOOL RANKS HIGH - The Indiana University Kelley School of Business is ranked at the top of the 2019 World Rankings for Entrepreneurship Activity. IU is the only Indiana school included in the top 20 (McLaughlin, [Inside Indiana Business](#)). The list, determined by the Neely Institute for Entrepreneurship and Innovation at Texas Christian University, ranks schools based on research published in three top entrepreneurship journals. The university says research activity by faculty in Kelley's Department of Management and Entrepreneurship "far outpaced" those at other universities. This year, Kelley faculty published 37 articles. "Even amidst that enormous growth on schools, Indiana University's Kelley School of Business maintains the No. 1 ranking solidifying its global reputation as the very best in entrepreneurship research. This is a huge tribute to the quality of our entrepreneurship faculty," Donald Kuratko, the Jack M. Gill Chair of Entrepreneurship and executive director of the Johnson Center for Entrepreneurship and Innovation, said in a news release.

EDUCATION: PURDUE NW REMAKE ACHIEVES MILESTONE - Purdue University Northwest achieved a significant milestone this week in a process that began a year ago to chart the university's future ([Michigan City News-Dispatch](#)). The comprehensive initiative – Imagine PNW – is intended to map PNW's path forward and determine how best to invest the university's resources to realize those plans, university spokesman Doug Clark said. "Working together, faculty and staff members from throughout PNW have examined each academic program and support function to assess how each contributes to PNW's success," he said. "Decisions to be made by senior leaders over the next several months based on this assessment will help inform development of a new strategic plan for the university."

PUBLIC SAFETY: FIRE MARSHAL GLEESON HONORED - Indiana State Fire Marshal Jim Greeson was honored today at an Indiana Volunteer Firefighter's Association ceremony for his 50 years of service to the City of Indianapolis and the State of Indiana. Greeson was among several firefighters from across the state who were recognized for their longstanding careers in the fire service (*Howey Politics Indiana*). In a letter read to Greeson during the ceremony, Indiana Governor Eric J. Holcomb said, "Your professional achievements are surpassed only by your character and your extensive involvement in your community. We could not be more proud of our first responders, and for 50 years, you've been a real life hero." During the ceremony, Greeson was presented with lifetime honorary memberships to both the Indiana Volunteer Firefighter's Association and the Indiana Fire Chief's Association. Former Chief of the Indianapolis Fire Department, he was appointed Indiana State Fire Marshal in 2008. He continues to dedicate his career to serving the citizens of Indiana through promoting and enforcing fire and building safety.

Nation

WHITE HOUSE: TRUMP BELIEVES CAMPAIGN WAS SPIED ON - President Donald Trump said Thursday he believes there was "spying" into his presidential campaign, echoing remarks made by the attorney general a day earlier, but going further and accusing the government of committing an illegal, unprecedented act ([AP](#)). The president's comments came a day after Attorney General William Barr testified at a congressional hearing that he believes "spying did occur" on Trump's 2016 campaign, suggesting the origins of the Russia investigation that shadowed Trump's presidency for nearly two years may have been mishandled. Barr provided no details about what "spying" may have taken place, but appeared to be alluding

to a surveillance warrant the FBI obtained on a former Trump associate. He later said during the hearing that he wasn't sure there had been improper surveillance and wants to ensure all proper procedures were followed. "I think what he said was absolutely true. There was absolutely spying into my campaign," Trump said Thursday. "I'll go a step further. It was my opinion it was illegal spying, unprecedented spying, and something that should never be allowed to happen in our country again."

WHITE HOUSE: TRUMP CLAIMS HE DOESN'T KNOW WIKILEAKS - It was a far cry from "I love WikiLeaks!" President Donald Trump declared on Thursday that "I know nothing about WikiLeaks" after its disheveled founder Julian Assange was hauled out of the Ecuadorian Embassy in London to face charges, a stark contrast to how candidate Trump showered praise on Assange's hacking organization night after night during the final weeks of the 2016 presidential campaign ([AP](#)). Asked about Thursday's arrest, Trump said at the White House, "It's not my thing. I know there is something having to do with Julian Assange. I've been seeing what's happened with Assange and that will be a determination, I would imagine, mostly by the attorney general, who's doing an excellent job. So, he'll be making a determination. I know nothing really about him." "It's not my deal in life."

WHITE HOUSE: MIGRANTS TO SANCTUARY CITIES WAS EXPLORED - President Trump's top aides considered an idea to pressure immigration agencies to release apprehended migrants into so-called sanctuary cities represented by Democratic lawmakers, according to several people familiar with the proposal ([New York Times](#)). The idea was floated in an email by a top White House policy adviser in November, when Mr. Trump was furiously condemning migrant caravans from Central America headed toward the southwestern border, the people, including two government officials, said. In the email dated Nov. 16, with the subject line "Sanctuary City Proposal," May Davis, the deputy White House policy coordinator, raised the idea with officials from the Department of Homeland Security, Immigration and Customs Enforcement and Customs and Border Protection.

WHITE HOUSE: PENCE TO GIVE TAYLOR U COMMENCEMENT ADDRESS - Taylor University, a Christian liberal arts school, says Vice President Mike Pence will be its featured commencement speaker ([AP](#)). Taylor University announced Thursday that Pence is scheduled to address graduates of the school in Upland on May 18 at the Kesler Student Activities Center. University President Paul Lowell Haines said in a statement that the former congressman and Indiana governor "has been a good friend to the university over many years, and is a Christian brother whose life and values have exemplified what we strive to instill in our graduates."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will speak about 5G technology at 2:25 p.m. in the Roosevelt Room, and at 3:15 p.m., he'll meet with the Fraternal Order of Police executive board in the Cabinet Room. Trump and his top telecom regulator will announce plans today to unleash the largest-ever swath of radio frequencies in the U.S. — plus a \$20 billion fund to help wireless companies to keep pace with China in the 5G race. Proponents maintain that a significant economic advantage will be won by the first country to broadly deploy 5G networks, which will deliver wireless speeds 100 times faster than today's mobile internet. The U.S. lead in building current 4G technologies led to smartphone ubiquity and apps like Uber and Spotify. The next generation is expected to power self-driving cars and smart cities.

WHITE HOUSE: HUBBARD AT BUSH EVENT - Spotted at the Bush Center's 2019 Forum on Leadership in Dallas: former President George W. Bush and Laura Bush, Bill and Melinda Gates, Henry Kissinger, Robert Gates, Michael Chertoff, Don Evans, Paula Dobriansky, Anne Finucane, Dennis Muilenburg, Dan Gilbert, Ken Hersh, Ariane Cornell, Sean O'Keefe, Peter Altabef, Peter Pace, Dylan Tete, Jan Langbein, Holly Kuzmich, Kevin Sullivan, Ed Gillespie, Kelly Craft, Joel Kaplan, Al Hubbard, Mark Langdale, Margaret Spellings, Craig Stapleton, Thomas Stephenson, Robert McCallum Jr. and Mike Rawlings (*Political Playbook*).

INTERIOR: BERNHARDT CONFIRMED - The U.S. Senate confirmed David Bernhardt as the new Secretary of the Interior on Thursday, amid concerns about his conduct when he was a lobbyist for oil, mining and extractive industries. Democrats have called for Bernhardt to be investigated and questioned whether a former lobbyist for industries harmful to the environment should oversee public lands ([CBS News](#)). Bernhardt was confirmed largely along party lines in a 56-to-41 vote. Bernhardt was confirmed as Deputy Secretary of the Interior in 2017, where he has helped guide much of the Trump administration's deregulatory policies that has increased fossil fuel production on public lands. He became Acting Secretary of the Interior in January, after Ryan Zinke stepped down amid ethics concerns.

JUSTICE: OBAMA LAWYER CRAIG INDICTED - Former Obama administration White House counsel Greg Craig was indicted Thursday on charges of making false statements and concealing information in a Justice Department foreign lobbying investigation that intersected with the Russia probe ([AP](#)). Craig was charged in a two-count indictment that accuses him of willfully concealing material facts about work he and his former law firm performed for the Ukrainian government. The U.S. attorney for the District of Columbia announced the charges. They came a day after Craig's lawyers said he expected to be charged in the probe, which spun off from special counsel Robert Mueller's investigation. In the statement, his attorneys, William Taylor and William Murphy, said, "Mr. Craig is not guilty of any charge and the government's stubborn insistence on prosecuting Mr. Craig is a misguided abuse of prosecutorial discretion."

MEDIA: SUNDAY TALK - CBS "Face the Nation": Senate Democratic Whip Dick Durbin (D-Ill.), Sen. Cory Booker (D-N.J.), Brad Parscale. **"Fox News Sunday":** Panel: Rich Lowry, Anna Palmer, Kristen Soltis Anderson and Neera Tanden. Power Player: Kathleen Kennedy Townsend, daughter of Robert F. Kennedy, reflecting on his most famous speeches. **NBC "Meet the Press":** Panel: David Brooks, Kasie Hunt, Danielle Pletka and Eugene Robinson. **CNN "State of the Union":** Panel: Andrew Gillum, Scott Jennings, Jen Psaki and Linda Chavez. **CNN "Inside Politics":** Panel: Eliana Johnson, Toluse Olorunnipa, Karoun Demirjian and Jeff Zeleny.

OHIO: DEWINE SIGNS ABORTION HEARTBEAT BILL - Ohio's governor has signed a bill imposing one of the nation's toughest abortion restrictions ([AP](#)). Republican Gov. Mike DeWine followed through Thursday on his pledge to sign the heartbeat bill. It cleared the state Legislature on Wednesday. DeWine's signature makes Ohio the fifth state to ban abortions after the first detectable fetal heartbeat. That can come as early as five or six weeks into pregnancy, before many women know they're pregnant. DeWine's support for the bill breaks with his predecessor. Former Republican Gov. John Kasich twice vetoed it on grounds it was unconstitutional and would spark a costly court challenge. Opponents in Ohio have already vowed to sue.

CALIFORNIA: AVENATTI CHARGED WITH CRIMES - Federal prosecutors in California announced on Thursday three dozen charges against Michael Avenatti, the prominent attorney best known for his criticisms of President Trump, accusing the lawyer of stealing millions of dollars from his clients and funneling their money into his own interests, including co-ownership of a \$5 million private jet ([Washington Post](#)). The indictment was sweeping in its scope, accusing Avenatti of defrauding clients over a period spanning more than four years. The charges included bleak details, including claims that Avenatti's alleged actions caused a paraplegic client to lose his Supplemental Security income benefits, which are paid to adults and children with disabilities, and prevented the same client from using settlement money to buy a home. Avenatti denied wrongdoing and wrote on Twitter that he will "fully fight all charges and plead NOT GUILTY."

Local

CITIES: 300 JOBS COME TO CARMEL - The Indiana Economic Development Corp. says a suburban Indianapolis information technology consulting and staffing company plans to create up to 300 new jobs by 2021 with an expansion including a training center for employees and customers ([AP](#)). The agency says Carmel-based BCforward will invest more than \$1 million over three years to establish the training center. As part of the expansion, the company will hire for positions at both BCforward and a subsidiary, Stafforward, in technology consulting and administrative and clerical positions. The IEDC offered BCforward up to \$2.6 million in conditional tax credits based on the company's job-creation plans.

CITIES: JOURNEY GUITARIST IGNORES FORT WAYNE OFFICIALS - Lawyers for Memorial Coliseum have been trying for months to interview Journey guitarist Neal Schon and his wife, Michaela, who are suing the venue, a security company and a security guard accused of assaulting the woman at a concert in 2017 (Leblanc, [Fort Wayne Journal Gazette](#)). No luck so far, according to court documents filed in Allen Superior Court. Instead, the couple have responded to attorneys' requests to sit for depositions with emailed threats to take the case and video of the alleged assault to the media. "Hate to rattle you but I don't think we will need to do any depositions - when you see all my evidence we will take it straight to media soon," a message sent Feb. 26 from Neal Schon's Gmail account states. "Have a nice day. You are messing with the wrong person."

COUNTIES: MARION BEGINS NEEDLE EXCHANGE - In the war against the hepatitis C epidemic, Marion County health officials are pulling out their newest weapon: a mobile health unit that will roam the city, offering clean syringes in exchange for dirty ones ([IBJ](#)). The customized vehicle, about the size of a small school bus, will also be equipped with laboratory and medical supplies, and will offer health screenings and educational information, along with syringes. The county's public health department unveiled the vehicle Wednesday, the latest effort to put a dent in the soaring rate of hepatitis C. Reported cases in the county rose from 0.6 to 7.6 per 100,000 people between 2013 and 2017, with much of the rise due to the opioid epidemic. Last summer, the health department declared an epidemic of hepatitis C, an often-deadly liver disease linked to injection drug use and dirty syringes. The City-County Council later approved the county's first-ever syringe-exchange program in an effort to boost public health and increase public safety. Dr. Virginia Caine, the county's public health director, said syringe services can increase treatments, reduce health care costs and prevent the spread of infectious diseases. "The time is now for Marion County to step forward and take action for the health of residents and the community," she said.

COUNTIES: BARTHOLOMEW EMERGENCY DIRECTOR DIES - A local county emergency management director who led his community through some of the darkest moments of the past three decades has died ([Columbus Republic](#)). Dennis Moats, who served as Bartholomew County's Emergency Management Director from 1991 through 2015, died Wednesday afternoon at Columbus Regional Hospital. He was 68. "He was an awesome guy," said Todd Noblitt, a former Chief Deputy Sheriff who is now Bartholomew County's Emergency Operations Center director. "Dennis was just a wealth of knowledge who never seemed to get overwhelmed or bent out of shape over anything."

COUNTIES: LAWRENCE MAN ARRESTED FOR SCHOOL BOARD THREATS - Intimidation and harassment are some of the charges against a man in Lawrence County ([WIBC](#)). State police say they were called by a North Lawrence school board

member last year. They said they had been emailed by a man identifying himself as James White. This man said they intended to ridicule and ruin the school board member's life and reputation if they tried running for re-election. Troopers say not long after the investigation began, a second school board member came forward saying the same thing. The second school board member said they had several threatening emails from a James White dating back to 2016. ISP put their Cyber Crimes Unit on the case and they eventually tracked down Jade Miller of Bedford. They say Miller sent the emails not only from his home computer but from where he worked and even from where he was taking a vacation. Miller was arrested and taken to jail Thursday night. He's charged with intimidation, deception, and harassment.



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INDIANA EDUCATION INSIGHT

Cramming for finals

Final education budget, fiscal look before Wednesday's forecast

Here's your handy guide to the Senate Republican education spending plan unveiled on Thursday.

K-12 formula funding

- The Senate GOP boosts the foundation amount to \$5,586 in FY 2020 and \$5,692 in FY 2021 – increases of 4.4% in year one and 1.9% in the second.

- The complexity index declines by 14% in the Senate budget proposal, just as in the House. “I had a chance to meet with a lot of superintendents, school business managers, and ISTA, and we took different ideas on what to do with complexity, but when we tried them, and run the numbers, there was a negative impact on schools,” explained Sen. Eric Bassler (R) of Washington, chair of the Senate Committee on Appropriations K-12 Funding Subcommittee. That included running simulations using Medicaid data. Look for solons to bring people together over the Summer for a comprehensive review of the complexity factors. Sen. Bassler also explained that for every \$1 put into the foundation amount, 66¢ goes into complexity.

- The Senate adopts the same approach to kindergarten funding as the House. The ADM cut-off date for kindergarten students who are at least five years old would move from August 1 to September 1 in 2020, and then from September 1 to October 1 in 2021 – capturing an additional 2,000+ students each year.

- Per-pupil funding for students in virtual charter schools and students in traditional public school corporations who receive more than 50% of their instruction virtually would decline to 80% of the foundation amount – a steeper cut than in the House-passed budget, which set it at 90% of the foundation amount. Notably, both chambers are in agreement on parity in per-pupil funding for virtual students regardless of whether they are enrolled in virtual charter programs or virtual programs operated by traditional public school corporations. In a move aimed at trying to get a better handle on the growth of virtual charter schools, the Senate pulled virtual charters out of the funding formula and put them in a separate \$80 million line item under the Indiana Department of Education. Senate Committee Appropriations Chair Ryan Mishler (R) of Bremen borrowed the approach from the playbook of former appropriations chair Luke Kenley (R), who did the same thing back in the day to help control the rapid expansion of adult charter high schools. The Indiana Department of Education will determine annually the maximum number of students that may be funded at each virtual charter.

- English Language Learner funding increases by \$5 million annually to \$22.5 million, up from \$17.5 million in FY 2019 – nearly double the \$2.6 million per year increase approved by the House. The Senate served up a two-tiered approach to distributing funds, while the House had only one tier.

- The Senate and House agree on the Career and Technical Education funding formula. Beginning in the second year of the biennium, reimbursement for the highest-value CTE programs would nearly double from \$6,080 to \$1,020, and apprentice and work-based learning programs would be funded at \$500, up from the current paltry amount of \$150.

- Both the Senate and the House increase preschool special education funding for the first time since 1991.

For more, please see the following page . . .

Play ball!

Ivy Tech approves Titans

The Ivy Tech Community College Board of Trustees votes to approve the continuation of the Fort Wayne baseball program, Ivy Tech's first and only athletics program, which is currently wrapping up the second year of a two-year pilot phase.

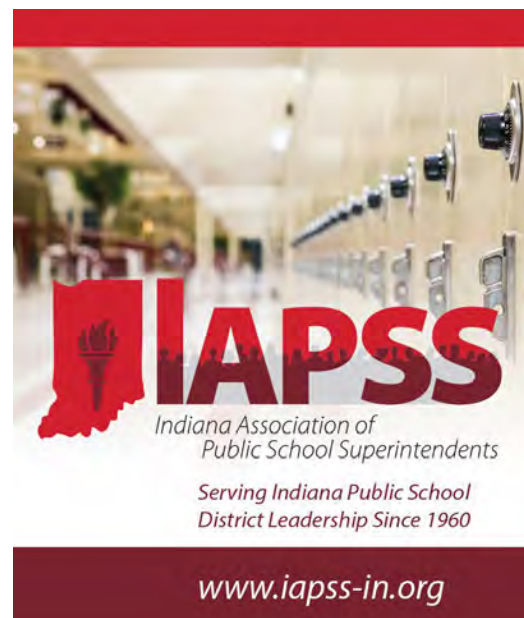
The Board of Trustees also voted to authorize a women's sport for Fort Wayne. The women's sport is yet to be determined but could be volleyball.

Given the federal Title IX proportionality requirement that the ratio of female-to-male participation in athletics be equal to the ratio of female to male full-time campus enrollment, Ivy Tech may have to offer more than one women's sport for every men's sport.

There are no immediate plans to expand athletics on any other campus . . . but the door to do so is now open.

Ivy Tech has said that athletics can only be paid for using money raised from external sources and that no state appropriations or student tuition and fee revenue may be spent on athletics.

For what it's worth: the son of Rep. Bob Morris (R) of Fort Wayne plays on the Ivy Tech Fort Wayne baseball team.



Teacher Compensation

- Teacher Appreciation Grants that the Governor proposed for elimination and the House voted to sustain at \$30 million per year would increase to \$45 million annually in the Senate's version of the budget. School corporations would receive \$45 per ADM to distribute to effective and highly effective teachers. To support the retention of early career teachers, the Senate stipulates that 1/3 of each district's TAG dollars must be provided to teachers with less than five years of experience.

- Teacher career ladder programs proposed in House Bill 1008 are funded at \$3.5 million, down from the \$5 million the House wanted. The other \$1.5 million has been redirected to the Industry Credentialing Organizations program devised by Senate Committee on Education and Career Development Chair Jeff Raatz (R) of Centerville. The teacher residency training pilot program in House Bill 1009 would receive \$1 million, the same as in the House.

- The Senate endorses the ingenious proposal announced by the Governor in his State of the State address to allocate \$150 million to the Post-1996 account of the Teachers' Retirement Fund, which will result in the contribution rate paid by school corporations on behalf of teachers declining from 7.5% to 5.5%. The Senate added a requirement that school boards hold a public meeting to disclose how they will spend the savings from the reduced contribution rate.

- Like the House, there are no appropriations directly to teacher base salary increases and no mandates to increase base salary. "We've agreed that's still a local decision," said Sen. Mishler, echoing the words of House Committee on Ways and Means Co-Chair Tim Brown (R) of Crawfordsville, who said earlier this year, "For us to become the deciding influence and body for teacher contracts is the wrong approach."

Student and Parent Choice

- The Senate restored the second ADM count date for school funding purposes, a change supported by school choice groups but not by others. The House budget remained at a single count date in the Fall.

- The Senate did not double the Charter and Innovation School grant from \$500 to \$1,000 per student, as they did in the House. The House increase cost an additional \$15 million per year. The Senate chose to put that \$15 million into Teacher Appreciation Grants.

- The annual cap on the Scholarship Granting Organization (SGO) Tax Credit rises from \$14 million in Fiscal Year 2019 to \$15 million in Fiscal Year 2020 and \$16 million in Fiscal Year 2021. The Senate does not include the escalator in the House version that allowed the amount of tax credits available to automatically increase by 20% in a year subsequent to a year in which the cap was reached.

- The Senate also broke with the House on adding a middle tier to the Choice Scholarship formula. The House had proposed that families with income between 100% and 125% of free- and reduced-price lunch could qualify for a voucher worth 70% of state tuition support, up from 50% today.

- The cap on adult charter school funding increases by 250 adult learners per year: 50 additional students at the Gary Middle College and 200 additional students for the Excel Centers.

STEM, Safety, Success

- The Indiana Department of Education sees a new \$5 million per year Student Success line-item, in addition to \$1 million annually for STEM program alignment.

- There's no money in the Senate budget for the Governor's Next Level Computer Science program, which was funded at \$3 million annually in the House. Last year, the Senate joined the Governor in championing legislation to teach computer science in every school by 2021. The Governor's Office told us Thursday that "To accomplish that goal, we need the funds to pay for this important teacher training so that our students are prepared for the careers that await them."

- The Senate provides \$16.5 million in FY 2020 and \$14 million in FY 2021 for Secured School Safety Grants – quite a bit less than the \$19 million annually in the House budget. Like the House, the Senate budget authorizes grants to be used for student mental health services.

- Both the Senate and the House provide \$22 million per year for the pre-K pilot program, although the Senate specifies that \$1 million each fiscal year shall be used for the Upstart early education technology program.

- Both the Senate and the House provided \$300,000 annually for professional development and technical assistance to pilot the new high school-to-postsecondary transitions math course.

Talent and Workforce

- The Office of Career Connections and Talent led by Blair Milo will be funded at approximately \$800,000 per year.

- The Office of Work-Based Learning and Apprenticeship created by the Governor via executive order is in line for \$1.8 million over the biennium, identical to the House.

- Funding for the Next Level Jobs Employer Training Grant doubles to \$20 million per year. Funding for the Workforce Ready Grant doubles to \$2 million per year.

- The Governor's Workforce Cabinet will have \$2 million annually at its disposal to seed new models of Career Navigation and Coaching, the same amount of funding provided by the House.

Postsecondary

- The Senate took away the dual credit line item and folded it into each institution's base operations. Without guaranteed funding for dual credit moving forward, there's no longer any direct financial incentive for the institutions to increase dual credit offerings in K-12.

- The Senate said it followed the recommendations of the Indiana Commission for Higher Education in terms of funding capital projects, but that's not entirely true. Both the Senate and the House included the Purdue College of Veterinary Medicine, which were not in the ICHE recommendations. Moreover, ICHE recommended a special statewide R&R appropriation for Ivy Tech that the Senate left out, even as the Senate included a new line item of \$11.6 million for deferred maintenance projects at the IU and Purdue regional campuses which again, were not a part of the ICHE recommendations.

- Student demand for financial aid obligations are fully met.

IN Elementary & Secondary Ed

IN General . . .

● As a result of the Gary Community School Corporation being forced to hold a new auction (because it broke certain notice provisions the first time out of the blocks), it was able to sell a the wooden replica it held of the famous Chicago Daley Plaza Picasso sculpture for \$40,500, more than twice the price that was fetched at the original cancelled auction. The 12-foot plywood statue was donated to the district in 1970 by American Bridge, which helped erect the statue.

IN Administration . . .

● Through a cooperative effort between members of the Allen County School Safety Commission and all four Allen County school districts, with support from the Allen County Prosecuting Attorney's Office and local Law Enforcement, a Public Service Announcement is being created to raise awareness of School Bus Stop Arm violations. A large-scale video is being planned for Fall 2019 with small-scale videos being planned for social media in the near future.

● Warsaw Community High School is working on an agreement with the Warsaw Police Department to be assigned a full-time drug dog to be partnered with the current school resource officer.

IN Budgets & Finance . . .

● S&P Global Ratings lowers its underlying rating to 'A' from 'A+' and revised its outlook to negative from stable on the M.S.D. of Wayne Township's existing debt, reflecting a decline in available reserves in each of the past two years, with further declines expected in 2019, despite the passage of a referendum in May 2015 that has generated approximately \$10 million annually.

□ The new referendum would raise another \$10 million per year beginning in 2020 and would be in addition to the 2015 referendum. Since 2010 the district has lost approximately \$102.8 million to property tax caps, and state funding per ADM (foundation + complexity) increased by \$1 over the past four years from \$6,500 to \$6,501. If the referendum is successful, the district still intends to cut about \$5 million through attrition savings from by leaving approximately 100 positions unfilled. If the new referendum fails, the district has identified \$11 million in cuts, including the reduction of 64 teaching positions and 96 staff, plus the closure of the early college high school, preschool, and alternative school.

□ The early college high school in partnership with Vincennes University has a stellar track record, as 87% of its students have graduated with an associate's degree.

● S&P Global Ratings raises its underlying rating to 'A+' from 'A' on Decatur Township Metropolitan School District's existing debt. At the same time, S&P Global Ratings assigned its 'AA+' long-term rating and 'A+' underlying rating to the Decatur Township Multi-School Building Corporation's series 2019 ad valorem property tax first mortgage bonds, issued on behalf of the school corporation. S&P Global Ratings also affirmed its 'AA+' long-term rating on the district's existing debt. The outlook is stable.

□ S&P Global Ratings credit analysts explain the raised rating reflects the ratings agency's view of the school corporation's positive operations in recent years, which have resulted in an available fund balance that S&P considers strong on a cash basis. The 'A+' rating reflects an ad valorem tax pledge and the 'AA+' rating reflects S&P's view of the Indiana state-aid intercept framework.

□ The 'A+' rating reflects S&P's view of the school corporation's general creditworthiness, including its diverse local tax base that benefits from participation in the broad and diverse Indianapolis metropolitan statistical area economy; strong market value per capita indicators; history of positive operations leading to a strong level of available cash reserves; and history of voter support for operating taxes, which helps diversify and stabilize revenue.

□ As S&P perceives it, partially offsetting these strengths are MSD Decatur Township's moderately concentrated tax base, and income indicators which, while at levels that S&P considers adequate to good, are not commensurate with those of its higher-rated peers.

● The Northeast Dubois County School Corporation is considering closing Celestine Elementary School, as the district works to cut costs toward a goal of not needing to renew the general fund referendum in five years.

● On April 17, the Northern Wells Community Schools plans to issues \$9,520,000 in lease rental bonds to finance HVAC and site improvements at Norwell High School and roofing improvements at Ossian Elementary School, which was originally constructed in 1925. Stifel served as underwriter on this issuance.

IN Charter Schools . . .

● Indianapolis charter schools are 59% more cost-effective than traditional public schools, according to a new report from the University of Arkansas. The authors of *A Good Investment: The Updated Productivity of Public Charter Schools in Eight U.S. Cities*, calculated how many points on the National Assessment of Educational Progress (the nation's report card) each sector produced per \$1,000 in taxpayer spending per student.



□ Charter schools in Indianapolis were associated with an average of 27.15 NAEP reading points per \$1,000, compared to 17.07 points at traditional public schools. The difference of 10.08 NAEP reading points represents a 59% charter school sector advantage over traditional public schools. That's the second-highest cost-efficiency advantage produced by charter schools among the eight cities included in the report, behind only Atlanta. The advantage in math was identical, with Indianapolis charter schools again found to be 59% more cost effective. According to the researchers' recent findings, Indianapolis charter schools operate with 36% less (- \$5,611) per-pupil funding than traditional public schools.

IN Programs & Curriculum . . .

● The Hamilton Southeastern Schools unfurls CurioCity, an online portal to promote employer engagement with the school system. CurioCity will serve as a hub or repository of businesses that have offered up enrichment and field study opportunities for students and teachers, including apprenticeships, internships, externships, project-based and service-based learning activities, study trips and tours, and more. The City of Fishers seeded the project with a \$250,000 contribution that was used to pay KSM Consulting to build out the website architecture. "We are trying to break the walls of the school into the community so that the community becomes the classroom, representing a place where students can have projects that affect something bigger than themselves," said HSE Superintendent Allen Bourff, reported *Current in Fishers*.

● The Evansville Vanderburgh School Corporation adopts the nationally recognized work-based learning program known as RAMP (Real-world Application; Maximizing Potential). The program will be run through EVSC's OptIN initiative in partnership with the AmeriQual Group and will allow students to earn manufacturing industry certifications at the same time they earn a high school diploma. Students will spend four hours in a traditional classroom and four hours engaged in a paid work experience while embedded on the job at the AmeriQual campus in Evansville. RAMP is based on a similar program from the Richmond County Schools in Augusta, Georgia.

□ The Indiana State Board of Education voted April 10 to approve a locally developed plan proposed by the Evansville Vanderburgh School Corporation for improving the Academy for Innovative Studies, an alternative school that has earned six consecutive "F" grades. The turnaround plan includes both the RAMP program as a CTE concentrator graduation pathway and a partnership with the Vanderburgh County Juvenile Court Division. Students who attend AIS while receiving juvenile court services through a pre-court diversion program have been shown to demonstrate higher attendance rates and greater academic success, and so, the intervention plan calls for hiring an AIS assistant principal and a social worker to serve as "probation officer interns" in close collaboration with Superior Court Judge Brett Neimeier and a "dedicated AIS probation officer" to expand court services to more students at the school.

● JPMorgan Chase provides \$1 million to the Indianapolis Public Schools to increase access to work-based learning opportunities for IPS high school students.

□ The hefty two-year commitment from JPMorgan Chase includes technical assistance from Jobs For the Future's Pathways to Prosperity project to develop a strategic plan for EmployIndy to serve as the work-based learning intermediary in Indianapolis.

● Education Workforce Innovation Network (EWIN) Director Erin Foster recently delivered a presentation to the Grant County Economic Growth Council about career pathway models that let students earn an industry credential or technical certificate by the time they graduate high school. Foster noted that the Perry Community Schools has successfully aligned its manufacturing curriculum to Jasper Engines and the Waupaca Foundry, despite operating on a shoestring budget, reported the *Marion Chronicle-Tribune*.

IN Policy . . .

● The Carmel Clay Schools has discussed the possibility of swapping start times for elementary and secondary students, similar to the revisions in the Westfield, Noblesville, and Zionsville schools.

IN Referenda . . .

● The M.S.D. of Lawrence Township plans to pursue a construction referendum in November to raise approximately 25¢ per \$100 of assessed value to pay for improvements at Lawrence Central and Lawrence North high schools, four elementary schools, and four early learning centers.

IN Construction & Facilities . . .

● The Decatur County Community School Corporation expects construction to commence this month on a renovation and improvement project financed with an \$18.695 million lease rental bond issue. None of the individual projects exceed \$5 million. Bids were received in February, and the project should be substantially complete come October. Fifth Third Bank Securities is the underwriter.

● The Penn High School Building Corporation issues \$14,000,000 in lease rental bonds to finance renovations and improvements to facilities throughout the Penn-Harrison-Madison School Corporation. Construction should begin this month and wrap up by Fall 2020. The district will sell a portion of Discovery Middle School and Walt Disney Elementary School to the building corporation for \$10.946 million and lease the facilities back for 12 years. The bonds are underwritten by Robert W. Baird.

● The East Allen County Schools Board of School Trustees approves the selection of Barton-Coe-Vilamaa to provide architectural/engineering services for facility improvements at the former Meadowbrook Elementary School to house the planned career and technical education programs and the alternative school.

● The Clinton Prairie School Corporation in Frankfort receives \$4.7 million in energy performance improvements through a guaranteed energy savings contract with Johnson Controls. The deal includes state-of-the-art LED lighting, improved exterior brick and stucco, upgraded door access control systems, new exterior doors, improved duct sealing and insulation, a new roof with added insulation, new kitchen equipment, and building control optimization.

- The M.S.D. of Wayne Township Schools issues \$7,835,000 in lease rental bonds on April 16 to renovate and improve North Wayne Elementary School, Westlake Elementary School, Bridgeport Elementary School, and various other facilities. Stifel served as underwriter.

- The Brownsburg School Corporation issued \$12,450,000 in bonds on April 10 for the renovation and improvements to school facilities throughout the district. Stifel served as underwriter.

- Look for ARC Construction to handle the \$9.1 million project for expansion of the Princeton Community Primary School North campus after it submitted the low bid to the North Gibson School Corporation School Board of Trustees.

IN Transition . . .

- Here's the roster for the Governor's Workforce Cabinet policy committee, which met for the first time April 8:

Danny Lopez, GWC chair

Fred Payne, Department of Workforce Development commissioner

Teresa Lubbers, Commission for Higher Education commissioner

Jennifer McCormick, superintendent of public instruction

Paul Perkins, Amatrol

Jason Ells, Custom Concrete

Rebecca Schroeder, Whiteshire Hamroc

Tony Vespa, Vespa Group

Bruce Watson, Fort Wayne Metals

- Wayne Barker will resign as superintendent of the Bluffton-Harrison Metropolitan School District to accept the superintendent's position at another school corporation. His last day will be April 25.

□ Brad Yates, the current assistant superintendent, is the frontrunner to replace Dr. Barker.

- The Southeast Dubois County School Corporation selects Forest Park Jr.-Sr. High School Principal Jaime Pund as the new superintendent.

□ The 39-year old Pund graduated from Purdue University in West Lafayette in 2001 and taught math for five years before going into administration. She earned her Ph.D. from Ashland University in Columbus, Ohio.

- Donald Street is hired as the new Kankakee Valley School Corporation superintendent. He comes from the West Central School Corporation, and will succeed veteran acting superintendent Iran Floyd on July 1.

- Al Remaly will succeed the retiring Ralph Walker as the Superintendent of the Clinton Central School Corporation. Remaly, a Clinton County native, has been principal at Clinton Central High School for the past three years, in addition to service as a principal in Rossville and an assistant superintendent in Kokomo.

- Levi Yowell will leave his post as assistant principal of North Putnam High School to become the new principal at South Putnam High School July 1.

- Jeremy Tucker will leave Pioneer Jr./Sr. High in Royal Center after five years to become the new principal for Winamac High School, succeeding Rick DeFries, who has decided to leave the job at the end of the school year.

IN Government . . .

- The Senate Committee on Homeland Security and Transportation votes 6-1 to approve House Bill 1398, legislation to encourage schools and law enforcement to share information about potential criminal activity involving a child. The colloquy in committee mirrored a similar Senate floor debate earlier in the session on a Senate bill related to school violence.

□ "We're dealing with a crisis somewhat of violence spilling into the schools," said the bill's author, Rep. Tony Cook (R) of Cicero, a retired superintendent. Sen. Jim Tomes (R) of Wadesville sought an amendment to clarify that the information about a child shared by schools and law enforcement would not be stored or maintained in any type of data base. "We've got to be very careful that we don't get ourselves out too far that what would have been a minor incident years ago is now in a mix of a database that could haunt somebody when they are an adult," said Sen. Tomes. He worried that as a consequence of the bill, school officials would be under tremendous pressure to over-share with law enforcement, and that as a result, "some kid is going find himself at age 30 prohibited from getting on an airplane or not getting a job that would require a security clearance."

- When House Bill 1034 was first heard in the Senate Committee on Tax and Fiscal Policy, the committee chairman, Sen. Travis Holdman (R) of Markle, hinted that he's exploring language to crack down on school corporations that "game the system" by splitting up construction projects in order to stay under the controlled project thresholds . . . and, true to his word, when the Committee met again to amend and vote on the bill, Senate Republicans tacked on language providing that a debt-financed project would be subject to a referendum if the cost of the project plus the cost of all other debt-financed projects approved over the past five years exceeds 2.0% of the district's assessed valuation. If the cost of the proposed project plus the cost of all other projects approved over the past five years equals between one percent and two percent of the district's assessed value, the petition/remonstrance process would apply.

□ The bill provides that referenda ballot language may include a statement that the estimated property tax increase will be offset in whole or in part by the retirement of existing debt. The bill also provides that the restrictions on the promotion of a referendum apply to any unit of local government with overlapping assessed valuation.

- As House Bill 1003 lingers on the Senate's Third Reading calendar, Rep. Jeff Thompson (R) of Lizton, a retired teacher, noted during a meeting of the Senate Tax and Fiscal Policy Committee that some districts will find it easy to hit the 85% target, but for others, "it's almost mathematically impossible."

- The Indiana House votes to approve Senate Bill 436, an 83-page Medicaid bill that includes two pages related to the funding of school-based services.



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□ The measure requests that the Family and Social Services Administration apply to the federal government for an amendment to the state Medicaid plan to cover reimbursement for mental health services delivered in a school setting to students who are Medicaid eligible and their families. The bill would require that, within one year after Indiana receives approval for the state plan amendment, all school corporations must contract with a community mental health center to provide the Medicaid-eligible mental health services. The Family and Social Services Administration would also be required to study and make recommendations by November 1 on the best way to provide Medicaid reimbursement for services provided by a school-based health center.

□ The Indiana Small and Rural Schools Association tweeted, “It is time to simplify Medicaid Reimbursement. IN is facing a vast population of special needs students on the back end of the opioid crisis. We are probably three years away from a massive group of pre-k students who will need lots of support due to opioid-addicted parents.”

● The Indiana House voted to approve Senate Bill 325 after two separate “strip and inserts.” As it passed the Senate, the bill created a grant program to fund student-created public service announcements that raise student awareness of personal safety issues. That concept vanished after the House Committee on Education removed it and replaced it with language to expand the purpose of the Secured School Fund matching grant program to mental health services, social emotional services, and “integrated school-based mental health and substance use disorder identification” programs. But on Second Reading, the House wiped the slate clean again in favor of language expanding the Secured School Fund to cover “student and parent support services plans” . . . which the legislation only vaguely defines.

● The House Committee on Education never provided a hearing to Senate Bill 434, which directed the State Board of Education to adopt alternative accountability standards for schools that focus “primarily” on students with developmental, intellectual, or behavioral challenges. Currently, alternative accountability standards are only available for schools that focus “exclusively” on such students.

● The Senate should soon be approving House Bill 1002, a package of career and technical education changes recommended by the Governor’s Workforce Cabinet and endorsed by Governor Eric Holcomb (R) in his legislative agenda. The bill is authored by Rep. Holli Sullivan (R) of Evansville and sponsored by Sen. Chip Perfect (R) of Lawrenceburg.

□ The bill would require the Governor’s Workforce Cabinet to comprehensively review whether the primary, secondary, and postsecondary education systems are aligned with employer needs and whether students are being adequately prepared for workforce success, and require the Cabinet to write a strategic plan for aligning employer needs, workforce training programs, and primary, secondary, and postsecondary education. Indiana has 54 workforce programs spread across six state agencies that account for \$1 billion in state funding and \$400 million in federal money.

□ The bill would allow the Indiana Commission for Higher Education to expand eligibility for Workforce Ready Grants to certificate programs at institutions beyond Vincennes University and Ivy Tech Community College.

□ The bill would also authorize the Governor’s Workforce Cabinet to award grants to eligible entities to establish or implement a career coaching program. Earlier this year, Skillful Indiana, a non-profit initiative of the Markle Foundation, launched the Governor’s Coaching Corps, a program that brings together career coaches from workforce centers, post-secondary education and training institutions, high schools, staffing agencies, and non-profit organizations to learn skills-based approaches to career coaching.

□ The measure as it stands would shift the authority for receiving and distributing federal Perkins Act dollars for career and technical education from the State Board of Education to the Governor’s Workforce Cabinet. The bill would allow a school to employ unlicensed teachers for up to 50% of its career and technical education courses, as long as the individuals have either (1) three years of industry work experience over the past five years; or (2) two years of industry work experience over the past ten years in combination with an occupational license or certification, two-year or higher degree in the area the individual will teach, or completion of an apprenticeship or internship. Retroactive to January 1, 2019, the bill would void the regulation (511 IAC 8-2-6) requiring that all teachers in vocational programs be appropriately licensed. The State Board of Education would be required to replace the existing teacher licensing examinations that have been customized for Indiana with an off-the-shelf exam. Based on the results of a Request for Proposal, that means Indiana would return to administering the Praxis exams. HB 1002 would require at least 15 of the total number of professional growth experience points required to renew a teaching license be obtained through the completion of (1) an externship with a company; (2) professional development on promoting career navigation in partnership with employers; or (3) professional development on current and future economic needs. School corporations could provide pay increases to career and technical education teachers without collective bargaining. Students, before the end of their freshmen year, and in consultation with their parents and a school counselor, would have to establish postsecondary goals and indicate whether they plan to complete a certificate, two-year, or four-year postsecondary program. School corporations that are members of a career and technical education cooperative would not need to obtain the co-op’s approval to establish a new CTE course if the course is offered in partnership with an employer. The Let Indiana Work for You program could provide information to college students on workforce opportunities in Indiana and the economic benefits of residing and working in Indiana after graduation; the program would be administered by the Indiana Commission for Higher Education in coordination with the Indiana Economic Development Corporation and the Indiana Department of Education. The maximum grant amount as reimbursement for employer-provided adult education through the WorkIndiana Program would rise from \$500 to \$1,000. The bill adds credential attainment as a criteria for receiving a Next Level Jobs Employer Training Grant and allows high school students to participate in the grant program.

- The House passed Senate Bill 119, legislation that would allow people to carry guns in an elementary, middle, or high school while (1) attending a religious ceremony at a house of worship located at a school; or (2) working or volunteering at a house of worship located at a school.

□ The bill is headed to conference committee. The lead conferees are Sen. **Jim Tomes** (R) of Wadesville and Rep. **Jim Lucas** (R) of Seymour, perhaps the leading Second Amendment protectors in the legislature. Everytown for Gun Safety is urging lawmakers to oppose allowing more guns in school.

- The Senate Committee on Education and Career Development approved House Bill 1253, a bill authorizing state funds to pay for handgun training for teachers and school employees who volunteer, undergo a psychological assessment, and are approved by their local school board. Parents affiliated with Indiana Moms Demand Action for Gun Sense in America and Everytown for Gun Safety argued that arming teachers is not only ineffective but also puts students and teachers at greater risk for gun violence. Teachers unions argued that the responsibility for responding to an armed threat should be left to the security professionals.

□ The bill details a firearms training curriculum consisting of 38 hours in topics including shooting while moving to and from cover, shooting in high-stress situations, and shooting in highly populated environments. By contrast, school employees in Florida must complete at least 144 hours of training to carry a gun in school. On a party-line vote, the committee defeated an amendment offered by Sen. **Mark Stoops** (D) of Bloomington making it a felony crime if a person fails to secure a firearm and the use of the unsecured firearm by another person results in injury to or death of another person. The vote came exactly one week after **Jason Seaman**, the teacher who thwarted the Noblesville school shooter, tweeted his disbelief that “parents who don’t take precautions to secure their firearms and ammunition properly then have their child shoot up their school don’t get penalized” and urged his followers to “Contact state legislators and ask them why they aren’t passing bills to protect students and children.” The committee also rejected an amendment from Sen. Stoops requiring a school board to notify parents if the school board decides to allow armed teachers in the classroom. Recall that in 2018 the committee approved mandatory parental notification on the content of human sexuality courses, and earlier this session, the committee voted to require schools to provide detailed written parent notice in advance of any medical health service.

□ The committee adopted an amendment offered by the chair, Sen. **Jeff Raatz** (R) of Centerville, to allow the firing of pellets at teachers as part of an active shooter training drill only if the teachers are notified in advance of the nature of the training and provide advance written consent.

- The Senate Committee on Education and Career Development voted 9-1 to approve House Bill 1404, which directs the State Board of Education to revamp the high school accountability model to align with graduation pathways. In 2018, 87.4% of high schools received an A or a B (88.5% of high schools received an A on the Multiple Measures domain).

- Mandatory cursive writing instruction was amended into House Bill 1640 by the Senate Committee on Education and Career Development, which then approved the amended bill by a unanimous vote of 9-0. The underlying bill sets in motion the establishment of a new school accreditation system with a single set of standards for public and private schools. The hefty bill has garnered little attention because accreditation in K-12 is toothless and a box-checking exercise and vastly overshadowed by the significance of the school accountability system.

- The Senate Committee on Education and Career Development votes 7-2 to approve House Bill 1641, legislation that restates the law on charter access to vacant school buildings and reduces the time frame that a school corporation must make a vacant building available to a charter school from two years to 30 days. A charter school that submits a request within the 30-day window would be able to lease or purchase the vacant or unused building for \$1. The charter school would have to start using the building for instruction within two years. The bill sets out a process for what happens in the event that two or more charter schools submit a request for the building. During the lease, the charter school is responsible for building utilities, insurance, maintenance, repairs, and remodeling, while the school corporation remains responsible for any debt attached to the building. If no charter school files a claim within the 30 day window, a nonpublic school, postsecondary institution, or nonprofit organization would have the right of first refusal to purchase the vacant or unused building at fair market value.

□ The bill was amended in committee to resurrect the ability of Greene Township in St. Joseph County to disannex from the South Bend Community School Corporation. A standalone Senate bill on this topic was defeated on Third Reading in the House. The new amendment frames the disannexation as a two-year pilot program administered by the State Board of Education. SBOE will issue a report on the pilot at the end of the two years, which legislative leaders would take into consideration when determining whether to take the disannexation pilot statewide.

- The Senate voted to approve House Bill 1004, the big school safety bill based on the recommendations of the school safety working group convened by Gov. **Eric Holcomb** (R) after the school shooting in Parkland, Florida. The bill requires school corporations to conduct an active-shooter drill each semester. However, schools would be prohibited from conducting or authorizing an intruder training drill that involves firing projectiles at school employees or students, under an amendment inserted into House Bill 1004 by the Senate Committee on Education and Career Development.

□ The Indiana State Teachers Association requested the amendment after teachers in the Twin Lakes School Corporation were shot at with airsoft guns by officers with the White County Sheriff’s Office during ALICE training (Alert, Lockdown, Inform, Counter and Evacuate). The drill, which left some educators with welts and abrasions, was traumatic to some teachers because they were not given any warning that they would be shot. Proponents claim that exposing staff and students to intensely realistic simulations and stress inoculation exercises will better prepare them if they ever have to deal with a real threat.

□ The bill would expand the purpose of the Indiana Secured School Fund matching grant program to cover student mental health services. In addition, the bill would expand the grant program to cover the employment of law enforcement officers who are not school resource officers. The bill clarifies that accredited non-public schools are eligible to receive a matching grant. The maximum grant amount would double from \$50,000 to \$100,000. In contrast to the current law requiring all grant recipients to provide a 100% match, the bill creates a three-step scale with the smallest schools required to match 25% of the grant amount, schools between 500 and 1,000 students required to post a 50% match, and schools with more than 1,000 students on the hook for a 100% match. HB 1004 would allow schools of any size to receive the maximum \$100,000 grant if they are willing to provide a 100% match.

□ As it stands the measure would require schools to receive “prior informed written consent” from parents before a student may participate in any mental health services. Schools must also provide parents with written notice describing in detail the proposed mental health services or assessment. The term “mental health services” is broadly defined to include “any social, emotional, or behavioral interventions,” even including multi-tiered systems of support, positive behavior interventions, response to intervention, and universal design for learning. The bill would allow the Indiana Attorney General to assess a civil penalty against a school that provides mental health services to a student without the informed written consent of the parents.

□ There’s no provision for parents to opt their child in or out of participating in a realistic active shooter training drill (or to opt in/out of a classroom with an armed teacher), and there’s no requirement that parents be provided with detailed written information about the nature of an active shooter training drill and whether the training (as it often the case with ALICE) includes teaching students how to use counter measures to fight back against an armed intruder.

● The Senate voted 48-0 to approve HB 1209, legislation to address misconduct by high school coaches who do not have a teaching license. The bill would require schools to report to the Indiana High School Athletic Association when non-teaching and volunteer coaches have been convicted of certain offenses. IHSAA must then revoke their coaching accreditation. Prior to hiring an athletic coach, schools would be required to check with IHSAA to determine whether the individual’s coaching accreditation has ever been suspended or revoked.

□ The bill was authored by Rep. Donna Schaibley (R) of Carmel and was sponsored by Sen. Randy Head (R) of Logansport.

● The Senate approved House Bill 1629 after removing the requirement that students complete the Free Application for Federal Student Aid (FAFSA) in order to receive a high school diploma. Remaining provisions in the bill include allowing a school corporation or charter school to charge a search fee for time in excess of five hours spent searching for an electronic record; allows charter school students to participate in career and technical education center programs on the same basis as students from traditional public school corporations; and allows secondary students to participate in internships through the EARN Indiana program.

● A student who withdraws from high school to enroll in a home school would be counted as a high school dropout, under language amended into Senate Bill 567 by the House Committee on Education at the request of the committee’s chair, Rep. Bob Behning (R) of Indianapolis. This is a serious problem that we’ve been trying to figure how to nip in the bud for a long time, indicated Rep. Behning.

□ On Second Reading, House Majority Floor Leader Rep. Matt Lehman (R) of Berne offered Amendment 8 to dramatically improve the home school section “so we don’t have a negative impact on schools that are doing things right,” explained Rep. Lehman. “There are a lot of schools where we are seeing evidence of students in their senior year who are not on track to graduate being moved out to a home school so they don’t have a negative impact on the graduation rate,” said Rep. Lehman, who added, “Some of those percentages are extremely high.” If at least 10% of students exit to home-school from a small high school with a cohort of 100 students or less or at least five percent of students exit to home-school from a large high school with a cohort of more than 100 students – and the applicable students are not on track to graduate with their cohort – then the high school must appear before the State Board of Education. The State Board will review the data, and unless the high school can demonstrate good cause, the State Board must order that the students who withdrew to home-school be counted as dropouts.

● The Senate voted to approve House Bill 1029 after tacking on a Second Reading amendment to require all employees who have direct, ongoing contact with children to receive training on seizure recognition and response at least once every five years and within 30 days of starting employment. The training requirements must be consistent with the programs and guidelines developed by the Epilepsy Foundation of America or a successor organization.

□ The bill provides that if a school receives a seizure management and treatment plan for a student that was developed by the student’s health care provider, the school shall develop an individual health plan for the student that applies to the student during the school day or while the student is participating in a school-sponsored activity. Moreover, a school nurse, or the school nurse’s designee, must be available to perform the tasks necessary to implement the student’s individual health plan during the school day or while the student is participating in a school-sponsored activity.

● Indiana would adopt and implement the Praxis teacher licensing exams by September 1, 2021, under Senate Bill 532, which was approved by the House Education Committee.

● The Indiana House votes 93-3 to create a school referendum option specific to safety and security enhancements in an amount not to exceed 10¢ per \$100 of assessed valuation. Senate Bill 127 previously passed the Senate 42-7.

□ The bill also picked up language on its journey expanding the purpose of the Secured School Fund to support a school corporation or charter school in providing “a response to a threat in a manner that the school corporation or charter school sees fit, including firearms training or other self-defense training.”

- The Indiana House was set to approve Senate Bill 390, authorizing civil penalties against an exclusive representative or school employer who commits an unfair labor practice. The civil penalties are intended to deter teachers' unions from intimidating teachers who are trying to organize a second union, explained the bill's author, Sen. Erin Houchin (R) of Salem. Eric Hylton, a partner with Riley Bennett Egloff LLP, and lead counsel for the Indiana State Teachers Association for more than 20 years, testified in committee that the bill was a solution in search of a problem, since there has never been an unfair labor practice complaint found against a local ISTA affiliate in all his years.

□ Collective bargaining negotiations would occur at public meetings in accordance with the Open Door Law, under an amendment added to the bill by the House Committee on Education. The parties would be allowed up to three private meetings to conduct contract negotiations. Hylton said that negotiating in public will squelch the ability of parties to openly and honestly discuss issues and may actually lead to less money going into teacher paychecks. By making negotiations public, this is going to make teachers pull back and not ask for what they should because they will fear losing their job if they publicly criticize and push back against administrators, he warned. Moreover, there are certain issues that cannot be discussed in public because of teacher and student confidentiality, he added. Republican legislators who backed the amendment claimed that transparency in the process would be a net positive.

□ On Second Reading, the controversial changes were walked back, as the House approved an amendment offered up by Rep. Ed Clere (R) of New Albany allowing collective bargaining to continue to be conducted in private only after holding at least one collective bargaining session in public. Once the parties reach a tentative collective bargaining agreement, the school board must hold a public hearing and take public testimony 48 hours before ratifying the agreement. Education panel chair Bob Behning (R) of Indianapolis explained on Second Reading that the parties will have a public meeting up front, and then on the back end, once the school board is ready to ratify, the board has to take public testimony. "I think it's a real opportunity for the public to get involved and probably direct more attention to teacher salaries," said Behning. The Indiana State Teachers Association griped that "there is little that could exemplify more distrust of teachers than to restrict their ability to negotiate with their employer on the one subject they are still permitted to bargain - salary and wages. This bill is another example of the General Assembly's efforts to remove local control and become the state's single school board."

□ The Education committee also tacked on an amendment offered by Rep. Woody Burton (R) of Greenwood guaranteeing speech-to-text accommodation on the statewide exam for certain students. Rep. Burton indicated that he worked on the language with Cheryl Clemens of Decoding Dyslexia, who resides in his district. Sen. Houchin also has a son with dyslexia. But Charity Flores, director of assessment for the Indiana Department of Education, warned in testimony that it could undermine the integrity of ILEARN.

- Bose Public Affairs Group files a federal lobby registration on behalf of the Metropolitan School District of Washington Township to lobby Congress on "Issues related to school safety compliance."

IN Courts & Conduct . . .

- The mother of a 15-year-old who took a handgun to Blackford High School has been sentenced to four years in prison after pleading guilty to dangerous control of a child. The teen took the weapon to school on October 30, resulting in a lockdown and delay in student dismissal.

- A former Haubstadt Community School Parent Teacher Organization president pleaded guilty to two Level 6 felony counts of theft in Gibson County Superior Court last week, and part of her plea agreement will be a restitution order of \$15,282.55 to the PTSO.

IN Higher Education

IN General . . .

- IUPUI will close the Confucius Institute on its Indianapolis campus. Confucius Institutes are located on nearly 100 college campuses nationwide, are operated by China's Education Ministry, and offer Chinese language and culture classes.

□ U.S. Rep. Jim Banks (R) applauded the IUPUI closure, as well as the news that the Massachusetts Institute of Technology (MIT) will sever ties with Chinese firms Huawei and ZTE. "For too long, U.S. universities have turned a blind eye to the snakes in the grass, like Huawei and ZTE, and the propaganda messaging through Confucius Institutes," said the Indiana University alum. "The Chinese Communist Party in Beijing knows that U.S. universities are home to important research, some of which involves sensitive national security information funded by U.S. federal departments. By using businesses and cultural exchanges as fronts, the Chinese government infiltrates these institutions and steal our nation's intellectual property and secrets. Thanks to the necessary steps by IUPUI and MIT, more schools are waking up to this reality, and I suspect many more will follow their lead."

- Vice President Mike Pence (R) will be the commencement speaker for Taylor University on May 18.

- The Fort Wayne campus of International Business College - which dates back to 1889 - will close after February 2020. IBC primarily offers associate degrees. The school plans to continue operating its Indianapolis campus at Shadeland Station.

- The Indiana State Board of Education grants approval to the Relay Graduate School of Education to operate a two-year Teacher Residency program in Indianapolis as a transition to teaching program. The Mind Trust has raised an initial \$3.5 million to support the Relay Teaching Residency program, which caters to college graduates and career changers who are seeking a path into the teaching profession. During the first year, residency participants engage in graduate coursework while working towards Indiana certification alongside a Resident Advisor. In their second year, they continue their coursework and advance to leading a classroom of their own. Graduates earn a Master of Arts in Teaching degree. Relay expects that its Indianapolis campus will enroll 20 to 30 teacher residents for its Fall 2019 cohort and expects the program will grow over time.

□ On the same day that Relay gained SBOE approval, the Indiana House unanimously concurred with Senate amendments to House Bill 1009, which establishes a teacher residency pilot program administered by the Indiana Commission for Higher Education. The state budget is expected to appropriate \$1 million to fund teacher residencies on a pilot basis.

- The 2019 College Readiness Report released by the Indiana Commission for Higher Education shows that remediation rates are dramatically down – 12% of students in the class of 2017 who went directly to college needed remediation, compared to 28% in 2012.

- College-going rates are on the decline – 63% of the 2017 graduating class enrolled in college, compared to 64% in the class of 2016 and 65% from the class of 2015.

- Students who earn a more rigorous high school diploma are more likely to go to college – 93% of the 26,398 students who graduated with an Honors Diploma enrolled in college within a year of graduating high school compared to only 53% of the 38,046 students who earned a Core 40 Diploma and 18% of the 8,794 students with a General diploma.

- Among the 1,308 students who graduated high school with a General Diploma and enrolled directly in an Indiana public college, 44% needed remediation, vs. only three percent of Honors Diploma recipients and 18% with a Core 40 Diploma.

- The annual report shows that 45.9% of high school graduates who enrolled in college selected an Indiana public school and 8.8% chose an Indiana school in the private non-profit sector. Among those who enrolled in an Indiana public college, 69% were pursuing a bachelor's degree, and 28% were going for an associate's degree.

IN Administration . . .

- Look for Purdue University Northwest to soon release recommendations for a new strategic plan that's being dubbed Imagine PNW.

- The University of Notre Dame will deploy walk-through metal detectors at all gates of Notre Dame Stadium during the 2019 football season. The metal detectors will be in use at all home football games, men's and women's basketball games in Purcell Pavilion at the Joyce Center, and hockey games at Compton Family Ice Arena. This policy may also be in effect for other events in those locations or other campus venues on a case-by-case basis.

IN Programs & Policy . . .

- The Cook Group partners with Western Governors University to provide Cook employees with the opportunity to earn a tuition-free bachelor's or master's degree. The new opportunity is part of the education component of My Cook Pathway, Cook's award-winning workforce development program. "One of the goals of My Cook Pathway is to make it possible for someone to come to Cook without a high school diploma and get all the way through a master's degree at no cost to them," said Nicky James, vice president of Human Resources and Talent Development.

- Beginning June 1, any Cook Group employee graduating with an associate's degree from Ivy Tech Community College can attend WGU to earn a bachelor's degree for free if they begin within six months of graduating from Ivy Tech. Employees who graduate with a bachelor's degree from WGU can continue their education and earn a master's degree from WGU at no cost if they begin within 12 months of graduating.

- Bethel College will launch five new programs in Fall 2019 in computer science, cyber security, business marketing, sport administration, and English as a New Language.

- The Indiana University Board of Trustees approves a trio of new degrees: a Bachelor of Science in atmospheric science at IU Bloomington; a Bachelor of Science in applied data and information science at IUPUI; and a Master of Science in speech-language pathology at IU South Bend.

- An Indiana Wesleyan University task force charged with creating an engineering degree hopes to submit a proposal by next school year, reports the *Marion Chronicle-Tribune*. The program as currently envisioned would focus on mechanical, electrical, and biomedical engineering and would be housed in the former Tucker Career Center building that IWU purchased last year from the Marion Community Schools for \$200,000.

- The University of Evansville unveils a new 12-month Masters of Engineering (M.Eng.) graduate program slated to begin in the Fall. The professional degree program will offer three options: Master of Engineering – Electrical Engineering, Master of Engineering – Computer Engineering, and Master of Engineering – Computer Science.

- Admission requires an undergraduate degree in electrical engineering, computer engineering, or computer science. The program cost will be \$525 per credit hour.

- Indiana University Bloomington and Ivy Tech Community College expand the Hoosier Link pathway, allowing Indiana residents to transfer to IUB after one semester at Ivy Tech Bloomington if they earn a 3.0 grade point average or higher in 15 transferrable credit hours. Currently, freshmen accepted into the Hoosier Link program are required to live on the IU Bloomington campus while earning credits from Ivy Tech. This on-campus model will continue and, starting in August, the program will expand to include students who live off-campus, who may have family responsibilities or other obligations and live in the south-central Indiana community.

IN Gifts and Fundraising . . .

- The Indiana University School of Art, Architecture + Design in Bloomington has been renamed the Sidney and Lois Eskenazi School of Art, Architecture + Design in recognition of a \$20 million gift from Sidney and Lois Eskenazi.

- Members of the Ball State community came together on April 9 to raise about 3,770 gifts totaling almost \$425,000 as part of the One Ball State Day – a 24-hour fundraiser for the University.

IN Construction & Facilities . . .

- Look for a May vote from the Wabash College Board of Trustees on a new campus master plan calling for demolition of Wolcott Hall, Morris Hall, and the Sparks Center to make way for a new Campus Commons facility featuring, among other amenities, a pub, recreation room, bookstore, dining options, and event space. The master plan also charts out the addition of 100 beds to Center Hall and increased spectator capacity at Hollett Little Giant Stadium. Overall, the campus would see expanded gathering areas, enhanced pathways, and improved parking and pedestrian street crossings.

- A new apartment complex opening on the Purdue University campus features an integrated smart home experience allowing students and residents to control access, apartment locks, lights, thermostats, and outlets using their smartphone. The private, \$86 million, three-building, 835-bed complex is located in the new Discovery Park District. Balfour Beatty Campus Solutions is developing Aspire at Discovery Park, which is slated to open in mid-August.

- The Indiana University Board of Trustees approved the architectural design for the North Grandstand facility at Bill Armstrong Stadium on the Bloomington campus. The new, two-story building will house support spaces for the men's and women's soccer teams, including locker rooms, training room and offices, and will also include an event space of about 800 gross square feet on the second level, overlooking the soccer field and track. Existing structures on the east and west sides will be renovated to provide bicycle support space for the Little 500 race on the east side and universally accessible public restrooms on the west side.

- Indiana University receives a \$10.9 million grant from the Lilly Endowment for major renovations to the Lilly Library located on the Bloomington campus.

- The library of rare books and manuscripts has not had any significant interior improvements since its completion nearly 60 years ago.

- IUPUI breaks ground April 23 on the Multidisciplinary Research and Classroom Building to be located on the eastern edge of campus on what is now a parking lot. Construction is not expected to be finished until August 2020.

IN Government . . .

- Two scholarship programs died in the second half of session.

- House Bill 1064 authored by Rep. Randy Frye (R) of Greensburg, a retired firefighter, would have allowed all public safety professionals to attend Ivy Tech tuition free, beginning with the FY 2022-23 session. Once it was clear that Senate leadership did not intend to give HB 1064 a hearing, Rep. Frye prepared a Second Reading amendment to Senate Bill 420 that would have authorized a full tuition scholarship to Ivy Tech for just volunteer firefighters, not all public safety officials. Passage of the amended language would have made it eligible for conference committee, but Rep. Frye ultimately decided not to call it down.

- Nonetheless, we understand that Ivy Tech President Sue Ellspermann, has committed to finding \$250,000 to fund scholarships for volunteer firefighters.

- Senate Bill 188 would have created a Nursing Faculty Loan Repayment Grant Program to increase the number of nursing faculty members teaching in the field of nursing education. Authored by Sen. Vaneta Becker (R) of Evansville, SB 188 passed the Senate 48-1 and moved out of the House Education Committee 12-0 . . . but never received a hearing in the House Committee on Ways and Means.

- Commissioner of the Indiana Commission for Higher Education Teresa Lubbers delivered her annual State of Higher Education address on April 9. In it, she observed that the "most critical issue facing our state" is "the imperative to develop human capital." Pointing to the 1.5 million working age Hoosiers without a credential beyond high school, she said Indiana must "better serve these adults" by embracing "prior learning assessments and competency based education that value knowledge gained through experience."

- Her parents would have fit into the category of working-age Hoosiers without a postsecondary credential, Lubbers explained. "My Dad sold cars for a living and later managed or owned his own dealerships. Until Indiana's blue law passed requiring that automobile dealerships be closed on Sunday, he worked 7 days and 6 nights every week. He provided job opportunities to more people than I know, but the economy shifted and many people who were employed in the auto industry - either making or selling cars - saw job opportunities shrink. It's also important to say that new job opportunities were created, but many people were left behind because they did not receive the preparation needed in a dynamic international marketplace. Vehicle sales actually doubled during the period of 1947 and 1972, as more cars were available at less cost for more people. But without the necessary investment in our people, as jobs changed and manufacturing moved into a new era, we witnessed a decline in both jobs and per capita income."

- Commissioner Lubbers continued, "My mother's story, on the other hand, is a different one. Smart as a whip and hard-working too, she transitioned from a secretary to motherhood to a return to work that included stints in both the financial and educational sectors. Like my Dad, she worked the number of hours necessary to do the job right. She learned new skills on the job, but never had the opportunity - or really the need - to return for more formal education. It's safe to say that by the end of my parents' careers, the job requirements for their roles had changed substantially. The hard work they displayed was still necessary, but not sufficient for the qualifications needed in the new economy. In many ways, this is the story of our state and where we find ourselves today."

- Hoosiers are "at a crossroads," said Indiana University and Harvard University alum Lubbers, who was appointed as commissioner in 2009 after 16 years in the Indiana Senate. She pointed to a string of college closures, declining birth rates, pressures to address workforce talent pool needs, unacceptably high student loan debt burdens, and emerging alternative providers and models. The "disruption" that is now underway "must be met with a new higher education compact," she said, "one that provides more people with affordable and flexible learning options while preserving quality and advancing economic opportunity" while at the same time "offering more personalized, more 'just in time' and more continuous learning."

● U.S. Sen. **Todd Young** (R) is part of a bipartisan trio that includes U.S. Sens. **Michael Bennet** (D-CO) and **Tim Scott** (R-SC) introducing the “Fund for Innovation and Success in Higher Education (FINISH) Act,” legislation that they believe will spur innovation in the higher education system. The measure would allow the U.S. secretary of education to approve up to five Pay-for-Success pilot initiatives each fiscal year and authorize evidence-based grants to support initiatives that increase access to higher education for high-need students, increase degree attainment, and improve efficiency in higher ed systems. Institutions would partner with intermediary organizations – a non-profit, school district, SEA, or consortium of groups – to qualify for early-phase grants, mid-phase grants, and expansion grants. The bill would also encourage institutions to make all forms of post-secondary instructional content widely available. “Currently higher education is falling short in serving our most vulnerable students,” Sen. Young contends. “The FINISH Act helps to reform this broken system by using incentives to adopt innovative solutions with a track record of success. This bill works to ensure our students have the tools to finish a credential or degree pathway – not just start. It’s a win-win for our students and educators as well as our economy.”

● U.S. Sen. **Mike Braun** (R) and U.S. Rep. **Jim Banks** (R) introduce companion versions of the “Pell Flexibility Act of 2019,” seeking to allow the use of Pell dollars to subsidize student enrollment in short-term workforce training programs. Under the proposed pilot, Title IV-eligible institutions with programs between 320-600 hours in length could apply to the U.S. Department of Education to participate. The bill proposes limiting Pell flexibility to eight programs per institution. Institutions must demonstrate that their programs address the skills gap by using evaluations from the Bureau of Labor and Statistics Office of Employment Projections, local and regional workforce needs assessments created under recent updates to Title V of the Perkins Act, Workforce Investment Boards, or other state agencies. The program would be monitored and evaluated by federal education officials, and a report would be issued to relevant congressional committees using both qualitative and quantitative evidence indicating retention rates and job placement rates in relevant fields. “As a business owner who has hired hundreds in my career, I know first-hand there is a workforce skills gap,” observes Sen. Braun, explaining. “This legislation will address that crisis, improve job placement and reduce student debt by prioritizing skills-based programs.” Rep. Banks, a member of the House Committee on Education and Labor, adds “There are currently 100,000 jobs in Indiana that are unfilled due to a worker shortage in technical and skilled fields. We need to do more to equip students with the knowledge and training they need to find a job after graduation, and that begins with restructuring federal grant money to prioritize highly demanded skills. Pell Grant flexibility is a common-sense step in the right direction, and is a top priority of our Governor,” he notes.

IN Transition . . .

● Corning, Inc. Executive Vice President **Christine M. Pambianchi** joins the Lumina Foundation board of directors.

● The Indianapolis-based Strada Education Network, a national social impact entity dedicated to strengthening pathways between education and employment, adds three new board members.

□ Signing on are **Sureel Choksi**, president and CEO of Vantage Data Centers in Denver; **Wade Dyke**, chief executive of Great Heart Academies, the nation’s largest classical charter school network; and former Delaware Gov. **Jack Markell** (D).

● As it prepares to kick off a new strategic plan, Complete College America announces that Senior Vice President **Sarah Ancel** will depart for a new role in consulting. She joined CCA in 2016 from the Indiana Commission for Higher Education and served as CCA’s interim co-president after the passing of founding president Stan Jones.

● Youngstown State University names **Brien Smith**, dean of the Scott College of Business at Indiana State University, as its new provost. Prior to joining ISU, Smith was at Ball State University for 23 years, serving as assistant chairman of the department of management, assistant dean for graduate programs, chairman of the department of marketing and management and associate dean of the Miller College of Business.

● Indiana University Bloomington appoints **Rick Van Kooten** as executive dean of the College of Arts and Sciences starting July 1. Van Kooten, who currently serves as vice provost for research, replaces **Larry Singell**, who recently accepted a position as senior vice provost for research management at the University of Texas at Austin. Van Kooten is a physicist and served as chair of the Department of Physics before becoming vice provost.

● **Andrew Klein**, dean of the Indiana University McKinney School of Law since July 2013, announces he will step down in June 2020. After a leave of absence, he intends to return to the law school as a faculty member.

● Ivy Tech Community College Greencastle select **Jacob Widner** as its new Associate Accelerated Program (ASAP) associate director.

● **Dr. Tania Basta** becomes the new dean of Western Kentucky University’s College of Health and Human Services. Dr. Basta, who has served as chair of the Department of Social and Public Health for the College of Health Sciences and Professions at Ohio University since 2017, earned her master of public health degree in Community Health Education (2003) from Indiana University.

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Ethics lessons going forward

What we learned (and didn't) from 2019 House Committee on Ethics

The House Committee on Ethics, in a unanimous and bipartisan decision, voted to dismiss the complaint filed by former House Democratic floor leader Linda Lawson (D) against Speaker Brian Bosma (R) "regarding his use of campaign funds to hire an attorney to defend himself against false allegations," as a statement from his office framed it.

The charges have been well-documented, and there was little doubt that the ethics panel would dismiss them after the Indiana Election Commission issued a similar unanimous and bipartisan decision in January to dismiss a similar complaint. But more important than the final action of the panel in this matter was the process that it employed to get there, and what it portends going forward.

Bear in mind that the House ethics committee has largely been symbolic in nature, a last line of defense that could be deployed only in the most dire of circumstances, and largely serving as a paper tiger – an ethics "card" of sorts that could be played to show that the body had an entity in charge of dealing with uncomfortable issues . . . although such matters only rarely arose.

Perhaps the two most significant instances of the committee being involved in probes were the inconclusive 1990 "Jobs for Votes" investigation (with a parallel federal inquiry) overseen by then-Rep. Dennis Heeke (D) as chair, and the 1996 reprimands issued under the tenure of then-Rep. Jeff Linder (R) to two lawmakers for their respective transgressions (which ultimately boiled down to incomplete disclosure of certain relationships on personal financial disclosure form; one legislator was from such a safe district that it was of no practical impact, while the other was ultimately indicted for conduct that was part of the same issue).

Neither round produced much in the way of precedent, and since any major (or even minor) ethics panel actions are so few and far between, and because the panel was specifically reconstituted and seemingly re-empowered in the #MeToo era, we thought it would be helpful to note what we learned in a procedural nature from the just-completed review involving the Speaker.

● **Investigations May Span Sessions.** While the preferred parliamentary view is that a legislative body is not a continuing body, and that it effectively starts fresh after each election, the complaint acted upon by this "new" ethics panel (only two of the six members were on the committee before the 2018 election) was filed in October. Ordinarily that would mean that the complaint would have failed for lack of action before the end of the last term for members of the House, or that the complaint would need to be refiled, but that did not seem to be a factor here.

● **The Committee Can Retain Outside Counsel.** The panel retained Bonnie L. Martin, an employment law specialist at Ogletree Deakin, to conduct an independent review of the allegations raised in the complaint. Panel rules allow the committee to "obtain the assistance of other individuals with appropriate training or experience" (which we would presume to include such assistance as a private investigator, informational technology expert, or forensic accountant depending upon the nature of a complaint and circumstances of a given situation), but we're not sure about the details.

For more, please see the following page . . .

Our health insurance gap

IN counties lag neighbors in coverage

Fully one-fourth (23) of Indiana's 92 counties have a 10.1% or greater estimated uninsured rate for the population under age 65, according to 2017 data released by the U.S. Census Bureau on Tuesday.

Nationally, more than one-third (38.4%) of all U.S. counties fell into this category. These findings come from the Small Area Health Insurance Estimates (SAHIE) program, the only source for single-year estimates of the number of people with and without health insurance coverage for each of the nation's 3,141 counties.

LaGrange County (where at least 20.1% are uninsured) and Daviess County (at least 15.1% uninsured) lead the state in this category. The problem is spread throughout the state, with counties on our borders with Michigan, Illinois, Ohio, and Kentucky all among those with at least 10.1% uninsured, as well as some in Central Indiana.

While it might appear that Indiana is in good stead as a result, only one county in Michigan (in the Upper Peninsula) and two in Ohio are at 1.1% or greater uninsured, while no counties in Illinois or Kentucky are in such straits.



If the panel votes to hire an attorney or other consultant, can it choose its own? Must it be signed off on by the Legislative Council? Is this a Legislative Services Agency decision? Is there a cap on cost? The committee engaged in some process here to retain Martin, and that sets some kind of precedent.

- **The Committee Apparently has an External Budget.** Tied in with the retention of external counsel is the question of budget. How much of a budget does the panel have? If the Commission undertakes an investigation, from where can it access funds, to what extent, and with what approval? Can it come to the Legislative Council or even each chamber of the General Assembly and seek and obtain an appropriation?

- **The Committee Can Investigate Complaints from Non-Members.** Some legislative ethics panels will only investigate complaints from members, and even executive Branch ethics commission may place limits on precisely who may initiate an investigation. While complainant Linda Lawson was a member when she initiated the complaint, she was not a member – and it was an entirely new ethics committee composition – when the complaint was investigated, confirming the operation of House Rule 174 – that the complainant can come from outside the General Assembly (the Rule says that the “committee may act upon a complaint from any person”) leaving open the question of whether the panel can initiate investigations *de novo* (query whether a unanimous (or majority or even tie vote) of the three Republican - three Democrat panel is needed to undertake a probe.

- **Threshold Issues Can be Delegated.** While the full committee itself voted on the final decision, it apparently used the external counsel inquiry to offer a recommendation at the threshold as to whether reasonable cause existed to even conduct an investigation. What we don’t know (and will never know because of committee confidentiality provisions) is whether the outside counsel investigated the actual substance of the complaint and decided that it was legally insufficient, or if she simply reviewed the complaint and spoke with the alleged victim and some associated with that person (the *Indianapolis Star* reports such interviews occurred) before suggesting to the committee that the complaint failed to meet the legal standard for going forward . . . and the Lawson complaint seemed a bit broad and tenuous.

- **Panel Members Can Vote Even if Potentially Conflicted.** Last October, virtually the entire House Republican Caucus signed a letter expressing their faith and confidence in the Speaker in this matter, yet all three members of the committee who voted to clear Speaker Bosma this month had effectively pre-judged him before the investigation. The attorney representing the alleged victim had sought their recusal. This suggests that there will be little that could be grounds for disqualifying an ethics committee member beyond an inquiry in which the individual member is “the subject of a complaint,” as spelled out in the rules.

Indeed, after the 1996 reprimand vote, the ethics chair wrote to constituents, “To be very honest, I felt horrible about having to make that decision, and at times I felt like I was deserting one of my best friends,” describing him as “not just a friend of mine; he is one of my very best friends.” The then-chair added, “He is honorable, and despite the fact that I led the committee that voted to reprimand him, I would trust him with anything and everything I have.”

Some would say that this indicates solons can judge friends; others would point to the later indictment of the reprimanded lawmaker as evidence that colleagues have a difficult enough time sitting in judgment of their own, much less if they have already pronounced a verdict before hearing the evidence.

- **Amount of Input from Parties Remains Uncertain.** In 1996, the ethics committee was criticized for running a draft set of findings by attorneys for the accused, who then provided suggestions on reframing some of the language. Because the 2019 process was so secretive and materials deemed confidential by House rules, we have no way of knowing whether attorneys for the complainant, alleged victim, or accused were offered an opportunity to comment on draft dismissal language, and, if so, whether their comments were incorporated in whole or in part.

Even if there was no opportunity for input, because this was a dismissal decision, the 1996 precedent involving an actual sanction could perhaps be relied upon by an attorney for one of the parties in seeking to influence the final language of a decision, particularly because the reprimand itself was apparently unique – the panel chair at the time labeled the action “the first time anyone has been reprimanded or admonished by the House of Representatives”

- **Reasons for Dismissal Don’t Have to be Detailed.** As Kaitlin Lange wrote in *Indianapolis Star*, “In its statement, the committee didn’t elaborate on the extent to which its decision involved a lack of evidence to support the allegation or whether the allegation itself would violate House ethics rules. [Committee Chair Sharon] Negele argued that the committee followed procedures laid out under Indiana law. ‘We followed those procedures and the result was, it was dismissed,’ she said. Negele said anything further about how or why the committee arrived at its decision is confidential.”

The letter to the Speaker – signed by all six members – spelling out an end to the panel investigation concluded this way: “Based upon the report submitted by outside counsel, the Committee found that reasonable cause does not exist to support the alleged violation, and the complaint is dismissed. All investigations and records of the Committee are confidential.”

- **Unanimous Decisions and Public Votes.** Unanimous decisions by a committee like this are always best for impact, precedent, and public confidence, and the decision not to pursue charges in this instance was unanimous (one of the 1996 votes was 5-1, perhaps close enough). What was different between the 1996 actions and that of 2019: the ethics panel in 1996 held public sessions and a public vote; there was no such transparency this year.

IN Politics

IN Mayoral Races . . .

- The Hamilton County Election Board will review allegations of bribery (or whatever you might call it) in the Carmel mayoral primary race – but only after the contest is over. Hamilton County Democrats seek an Indiana State Police investigation. Meanwhile, a very negative website is deployed against the incumbent linked via mobile platform ads.



IN the Presidential Race . . .

● The Drudge Report seems to have developed an April fixation with South Bend Mayor Pete Buttigieg (D), highlighting assorted appearances, pronouncements, and policies on the influential web page, and likely introducing Mayor Pete to a new audience. Drudge is not unique among conservative influencers; The Resurgent's Erick Erickson spent much of the top-line space in his daily missives trying to take down Mayor Pete in the last week or so, and Laura Ingraham has been out front slamming Buttigieg for being "sanctimonious and self-righteous" and labeling him as a pawn of the leftist media. Even *The American Conservative* explains that although he discusses his Christian faith in his campaign, there is little to distinguish Mayor Pete and his fellow "religious" liberals from secular liberals on policy . . . Mayor "Buttigieg's rise continues," reports Morning Consult. "He is up to 5 percent of the vote share among all Democratic primary voters, his third straight week of growth" in the Morning Consult tracking polls, and good enough for sixth place, despite not having been an official candidate at that point . . . we've been surprised to see national writers (who didn't dig very deep) diss hizzoner over how South Bend employment growth since the fiscal crisis of 2008-09 lagged the meteoric rise of nearby communities Elkhart and Goshen, which were crushed by RV-related job losses in the recession, and boosted by new investments by the industry later in the recovery (they might want to more fairly stack up Elkhart-Goshen metro unemployment rates during the period to any other metro nationally and see if any outpaced that remarkable turnaround). At the same time, we've also been wondering when any national writers will take a deep dive into the complicated SB police internal wiretapping scandal that took a lot of Mayor Pete's time during his tenure, and which produced lots of documents in litigation that we presume opposition researchers have already started poring through . . . the Pence-Pete public posturing escalates, with Mayor Pete ramping up discussion of his religious differences with VPOTUS, Indiana Republican Party Chair Kyle Hupfer dredging up a litany of kind quotes that the then-governor had to say about Mayor Pete, and Second Lady Karen Pence finally wading in to use a national Fox Radio show appearance last week to tell America that people "shouldn't be attacked for what your religious beliefs are" . . . the Monmouth University Iowa poll released Thursday and covering April 4-9 found Mayor Pete in third place (tops under the age of 75), but the key element, according to the poll director in a live CNN interview, was an "incredibly high favorable rating among those who know him." A new New Hampshire poll by the Saint Anselm College Survey Center's New Hampshire Institute of Politics shows him in the double-digits behind the same two.

● U.S. Rep. Eric Swalwell (D-CA) says that he will run for president. His wife is a Columbus native.

IN Political News . . .

● Lita Rouser is the new Cass County Democratic Party chair.

● Registering with the Election Division as a new state political action committee is the Bloomington-based Stonewall Democrats of South Central Indiana, formed to "Advocate for issues that are relevant to LGBTQ people in Indiana," with Jessica McClellan as treasurer and William "Will" Smith III as chair.

IN Brief



IN Federal Circles . . .

● U.S. Sen. Todd Young (R) is part of a bipartisan trio that includes U.S. Sens. Michael Bennet (D-CO), and Tim Scott (R-SC) introducing the "Fund for Innovation and Success in Higher Education (FINISH) Act," legislation that they believe will spur innovation in the higher education system. The bipartisan measure would support the use of evidence-based innovation grants and the pay-for-success model to improve student outcomes. "Currently higher education is falling short in serving our most vulnerable students," Sen. Young contends. "The FINISH Act helps to reform this broken system by using incentives to adopt innovative solutions with a track record of success. This bill works to ensure our students have the tools to finish a credential or degree pathway – not just start. It's a win-win for our students and educators as well as our economy." The legislation would authorize tiered evidence-based grants to support initiatives that increase access to higher education for high-need students, increase degree attainment, and improve efficiency in higher ed systems. Institutions would partner with intermediary organizations – a non-profit, school district, SEA, or consortium of groups – to qualify for early-phase grants, mid-phase grants, and expansion grants awarded to accomplish these goals. The bill would also encourage institutions to make all forms of post-secondary instructional content widely available, expected to result in significant cost-savings for students and increased efficiency to higher ed institutions. The measure would allow the U.S. secretary of education to approve up to five Pay-for-Success (PFS) pilot initiatives each fiscal year, which would allow grant recipients to partner with outside organizations to achieve the goals of federally funded higher education grant programs. In order to receive federal grant dollars, grant recipients must show concrete achievement of

measurable outcomes. Finally, the bill provides additional evaluation authority by having the director of the Institute of Education Sciences, on a biennial basis, develop an evaluation plan for these innovation initiatives . . . Sen. Young took to the Senate floor Wednesday to tell colleagues that “Since Republicans passed the Tax Cuts and Jobs Act, 3.2 million new jobs have been created. Our 3.8 percent unemployment rate is near a 50-year low. The unemployment rate for women in particular matches the lowest rate since 1953. And jobless claims have recently dropped to the lowest level since 1969. Additionally, manufacturing job creation was the highest in 2018 that it has been in over twenty years. As the most manufacturing intensive state in the nation, this is particularly good news for people in my home state of Indiana” . . . Sen. Young joins U.S. Sen. Thom Tillis (R-NC) to introduce the “Protect Act” with the cosponsorship of 16 other Republican senators. This legislation would amend the Health Insurance Portability and Accountability Act (HIPAA) to protect Americans with pre-existing conditions. “When it comes to healthcare, Hoosiers want freedom, choice, and flexibility. We also want to protect people with pre-existing conditions,” said Sen. Young, who explains this legislation “will help ensure patients with pre-existing conditions aren’t denied coverage.” The Protect Act would guarantee the availability of health insurance coverage in the individual or group market, regardless of pre-existing conditions; prohibit discrimination against patients based on health status – including prohibiting increased premiums for patients due to pre-existing conditions; and prohibit insurance companies from excluding coverage of treatments for a beneficiary’s pre-existing condition . . . Sen. Young characterizes the U.S. Department of Homeland Security management changes as “turnover” and not a purge to Major Garrett of CBS News, saying DHS has been “absolutely strained over the last several years” due to the “crisis” at the southern border . . . Sen. Young introduces S. 1020, a measure to expand access to workplace retirement plans by giving small employers more flexibility when setting up 401K plans for their employees. The Young bill would also make it easier for savers to auto enroll into long-term savings plans and more quickly escalate their savings. “In order to improve retirement security, we must start by reforming and improving access to retirement plans,” said Sen. Young. “This legislation will help ensure families have the necessary tools to save for the days ahead.” His bill is part of a bipartisan package of bills introduced by U.S. Sens. Cory Booker (D-NJ), Tom Cotton (R-AR), and Doug Jones (D-AL) to help boost retirement security for individuals and families. Last Congress, the trio of senators Young, Booker and Cotton introduced a suite of similar legislation . . . Sen. Young and three fellow members of the Senate Committee on Foreign Relations, U.S. Sens. Ed Markey (D-MA), Marco Rubio (R-FL), and Tim Kaine (D-VA), introduce legislation to ensure that Congress has the legislative authority to review all materials related to so-called “Part 810 authorizations,” and is aware when the U.S. government authorizes persons or companies to transfer certain nuclear technologies and services to governments overseas. Part 810 agreements authorize the transfer of nuclear technologies and information related to the production of “special nuclear materials” as defined in Title I of the Atomic Energy Act. Some authorizations, which are approved by the Secretary of Energy, may be non-public and can thus be withheld from Congressional oversight. “The transfer of nuclear technology overseas poses a major threat to our security as a nation and demands rigorous Congressional oversight,” said Sen. Young. “This bipartisan legislation would ensure that the transfer of

nuclear technology or expertise to foreign countries, like Saudi Arabia, cannot move forward without Congressional review. Nuclear technology is too sensitive and the risks are too great to allow for these agreements to move forward in the dark.” Specifically, the legislation would amend the Atomic Energy Act of 1954 to require the secretary of energy, with the concurrence of the secretary of state, submit a quarterly report to Congress summarizing any 810 authorizations reviewed and approved or rejected during the previous quarter (and the U.S. Department of Energy must also submit all 810 applications submitted to the Department for review). The Department must also retroactively turn over all 810 authorizations and applications dating back to 2015 when it most recently revised its 810 application review process. Congress would also be authorized to request that any 810 application-pending or approved-by turned over to Congress within 10 days.

● U.S. Sen. Mike Braun (R) joined *Bloomberg Markets: Balance of Power* with David Westin earlier this month to discuss the status of his plan to lower prescription drug costs through transparency and the state of the battle over health care in Washington, and then took time to speak with Abigail Robertson live on CBN News to discuss the Republican path to repealing and replacing the Affordable Care Act, as well as how to bring the healthcare industry onboard through price transparency to, as he described it, avoid government-run insurance for all . . . Sen. Braun tells the *Wall Street Journal* of the Federal Reserve Board confirmation challenge facing pizza magnate Herman Cain, “Everything I’ve seen so far looks like it’s got an uphill climb” . . . as he marks his 100th day in the Senate, Sen. Braun tells Tim George and Ed Breen on WBAT 1400-AM’s *Good Morning Grant County* show in Marion that “it’s a little more dysfunctional and kind of gummed-up than what I thought.” As for draining the swamp, “that’s going to be a long-term endeavor, labeling “the swamp” as “so built-in . . .” He says “something needs to change” to eliminate “nearly trillion-dollar deficits” and move important legislation. As for health care, he explains, “Conservatives and Republicans, I think, have been apologists for the health care industry . . . we lack credibility.” He says he has long wanted industry to “embrace competition transparency, fix yourself” before the other side wants to make the federal government your only business partner.” Pre-existing coverage, no lifetime cap, and keeping children on plans are key pillars of Obamacare that he insists need to remain in a new GOP plan. “We’ll have egg on our face again in 2020” if Republicans fail to offer a “credible alternative” health care program to “Medicare for All.” He wants to challenge health care industries that conservatives have traditionally “given cover to” . . . Americans for Prosperity-Indiana launched a new campaign advocating solutions for improving America’s infrastructure without imposing new burdens on consumers through a 25¢ per gallon federal gas tax hike, which it contends would impose an undue economic burden on Hoosiers. AFP-IN is also launching digital ads encouraging Sen. Braun, who sits on the Senate Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure, to oppose any efforts to increase the gas tax and instead prioritize key reforms that will improve our nation’s infrastructure, including preserving federal infrastructure dollars for targeted construction projects of a national priority; unleashing private investment in infrastructure assets; returning power and responsibility to the states wherever possible; overhauling the regulatory and permitting system to improve outcomes and efficiency; and eliminating costly and unfair labor restrictions.

- After POLITICO raised a series of questions about questionable communications subcontracts approved by Centers for Medicaid Services Administrator Seema Verma – including one subcontract with Marcus Barlow, “whom Verma worked with in Indiana and considered hiring as a top communications official in 2017 before he was blocked by the White House” – the Department of Health and Human Services “is suspending contracts with several GOP-connected communications firms, according to four people with knowledge of the situation, days after a POLITICO report revealed the existence of the contracts. One of the contractors who was hired to boost Centers for Medicare and Medicaid Services Administrator Seema Verma’s profile with the media has also abruptly cut ties with the agency, two people with knowledge of the situation” told POLITICO.

- Former IRS commissioner Mark Everson, who later served a stint as Indiana’s commissioner of workforce development during the Daniels Administration, appeared live on CNN Wednesday to discuss whether the President should be required to turn over his tax returns to congressional investigators. “I would,” he said is how he would have responded to the request if he were president (he ran a quixotic campaign of his own for the job in 2016). “I do believe they are entitled to that information.” While Everson didn’t like the approach the congressional committee took, he suggested that the special counsel had probably already obtained the returns in question, calling such a review “pretty standard for criminal proceedings.” The former downtown Indianapolis resident also noted of his four-year service at the helm of the IRS that the Bush 43 White House “never got anywhere near” him to discuss any matter under his purview, much less being approached on anything like that by the chief of staff.

- U.S. Sen. Mike Braun (R) and U.S. Rep. Jim Banks (R) introduce companion versions of the “Pell Flexibility Act of 2019,” seeking to reduce student debt and address the widening skills gap by reforming the Pell Grant program to allow for grants to be used by students in skills-based programs. “As a business owner who has hired hundreds in my career, I know first-hand there is a workforce skills gap,” Sen. Braun observes, explaining, “This legislation will address that crisis, improve job placement and reduce student debt by prioritizing skills-based programs.” Sen. Braun tells Tim George and Ed Breen on WBAT 1400-AM’s *Good Morning Grant County* show in Marion we ship about as many college grads out of Indiana as stay here. He says government needs to promote career and technical education and “not to further promote more four-year degrees that most employers don’t need we’re producing plenty of them.” Rep. Banks, a member of the House Committee on Education and Labor, adds “There are currently 100,000 jobs in Indiana that are unfilled due to a worker shortage in technical and skilled fields. We need to do more to equip students with the knowledge and training they need to find a job after graduation, and that begins with restructuring federal grant money to prioritize highly demanded skills. Pell Grant flexibility is a common-sense step in the right direction, and is a top priority of our Governor,” he notes. Under the pilot program that would be created by the Pell Flexibility Act, Title IV-eligible institutions with programs between 320-600 hours in length would apply to the U.S. Department of Education to participate in the program, with a limit of eight programs at each institution eligible to

participate. Institutions must demonstrate that their program(s) addresses the skills gap by using evaluations from the Bureau of Labor and Statistics Office of Employment Projections; local and regional workforce needs assessments created under recent updates to Title V of the Carl D. Perkins Career and Technical Education Act; Workforce Investment Boards; or other state agencies. The program would be monitored and evaluated by federal education officials, and a report issued to relevant congressional committees using both qualitative and quantitative evidence including how these programs meet workforce needs, retention rates, job placement rates in relevant fields, and other pertinent information.

- U.S. Rep. André Carson (D) co-authors the “National Origin-Based Anti-discrimination for Non-immigrants (NO BAN) Act,” a House bill paired with companion legislation in the Senate, to repeal the President’s executive order blocking travel from majority Muslim countries and prevent another such a travel ban from happening again. The measure would repeal the three versions of the President’s travel ban; strengthen the Immigration and Nationality Act to prohibit discrimination on the basis of religion; and restore the separation of powers by limiting overly broad executive authority to issue future travel bans. The legislation is supported by more than 90 members of Congress. “I’m honored to play a leading role in the effort to introduce and pass the No Ban Act,” says Rep. Carson. “As the President’s shameful Muslim ban heads into its third year, the toll it has taken on families, refugees and America’s reputation abroad continues to grow. As a Muslim who is deeply committed to my faith, and an American who believes passionately in the ideals of equality – I cannot simply stand by and let this disgraceful policy continue. That’s why I will work tirelessly to pass our bill and end this shameful chapter in America’s history.”

- U.S. Rep. Jackie Walorski (R) saw the House on Tuesday pass the “Building on Reemployment Improvements to Deliver Good Employment (BRIDGE) for Workers Act,” her bipartisan legislation to create more opportunities for working families to get ahead by giving states more flexibility in administering existing unemployment benefits. The bill passed 393 - 24.



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● U.S. Rep. Susan Brooks (R) is part of a bipartisan quartet re-introducing the “Keeping Girls in School Act” to support the educational empowerment of girls globally. She joins U.S. Reps. Lois Frankel (D-FL), Brian Fitzpatrick (R-PA), and Nita Lowey (D-NY) in advocating the measure that directs attention to the systemic barriers preventing girls from accessing secondary education, such as child marriage, religious or ethnic discrimination, female genital mutilation, and poor safety traveling to schools. A bipartisan companion bill is being introduced in the Senate. “When girls stay in school their communities are healthier, safer, and more prosperous. In order to cultivate a thriving future for our world, girls’ education and development must be a top priority,” says Rep. Brooks. “When we stand up for women and girls, we help empower them to raise their voices, grasp opportunities and reach new heights. I am proud the Keeping Girls in School Act works to support the economic and educational empowerment of girls around the world while breaking down the barriers that keep girls out of the classroom.” The Keeping Girls in School Act focuses on closing the gender gap for adolescent girls and keeping them in school at the secondary level, a time when girls are most at risk of dropping out of school due to forced marriage, pregnancy, and other family pressures. Specifically, the measure would: (1) Outline and highlights a non-exhaustive list of 14 barriers that girls face in entering and remaining in secondary education institutions; (2) Authorize a budget neutral funding mechanism where USAID is directed to enter into results-based financing and/or traditional grant project proposals to reduce these barriers adolescent girls face (the proposals would use public-private partnerships, development impact bonds, and other innovative financing mechanisms to leverage real results with measurable outcomes); and (3) Require the U.S. Global Strategy to Empower Adolescent Girls be reviewed and updated every five years.

● U.S. Rep. Larry Bucshon (R) voted against passage Wednesday of the “Save the Internet Act,” legislation that passed on a largely party-line vote of 232-190. His office contends that H.R. 1644 “would reimpose heavy-handed regulation to control the internet.” Rep. Bucshon, who has cosponsored a trio of alternative bills, explains what has transpired to this point, and the implications of the measure he opposed: “In 2015, under the Obama Administration, the Federal Communications Commission (FCC) abandoned the light-touch regulatory approach to internet governance that both parties had previously pursued for almost two decades. Instead of working toward 21st century solutions to moderate 21st century high tech companies, they opted for an antiquated regulatory scheme designed for the monopoly telephone carriers of the 1930s. This caused investment in internet services to fall by 5.6%, or \$3.6 billion.” Rep. Bucshon continues, “It is absolutely critical in a world and economy that is increasingly dependent on broadband internet access that we close the digital divide— especially for those who live in rural America. That is why in 2017, under Chairman Ajit Pai’s leadership, the FCC adopted a rule restoring the light-touch approach to internet regulation, clearing the way for further innovation and investment that ensures a vibrant and competitive marketplace exists. House Democrats are now trying to reverse the ruling of Chairman Pai’s approach and to bring back the same heavy-handed, antiquated regulations that caused the growth of the internet to slow down in the first place – all in the name of protecting consumers. However, you don’t need to impose the heavy hand of Washington to protect consumers. The best way

to protect consumers is through a robust and innovative marketplace that gives consumers ample choice, and ... I support several commonsense measures to put in place consumer protections that will guarantee we continue to have free and open internet. The internet is not in need of saving, and contrary to its name, the Save the Internet Act would not rescue the internet. Instead, it would hand over control of the internet to Washington bureaucrats and only further exacerbate the digital divide.”

● U.S. Rep. Jim Banks (R) is not pleased with the use of taxpayer funds to purchase components of Chinese telecommunications company, Huawei Technologies Co. Ltd. by participants in the rural broadband program. Rural communities rely on connectivity from smaller telecommunications companies, some of which, he points out, use components from Huawei. The cheaper equipment gives them an advantage in the rural broadband market. Unfortunately, he points out, the use of Huawei components poses what he considers to be a significant national security threat given the Chinese government’s control of the company. The threats of espionage and cyber warfare via Huawei components is made even greater, his office points out, given the proximity of many of the rural broadband towers to military installations. Says Rep. Banks, “Over 31% of rural Americans don’t have access to broadband. While we build out rural connectivity, it cannot be done at the expense of national security. No more taxpayer funds should be used to purchase Huawei components. That’s why I requested the House Appropriations Subcommittee on Agriculture to take a whole-of-government approach to ensure our national security is not compromised in the pursuit of rural broadband connectivity” ... Rep. Banks reacts to reports that IUPUI will close the Confucius Institute on its campus and that the Massachusetts Institute of Technology (MIT) will be severing its ties with Huawei and ZTE. Confucius Institutes are operated by China’s Education Ministry and are a part of the “United Front” – which he says is the Communist Party’s foreign influence operation. With 90 branches on college campuses across America, he says Confucius Institutes exert influence through Chinese language classes and cultural programming. Rep. Banks applauds the moves by the two universities to curb the growth of malicious Chinese government influence on their campuses. For too long, U.S. universities have turned a blind eye to the snakes in the grass, like Huawei and ZTE, and the propaganda messaging through Confucius Institutes. The Chinese Communist Party in Beijing knows that U.S. universities are home to important research, some of which involves sensitive national security information funded by U.S. federal departments. By using businesses and cultural exchanges as fronts, the Chinese government infiltrates these institutions and steal our nation’s intellectual property and secrets. Thanks to the necessary steps by IUPUI and MIT, more schools are waking up to this reality, and I suspect many more will follow their lead” ... Rep. Banks cosponsors the “Protect Medical Innovation Act of 2019,” legislation to repeal the excise tax on medical devices. He says, “Since I first entered Congress, I have been fighting for the permanent repeal of the disastrous medical device tax that has cost 29,000 jobs and made health care more expensive. As the representative of the ‘Orthopedic Capital of the World,’ it is important that we give clarity to medical device makers so ... they can invest in lifesaving innovations. I am proud to support this bipartisan effort to fully eliminate this counterproductive tax once and for all.”

IN State Circles . . .

- The Office of Medicaid Policy and Planning (OMPP) proposes to continue the 3.0% reduction that is currently set to expire on June 30, 2019, for both inpatient and outpatient (excluding ambulatory surgical center reimbursement) hospital services under the Medicaid state plan and state regulations. There will be no public hearing. The 3.0% reduction is anticipated to remain in effect until the end of the next biennium, June 30, 2021. OMPP justifies the change as needed to remain within the available Medicaid appropriation.

- OMPP estimates that the fiscal impact of continuing the 3.0% inpatient rate reduction will be annual savings of state and federal expenditures to the tune of \$1.2 million for federal Fiscal Year 2019 (federal share of \$800,000 and state share of \$400,000) and \$4.7 million for FFY 2020 (federal share of \$3.1 million and state share of \$1.6 million), versus state and federal expenditures without the three percent reduction.

- OMPP estimates that the fiscal impact of continuing the 3.0% outpatient rate reduction will be annual savings of state and federal expenditures of approximately \$600,000 for federal Fiscal Year 2019 (federal share of \$400,000 and state share of \$200,000) and \$2.3 million for FFY 2020 (federal share of \$1.8 million and state share of \$500,000), versus state and federal expenditures without the three percent reduction.

- On April 17, the State Budget Committee will learn just how much money solons should have to play with in the next biennium, as the revenue collection forecast will be released amidst a period marked by seemingly contradictory economic variables and business and consumer confidence levels.

- With some fiscal leaders reviewing general economic data in the last month or so and seeing no definitive trends, trying to decipher conflicting income and employment data, uncertain about the short- or long-term impact of the Tax Cut and Jobs Act on the economy, and hearing different things from constituents about how the economy is affecting them and their businesses and where they expect it to go, we're picking up a sentiment among those responsible for shaping the budget that the mid-month numbers could perhaps prove a shade too optimistic.

- Even so, much of the State House scuttlebutt – some of it fostered by the leaders themselves – suggests anticipated revenue for the biennium to be lower than projected in December – off by perhaps a full percent. That may not sound like much, but you might recall that December numbers suggested we would see \$16.5 billion in the first year and \$16.9 billion in the second year. One percent is about \$165 million to \$170 million annually, meaning about \$340 million less for the biennium than expected.

- Given that the Governor's budget request – granted by the House – sought another \$286 million annually for the Department of Child Services (but viewed more skeptically in the Senate due to declining caseloads), such a shortfall would put a big crimp in the ability of negotiators to fund significant education increases, much less find cash for other priorities. Ratcheting down an already depressed forecast will make the final week of the session an exercise in cost-cutting and priority-shifting. On Thursday, Senate Committee on Appropriations Chair Ryan Mishler (R) speculated that "at best" the April forecast will stay the same as December "if not a slight decrease."

- The Senate budget amendment as unveiled Thursday would end the biennium with \$2.2 billion in reserves – 12.6% in FY 2020 and 12.5% in FY 2021 (and \$300 million more than the House version). K-12 education represents 50% of General Fund appropriations (a percentage point or so below what appropriators had earlier targeted), while Medicaid accounts for 15%, up by a percentage point from the current biennium, and the Department of Child Services consumes five percent, also a percentage point increase over the prior biennium. K-12 education receives a \$775 million total increase over the biennium, while K-12 tuition support would increase by 4.9% over the biennium (2.7% in FY 2020 and 2.2% in FY 2021, each higher than both the Governor and House Republicans have proposed). The Senate directs \$150 million to prepay teacher pension contributions on behalf of school districts, as requested by the Governor, but allocates the money from the Pension Stabilization Fund and requires school board to hold a public meeting to disclose how they will spend the savings. Teacher Appreciation Grants would be increased by \$30 million (50%) over the previous budget to a total of \$90 million over the biennium. The House had spent an additional \$15 million per year to double charter school grants; the Senate chose instead to put that \$15 million per year into the Teacher Appreciation Grant. The Senate also eliminated the middle tier for voucher funding that the House had added. The Senate would maintain the FY 2019 ratio of K-12 complexity to foundation spending per student. Sen. Eric Bassler (R) noted that "for every \$1 we put into the foundation, we put 66¢ into complexity." Complexity funding would be \$680 million in year one and \$694 million in year two. The Senate also found \$5 million per year for a pool of projects requested by the Indiana Department of Education. Higher education operating dollars grow by \$69.5 million over the biennium, and the increase in student demand for financial aid is fully met. The Next Level Connections program, DCS budget request, and Medicaid forecast (at \$5 billion over the biennium) are also all fully funded, according to Sen. Mishler, but there's a caveat with the DCS money, which he had earlier hinted at trimming back from the \$286 million annual gubernatorial request. DCS would see \$243 million in General Fund dollars allocated in FY 2020 and \$223 million in FY 2021, but Sen. Mishler opens the door to an additional \$105 million available for gubernatorial use if needed courtesy of a special transportation flexibility fund devised under the 2017 transportation funding bill. Money for local jails to house Level 6 felons would increase by \$6 million per year. There is no subsidy for Amtrak's Hoosier State Line Indianapolis to Chicago rail service, funding also absent in the Gov's budget request, and the House budget plan.

- The budget amendment was agreed to by consent, but the overall budget was approved by a 9-4 party line vote in committee. The Indiana Democratic Party chided Sen. Mishler's bifurcated DCS budget plan, noting that "improving numbers are enough proof for GOP appropriators to cut funding, but when caseload levels were high enough to violate state law, significant funding increases were off the table."

- Lots of frosh House lawmakers are finding themselves in significant conference committee roles this session . . .

- There remains a dearth of discussion Back Home about Medicaid work requirements being phased into HIP (effective July 1), even after a federal court ruling seems to have placed the legality of the policy in doubt (at least in Arkansas and Kentucky).

● Drawing on findings in its recent study, *Truth and Integrity in State Government: Preventing the Next Fiscal Crisis*, the Volcker Alliance released report cards outlining each state budget's strengths and weaknesses and comparing each state to others in the same region. The report cards, covering fiscal years 2016 through 2018, are a product of a comprehensive, multi-year study in which the Alliance "meticulously" evaluated and graded the budgetary practices of all states. Grades awarded given to each state range from "A" to "D-". They are based on five areas of best practices the Volcker Alliance has defined to be necessary for transparent and sustainable budgeting: budget forecasting, budget maneuvers, legacy costs, reserve funds, and transparency.

□ Indiana assembled "A" averages in budget maneuvers and reserve funds for fiscal years 2016 through 2018. The A grade in budget maneuvers "resulted from ceasing the use of debt in 2018 to fund recurring expenditures, a strategy it employed the year before. The A for reserve funds reflected Indiana's policies for withdrawals and replenishments of cash as well as consideration of revenue volatility. The state's transparency grade rose to a B in 2018 from C in 2017, thanks to significant improvements in the disclosure of tax expenditure information." The Alliance cites a pair of 2015 laws that require consistent and detailed reporting on tax expenditures from the state budget office and the Legislative Services Agency. "Although the initial set of required reports was published in late 2016, the first year the reports could be used in budget preparation was fiscal 2018." We received a three-year average grade of "B" in legacy costs because even though pensions were funded at the level recommended by actuaries, the state set aside only 65% of the assets needed to meet obligations to retired workers as of 2017 (vs. 78.5% in Ohio). "Indiana came close to meeting its actuarially recommended funding level for other postemployment benefits. With retiree health care benefits that are significantly more modest than those in many other states, Indiana does not face fiscally draining long-term costs in this area."

□ Only four states – California, Idaho, Tennessee, and Utah – received as many as three average "A" grades among the five categories, while Indiana earned a pair – with only one other "A" to be found among our four neighbors. Note that Indiana effectively outperforms all of our neighboring states, with only Michigan coming close to Indiana's level in budget strengths.

Volcker Alliance Three-Year Average Grades, 2016-18

	Budget		Legacy	Reserve	
	Forecasting	Maneuvers	Costs	Funds	Transparency
Indiana	C	A	B	A	C
Illinois	D	D	D-	D	B
Kentucky	B	C	C	C	B
Michigan	B	B	C	A	B
Ohio	D	B	C	C	B
U.S. Avg.	C	B	C	B	B

● Even as lawmakers opt against increasing the tobacco tax to help fund cessation programs and other health-related needs (snuffing out a Democratic House amendment Wednesday), last week the Indiana Health Coverage Programs (IHCP) enhanced its coverage of tobacco cessation drug treatment (also known as tobacco dependence treatment) through the pharmacy benefit not only effective immediately, but also retroactively for service on or after March 1, 2019.

□ IHCP will now allow preferred agents, including Pfizer Inc.'s Chantix, to be used as first-line therapy; allow the use of Chantix concurrently with other nicotine replacement therapy; and remove the previously established requirement to obtain prior authorization if the user exceeds 180 days of tobacco cessation therapy.

□ The Senate on Thursday did pass an amendment imposing a 20% tax on the price of vaping liquids (the House had proposed a tax per ounce of the e-liquids), which seems to place the proposed tax on par with the comparable amount of tobacco . . . and the differences will likely be worked out in conference, given the difficulty in getting to the end result in the Senate amendment Thursday.

● The Environmental Rules Board will host an August 14 public hearing on amendments to rules concerning waste tire management, and new rules for the legitimate use of waste tires.

□ This rulemaking proposes amendments to state waste tire management requirements and includes many of the amendments originally proposed but withdrawn back in March 2016. Those proposed regulations were pulled because a portion of the proposed amendments pertained to legitimate use of waste tires in lieu of disposal and required additional statutory authority to be considered for adoption. That was resolved by enactment of Public Law 97-2016, which granted authority to the Environmental Rules Board to adopt rules for the legitimate use of waste tires. The main purposes of this rulemaking are to incorporate statutory changes enacted in public laws 37-2012 and 97-2016; add requirements for the legitimate use of waste tires; revise requirements to be consistent with current conditions in the waste tire management industry in Indiana; update the financial assurance requirements; amend outdated or repetitive requirements; improve accountability and safety for waste tire management; and clarify and improve the rule language.

□ The Indiana Department of Environmental Management does not anticipate a significant fiscal impact from the rule amendments. IDEM staff notes the proposed amendments do not require additional fees for waste tire processing operations, storage sites, or transporters. The rule amendments are also not intended to increase normal operating costs for registered facilities that operate in compliance with the current requirements. IDEM also points out that affected entities may have reduced administrative and compliance costs with the options for alternative waste tire management requirements; alternative contingency plans for mobile waste tire processing operations; allowance for an owner or operator of both a waste tire processing operation and a mobile waste tire processing operation to operate under the same registration; and the proposed legitimate use requirements that allow legitimate use of waste tires rather than disposal.

● The justices of the Supreme Court of the United States slated their next conference for Friday, April 12, and one of the two big Indiana cases we have been telling you about for a what seems like an eternity now will be on the conference agenda yet again as the justices determine whether to add to their docket . . . but the non-abortion case we've been watching continues to remain on hold.

□ Through nine conferences, the high Court has already postponed a decision on whether to review the State of Indiana's October petition for a *writ of certiorari* in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. This is the challenge to provisions of HEA 1337-2016 that would (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ If the Supremes are waiting for the complete filings in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the ultrasound informed consent case to combine the matters . . . you should know that American Civil Liberties Union of Indiana attorneys for PPINK filed their response to the State's petition on April 5, and there was little new information in there, with the service providers reiterating their trial court argument and suggesting that there was no substantive circuit split. The State of Indiana appeal, also from the U.S. Court of Appeals for the Seventh Circuit, asks the Supreme Court to determine whether a state, consistent with the 14th Amendment, may require an ultrasound as part of informed consent at least eighteen hours before an abortion. Perhaps the Supreme Court is even holding out for a PPINK appeal of the just-decided Seventh Circuit ruling in the fetal tissue research case arising from the same law to complete the Hoosier trilogy.

□ We had thought that another Indiana case would have been relisted – for an 11th time now – on March 15 after having been rescheduled twice as well, but it apparently was not on that agenda, nor was it relisted for March 29 or April 12. *Newton v. Indiana*, No. 17-1511, involves the 1995 decision of a juvenile offender who, in exchange for the State's agreement to no longer seek the death penalty, pleaded guilty to a sentence of life without the possibility of parole for a murder he committed at age 17 with two older co-defendants. *Newton* seems to have lingered on the conference agenda more times than any other case up for consideration before being placed on hold as the Supremes consider a case with a related issue.

● The House kills the proposed two-year moratorium on regulatory approval for new power plants and sources sought by the coal industry – opposed by utilities and consumer groups.

● In *Owner-Operator Independent Drivers Ass'n, et al., v. Holcomb, et al.*, No. 1:2019cv00086, the Indiana Toll Road rate hike discrimination litigation pending before the U.S. District Court for the Southern District of Indiana, both parties have completed their respective filings, and the Toll Road manager, ITR Concession Company LLC, seeks oral argument.

□ Speaking of toll roads . . . Northwest Indiana Democrats, led by Rep. Earl Harris, Jr. (D), pushed last week for casino revenue subsidies to help cushion the blow from tolls on the new Cline Avenue public-private partnership toll bridge now expected to open in January, replacing the Cline Avenue Bridge closed suddenly in Mid-November 2009, despite carrying some 30,000 vehicles daily, including many to the Gary and East Chicago casinos. The Indiana Department of Transportation soon thereafter demolished the Cline Avenue elevated span, diverting traffic – including that from the Arcelor Mittal steel mill – through city streets.

□ Rep. Harris also points out the new bridge's importance going forward to Gary/Chicago International Airport access, as emphasized to him by Gary Mayor Karen Freeman-Wilson (D) . . . who has been pushing for a new transmodal port at Buffington Harbor that would hook up to the underused airport asset.

● Somebody must be particularly enamored with the fancy new IndyGo passenger platforms popping up faster than the Spring daffodils on North Meridian Street in downtown Indianapolis, because the Indianapolis Public Transportation Corporation (IndyGo) is seeking bids for the improvement of various bus stop locations, including construction of new shelter and bench pads, sidewalks, and curb ramps.

IN the Economy

● General Fund collections for March of \$1.149 billion topped the estimate based on the December 2019 revised revenue forecast by \$41.8 million (3.8%) and surpassed March 2018 tax collections by a hefty \$112.0 million (10.8%), fueled by strong individual income and corporate taxes. Fiscal year-to-date General Fund collections have outpaced the December forecast by \$6.6 million (0.1%) and are running ahead of the same point in the prior fiscal year by \$396.7 million (3.8%). The March numbers are about \$14 million north of the budget plan, keeping the state approximately 0.5 percent above the fiscal year target.

□ Sales taxes generated \$591.9 million for the General Fund in March, which is \$12.5 million (- 2.1%) below the monthly estimate (marking a fifth consecutive month in which expectations fell short of reality) but \$18.7 million (3.3%) above prior-year levels – perhaps due in part to online sales tax collections. State budget officials acknowledge that while it is early to identify the specific impact of the state enforcement of the recent changes in the taxation of remote sales on the fiscal year-to-date tax collections, revenues from remote sellers are included in the year-to-date numbers. Sales tax collections for July - March are \$100,000 above the forecast and \$212.0 million (3.7%) above the same nine-month point in the prior fiscal year.

□ Individual income taxes chipped in \$392.9 million, which is \$10.7 million (2.8%) above the monthly estimate and \$40.1 million (11.4%) above March 2018 levels. For the first three quarters of the fiscal year, the category is running \$67.8 million (- 1.7%) below forecast, and \$99.3 million (- 2.5%) below the same period in the prior fiscal year. Competing theories attribute this to the Tax Cuts and Jobs Act and a general economic malaise that includes a lack of real income growth.

□ Corporate taxes generated \$54.4 million during March, which is \$26.3 million (93.7%) above the monthly estimate and up on a year-over-year basis by \$15.1 million (38.3%). With only one-third of Fiscal Year 2019 remaining, the category is running \$40.8 million (10.9%) above the December 2018 revised revenue forecast, and \$203.7 million (96.8%) above collections through the same period in the prior fiscal year.

□ Riverboat and racino wagering taxes accounted for a \$47.5 million boost during March for the state's General Fund, but this silo still underperformed the three-month-old forecast by \$2.0 million (- 4.0%). March is the initial month in FY 2019 in which both the riverboat and racino taxes missed the mark. Combined tax revenue from the two categories improved compared to March 2018 by \$10.0 million (27%). Through the first nine months of Fiscal Year 2019, General Fund revenue from the riverboat and racino wagering taxes has generated \$278.5 million, topping the forecasted amount by \$5.8 million (2.0%) and exceeding the July - March accumulation in FY 2018 by \$41.8 million (18%).

● After statewide totals for building permits issued in February increased each year from 2015 - 2018 (from 636 to 1,012), February 2019 saw only 920 single-family permits pulled. While February numbers are up by eight percent from January, when 854 permits were pulled, the number of permits pulled in February 2019 are down by nine percent from February 2018 after topping 1,000 for the first time in any February this decade. Indiana builders cite "affordability issues" as a key reason behind the decline.

□ According to the National Association of Home Builders, excessive regulations, a scarcity of buildable lots, persistent labor shortages, and tariffs on lumber and other key building materials are all factors in the ability for builders to create housing at affordable and competitive price points.

● A new analysis of energy jobs data from Clean Energy Trust (CET) and the national, business group E2 (Environmental Entrepreneurs) find that the number of "clean energy" industry jobs in Indiana grew by 3,885 jobs in 2018 to 86,900 such jobs. Hoosier clean energy jobs grew 4.70% in 2018, faster than the regional and national average. Overall, according to the study, Indiana now employs 69,613 more workers in clean energy than in fossil fuels (17,287). Led by an 18% growth in advanced transportation, Indiana's clean energy jobs now comprise 2.6% of all jobs in Indiana with employers expecting a 1.1% growth in such jobs during 2019. Across all industries, clean energy jobs grew 4.7% in 2018, with the bulk (six in 10, or 55,090) of clean energy workers involved in energy efficiency. Advanced Transportation came in second (17,104), followed by Renewable Energy Generation (10,764).

□ Three counties lead Indiana in clean energy jobs: Marion County (15,949), Elkhart County (6,099), and Lake County (5,364). There are 35,174 jobs in Indianapolis and Chicago metro areas combined while 16,343 jobs are found in Indiana's rural areas.

● Ohio settles on a gas tax hike of 10.5¢ per gallon of gasoline and 19¢ per gallon of diesel, down from the 18¢ per gallon sought by the Buckeye State's new Republican governor. Ohio's gas tax had been 28¢ per gallon since 2005 and will jump to 38.5¢ per gallon of gas and 47¢ per gallon on July 1. The new rate is expected to raise \$865 million a year in additional revenue to be split 55/45 between state and local governments for roads and the state's public transit systems.

□ Michigan lawmakers continue to debate the stiff 45¢ per gallon increase sought by the Wolverine State's new Democratic governor. Michigan's gasoline tax is currently 26.3¢ per gallon.

□ Indiana, of course, increased the motor fuel tax by 10¢ per gallon (from 18¢ per gallon) starting July 1, 2017, with an escalator indexing the tax to inflation for the seven years, capped at a 1¢ per gallon annual hike.

□ Americans for Prosperity-Indiana highlights the financial burden on Indiana consumers that would result from a federal 25¢ per gallon gas tax hike, finding that Hoosier households would see a new tax burden of \$301.75 per year with a such federal gas tax increase. Indiana's combined state and federal taxes and fees per gallon would rise to more than 86¢, the sixth-highest rate in the country.

● The U.S. Army Contracting Command places an order from South Bend's AM General for 648 M997A3 High Mobility Multipurpose Wheeled Vehicle (HMMWV) Ambulances, valued at \$185 million . . . Raytheon Company of Indianapolis is awarded a \$70,475,000 ceiling, indefinite-delivery/indefinite-quantity Air Force Life Cycle Management Center contract for F-16 engineering services. This contract provides for engineering services, organic depot stand-up support, interim contract support, and production support of the F-16 Center Display Unit. Work will be performed in Indianapolis, and is expected to be complete by February 28, 2025. This award is the result of a sole-source acquisition . . . Raytheon Intelligence, Information and Services of Indianapolis is awarded a \$47,378,485 Naval Air Systems Command contract to procure 99 LAU-115 and 100 LAU-116 guided missile launchers for the Navy as well as 62 LAU-115 and 68 LAU-116 guided missile launchers for the government of Kuwait to enable F/A-18 aircraft to carry and launch AIM-120 and AIM-9X missiles. Work will be performed in Indianapolis, and is expected to be completed in July 2022. This contract was not competitively procured.

● Accutech Systems, a software company providing wealth management solutions, plans to expand its Muncie operations investing more than \$5.5 million to purchase and redevelop a 40,000 square-foot facility that was formerly a Sears retail store in downtown Muncie, and convert it into a new headquarters facility, planning to add at least 100 new local employees by 2023. The Indiana Economic Development Corporation offers Accutech Systems up to \$600,000 in performance-based tax credits. The City of Muncie is considering additional incentives . . . Greenleaf Foods, SPC, a plant-based food company that is a subsidiary of Canada-based Maple Leaf Foods Inc. plans to invest \$310 million to construct a manufacturing facility in Shelby County, which is expected to be North America's largest plant-based protein facility. Greenleaf, which makes vegetarian burgers, hot dogs, and other products, expects to create up to 460 new jobs by late 2020 at what is planned as a 230,000 square-foot facility on 57 acres at I-74 and S.R. 44 in Shelbyville (city and county officials purchased a key piece of real estate late last year, placing the land under one ownership group). IEDC offers Greenleaf Foods, SPC up to \$5 million in performance-based tax credits, and up to \$1 million in training grants. IEDC also offers up to \$1.25 million to the community from the Industrial Development Grant Fund to support infrastructure improvements at the new site. The City of Shelbyville and Shelby County approved a total of \$2.5 million in additional incentives. Duke Energy also approved additional incentives to offset a portion of the energy costs . . . Denver-based industrial hemp processor PHM Brands LLC plans to invest more than \$6 million to open a Michigan City facility for production of cannabidiol (CBD), expecting to create more 30 new jobs averaging \$20 per hour in its first phase, ramping up to more than 50 jobs over the next five years. PMH Brands received an industrial hemp research license in February 2018, and chose Michigan City after a site search that included surrounding states and communities . . .

Walmart plans to invest \$96 million yet this year in Indiana to remodel 19 of its stores and deploy new technology locally . . . a few months ago we told you about local zoning approval in Carmel for a new five-story, 120,000 square-foot headquarters building for medical practice billing and management software provider Zotec Inc. Now we can flesh out the details of the deal, which includes an investment of almost \$47 million in the building and a parking facility to accommodate its local workforce and hiring of another 250 to 300 Hoosier employees by the end of 2022. IEDC will offer Zotec up to \$4.15 million in performance-based tax credits, and up to \$200,000 in training grants. IEDC also offers up to \$500,000 to Carmel from the Industrial Development Grant Fund to support infrastructure improvements at the new site next to U.S. 31. The City of Carmel is considering additional incentives . . . Indiana Michigan Power (I&M) plans an approximate \$84 million investment to upgrade the electric transmission network serving customers in Delaware County . . . after a low six-figure investment, Bona Vita Architecture opens a new downtown headquarters this week in Fort Wayne, disclosing it may “potentially” add about 15 new jobs in the next 10 years . . . the Royal Group’s Touchpoint LLC, a manufacturer of boxes and retail displays, plans to invest almost \$3 million to renovate and re-equip its Seymour facility, expecting to retain more than 65 jobs and add five more with the help of a pair of 10-year property tax abatements from the Seymour City Council . . . BCforward, a global information technology consulting and staffing firm, plans today to expand its operations in Carmel by investing more than \$1 million over three years to establish a Digital Innovation Academy within its headquarters to serve both employees and customers. As part of its growth, the company plans to create up to 300 new jobs by 2021. IEDC offers BCforward, a certified MBE, up to \$2.6 million in performance-based tax credits . . . Decatur Plastics Products, a manufacturer of custom injection-molded plastic parts and components, plans to invest \$11.4 million over the next five years to expand its operations in Jennings County, adding 100,000 square feet to its campus over two phases of development, and expecting to create up to 70 new jobs by 2021. IEDC offers Decatur Plastics Products up to \$475,000 in performance-based tax credits. The City of North Vernon approved additional incentives.

IN Transition

- **Nick Goodwin** leaves his post as chief strategy officer with the Department of Workforce Development to move to Washington, D.C. Goodwin has also served as deputy legislative director and policy director in the Pence Governor’s Office, handled legislative affairs among other duties during a stint of more than four years in the Professional Licensing Agency, and also spent time in 2010 working for former U.S. Sen. Dan Coats (R).

- **Adam Norman** moves up within the Department of Child Services to serve as deputy director of the Child Support Bureau, where he will be charged with ensuring that DCS meets all federal and state requirements related to child support services. Norman, who has worked as a deputy prosecutor in Bartholomew and Tippecanoe counties, had served five years with the Child Support Bureau, took a two-year hiatus to work in the private sector, then returned last year to the assistant deputy director position.

- **Jason Taylor** leaves his post as technical services director for the Indiana Department of Transportation’s Greenfield District to return to the City of Fishers as engineering director.

- Taylor served as assistant director of engineering for the city before joining INDOT’s Central Indiana outpost, and returns to Fishers as the \$124 million S.R. 37 corridor improvement project in Fishers and Noblesville heads toward construction.

- Hoosier farmer and agribiz leader **Kip Tom** is confirmed by the Senate as U.S. ambassador to the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development, and the World Food Program.

IN the Lobby

- Hall, Render, Killian, Heath & Lyman, P.C. files a federal lobby termination for its representation of Aramark Healthcare Technologies, LLC.

- Hobart Hallaway & Quayle Ventures, LLC files a federal lobby registration to lobby Congress on behalf of the Olathe-Kansas-based technology company Garmin International, Inc., on the issues of “Data privacy; FDA regulation of medical devices; GPS and spectrum; tax policy; immigration and workforce; aviation” . . . Hobart Hallaway also files a federal lobby registration on behalf of Microsoft Corporation (yes, *that* Redmond, Washington-based Microsoft), to lobby Congress on “Spectrum; Privacy; FY20 Appropriations; Technology policy; Cybersecurity; FY20 National Defense Authorization; High-skilled immigration reforms.”

IN Court

- **Holly A. Brady** of Fort Wayne was confirmed by a 56-42 vote in the Senate Wednesday to serve as judge of the U.S. District Court for the Northern District of Indiana.

- She is a partner in Fort Wayne’s Haller & Colvin, PC, where she focuses on civil, employment, and labor litigation. Prior to joining the firm in 2007, she was a partner at Theisen, Bowers, & Brady, LLC, and an associate at Barnes & Thornburg LLP, and Gallucci, Hopkins & Theisen, PC. She earned her B.A. from Indiana University-Bloomington and her J.D. from the Valparaiso University School of Law.

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[Howey 4-23-19.pdf](#)

Pillar 1- Diversify our economy

CBS4- [Indianapolis officials anticipate \\$35 million payoff from NRA convention](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [NIPSCO Awards Grants for Environmental Projects](#)

WTHR- [INDOT repaving project to close downtown interstates each weekend through August](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Study: Clean Energy Jobs Rise, But Growth May Slow](#)

WIBC- [Indiana Among Top States For Clean Energy Growth Last Year](#)

NWI Times- [Lake County has highest jobless rate in Indiana](#)

IN Public Media- [Elkhart RV Company Trains Middle Schoolers For Workforce](#)

Journal Gazette- [Drop in local joblessness](#)

2019 Legislative Session

Indy Star- [Indiana short-term firearm carry permits would be free under bill en route to Holcomb's desk](#)

WIBC- [Gun Rights Bill Gives Lawsuit Immunity for Self-Defense, Abolishes Short-Term Gun License Fees](#)

Indy Star- [What Noblesville teacher Jason Seaman says about Indiana's active shooter training bill](#)

WISHTV- [Indiana lawmakers still debating state-paid teacher handgun training](#)

Journal Gazette- [Justified force measure going to governor](#)

Indy Star- [Spectacle Entertainment casino wins big tax credit in revised Indiana gaming bill](#)

Indy Star- [Hoosiers could soon bet on the Colts, Pacers from their phones under Indiana bill](#)

NWI Times- [Reduced fee for Gary casino move in final version of gaming legislation taking shape at Statehouse](#)

Fox59- [Deal would allow Indiana sports betting by mobile devices](#)

IN Public Media- [Major Gambling Bill Nears Its Final Form](#)

WIBC- [Gambling Bill "99% Done"](#)

Indy Star- [Indiana Pacers, Indy Eleven stadium deals expected to clear final statehouse hurdle Tuesday](#)

Indy Star- [Coal company scrambles to keep Indiana plants open](#)

NWI Times- [Mrvan still getting things done in Senate, despite being away from Statehouse](#)

Tribune- [Bills would expand rural broadband, drug treatment](#)

WFYI- [Indiana Moves To Expand Medicaid Coverage For Doulas](#)

Sincerely,

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INDIANA GAMING INSIGHT

Gaming bill moving to final form

What to expect after Ways and Means, and House floor debate

SB 552 has finally made it through the regular season and into the playoffs, where the players who understand the game, how it needs to be played, and how to please the fans going forward will be those who will direct the outcome. Throw out the regular-season records and performances, because – in spite of those pesky rules – we’re in conference committee deliberations now, and the shape and even content of the bill is being dictated as you read this, given the practical deadline of no later than April 23 (or maybe 24).

Your conference lineup: Senate Majority Floor Leader Mark Messmer (R) of Jasper and Senate Democratic Leader Tim Lanane (D) of Anderson, and Reps. Todd Huston (R) of Fishers and Terri Austin (D) of Anderson. Advisors are:

House		Senate	
<u>Republicans</u>	<u>Democrats</u>	<u>Republicans</u>	<u>Democrats</u>
Matt Lehman (R)	Ed DeLaney (D)	Jon Ford (R)	Eddie Melton (D)
Ben Smaltz (R)	Earl Harris, Jr. (D)	Jean Leising (R)	
Steve Bartels (R)	Ryan Hatfield (D)	Ryan Mishler (R)	
Beau Baird (R)	Carolyn Jackson (D)		
	Tonya Pfaff (D)		
	Greg Porter (D)		
	Cherrish Pryor (D)		
	Mara Candelaria Reardon (D)		
	Justin Moed (D)		

Long-time observers have a tough time recalling any conference committee that was home to quite so many advisors (literally covering all the bases, and all the pros and cons).

So what can you expect from conferees –who comprise 14% of the General Assembly and will meet for the first time at 10:00 a.m. Monday, April 22 in State House Room 233? Let’s run through the likely results.

Casinos

Gary License. The conferees will likely allow the inland move off the footprint within Gary in return for a fee that will not be as steep as the \$100 million imposed in the House Committee on Public Policy, and could even be trimmed by half from the final \$50 million sought by the House. But the lower fee would likely be contingent upon some type of investment minimum, and Spectacle Entertainment, LLC has already committed to a steep Gary inland investment. If Spectacle were to be the sole bidder for a Terre Haute license, the investment requirement could have been exacted there, but that option appears to be off the table.

Look for some way to lower the fee in return for additional or guaranteed investment by Spectacle that would boost the value of its new inland project to both it and government units . . . and there could also be some negotiation over the surrender of the second license that could further be reflected in tax law changes. As Terre Haute’s Sen. Ford explains on WFYI-TV’s statewide public broadcasting television and radio show *Indiana Lawmakers* that first aired April 12, “I would rather see that money be put into the product, put into the facilities.” Terre Haute’s mayor called the \$100 million fee “exorbitant,” particularly on top of another fee for a Terre Haute license.

For more, please see the following page . . .

Big jackpot fuels big sales run

Powerball jackpot, IN sales second-highest

The Hoosier Lottery reported the second highest monthly sales total in its history in March 2019 based on preliminary and unaudited financial results. A \$768.4 Powerball Jackpot – the second-highest Powerball jackpot in history and the third-highest multistate game jackpot ever available – was finally hit on March 27, offering retailers close to one full month of a hot ticket run.

March Hoosier Lottery sales totaled \$131.8 million, bolstered by scratch-off sales of \$92.3 million, exceeding \$90 million in monthly sales for only the second time ever – trailing only March 2017, when scratch-off sales hit \$95.2 million. The Kentucky Lottery’s \$70 million in scratch-off sales was a record there.

The all-time monthly sales record for all Hoosier Lottery products remains January 2016 when revenues totaled \$132.5 million due, in part, to the \$1.6 billion Powerball jackpot run.

Similarly stellar sales have been seen in jurisdictions across the country, as the Kentucky Lottery enjoyed the best sales month in its history in March (\$116.1 million, topping the five-month-old previous record), the Virginia Lottery posted its third-best sales month ever, and Tennessee Lottery sales during the first quarter were its third-highest since inception.



On an installment of WFIU 103.7-FM's *Ask the Mayor* weekly radio program in Bloomington earlier this month, Mayor Duke Bennett (R) told host Joe Hren that the fees "could be [a dealbreaker], because they just purchased those two licenses, did not know anything about these fees, and you add that on top of their initial investment plus what they're going to have to do to build the new casinos, they're talking about spending \$450 million to build two new casinos. It's a significant amount of money."

Conferees will also be called upon to determine a number of gaming positions for a new inland, off-footprint Gary casino, and there will be strong sentiment from East Chicago and Hammond interests to limit that number to something less than the 2,764 "gambling games" – slot machines and table games – that would seemingly be allowed going forward . . . although many seem to be missing out on the nuance here; the combined Gary boats enjoy that cap currently, based on positions in use as of January 1, 2007 under HEA 1540-2015, but they only deployed some 1,680 and 63 table games total headed into April, and we're unaware of any property that's close to busting a cap. Indeed, some other casinos are at less than 50% capacity.

The initial rationale for moving the Gary casinos, the transmodal compact contained in SB 66, has been off the table in actuality since it failed to gain a House committee hearing, but is eligible to emerge again in conference, although it is perhaps more likely to reappear in some limited form in the budget bill than linked again to gaming and inserted in SB 552.

Terre Haute License. The House bill should form the framework for the Terre Haute licensing process, but there remains concern over "expansion" by adding a new license for Terre Haute, and there will be tweaking of the bidding process. After the hearing before the House Committee on Ways and Means on April 11, Rep. Huston told reporters, "As I've said before, that term 'expansion' is used in a lot of different ways. But we are going to allow the operation of a casino in Terre Haute It's really in the eye of the beholder. And I respect both opinions on it."

Terre Haute's Sen. Ford will be a strong conference advocate for both creating a separate license for his community and retaining some type of competitive process for that new Terre Haute license. On WFYI's *Indiana Lawmakers* show, Sen. Ford explained that competition is something desired locally, and he believes that "competition breeds a better product." He told Alex Modesitt of the *Terre Haute Tribune-Star* after the Ways and Means hearing, "This is going to be a very fair process. It lets the community get involved and lets the free market decide."

While most view expansion worries as a mainstream media artifice or a relic of the past (and past leaders who were expansion-shy are being outgunned and outnumbered by a new generation), some lawmakers continue to be preoccupied about it, and Spectacle may be able to play upon some of those concerns with their license transfer request, although the relinquishing and "extinguishment" of that second Gary license may help to assuage some of those lingering fears.

The auction language offers lots of room for interpretation, and there seemed to be differing visions of what this would mean in practice during House discussions.

Terre Haute's Sen. Ford spoke to this on *Indiana Lawmakers*, "There'll be competition. I think maybe the language saying there will be two or three bidders may need to change just because the market is different. There's not as many casinos out there that could actually bid on it," he noted, pointing out that the ownership caps need to be removed to allow for more TH bidders.

While the local panel established to review applications is labeled as advisory, the original licensing process statewide saw locally approved applicants emerge (although arguably in Gary, Trump Casino was not favored, but there were two licenses), and the bidding language may be altered to ensure that the local approval process plays a bigger role in actual decision making.

Bear in mind as well that virtually every casino project changed considerably from granting of the certificate of suitability to Day One of gaming, often dictated by realistic site constraints and by changes in local preferences. The bidding process may see some allowance for non-economic factors, such as the ability to tie a casino into the community fabric, or its national network.

There will also likely be a cap placed upon the number of positions that may be offered at the new casino. While the market will effectively and eventually dictate the "right-sized" numbers, equity (and Orange County!) would suggest that the new property be subjected to a cap similar to that imposed upon other properties, perhaps in the 1,250- to 1,500-position range.

But as Rep. Terri Austin (D) of Anderson, the most senior member of the House Committee on Public Policy, observed of the Eastern Illinois/Western Indiana market on *Indiana Lawmakers*, "If we don't put something there, someone else will."

Undue Economic Concentration. There seemed to be some confusion through the process among rank-and-file members as to whether limits sought or consideration afforded to "undue economic concentration" referred to (1) the ability of a single owner to control too much of the Terre Haute market; (2) whether one owner would have too much statewide influence in future potential corporate ownership changes; or (3) both.

Expect conferees to look at undue economic concentration from both perspectives, and avoid getting too specific about numbers in the final language. They will likely give some qualitative direction to the Indiana Gaming Commission on how to approach this, but it's still more of a "you'll know it when you see it" thing than one dictated by formula . . . and it may be that corporate culture and casino location dictate whether one owner with 25% of the market has (or seeks to exert) more influence locally, regionally, and statewide politically than another with a 50% or greater state market share (where is Justice Potter Stewart when you need him?!).

Since Terre Haute is in a more discrete market than the "northern tier" or "southern tier" or "Central Indiana," there is less concern about this aspect, particularly given that it is unlikely that the Cook Group will unwind its Springs Valley model to seek to extend its reach into (or protect its northwestern flank from) the Wabash Valley.

However, if reports about Caesars Entertainment Corporation exploring potential acquisition by Eldorado Resorts, Inc., parent company of Tropicana Evansville come to fruition, one company could not only hold five of Indiana's (current) 13 licenses, and prospectively also look to bid on a sixth, in Vigo County. Since Evansville has been seeking subsidies from a Terre Haute casino, one would presume that this would be within the same market, and concentration questions on both a statewide and regional basis could arise.

Hold Harmless and Subsidy Provisions. As a public policy decision, hold harmless dollars and cross-subsidies have never been a politically palatable solution for lawmakers, but have largely existed because of the century of special goodwill that Hoosiers have had for French Lick and West Baden and desire to help the Hoosier horse industry.

A series of individual decisions made over the past 15 years or so have added up to a fabric of sorts that has proven difficult for lawmakers to tear away from – and now has led to what some are seizing upon as precedent for additional protections in the form of “hold-harmless” provisions. Dollars that would have eased the pain for Evansville, East Chicago, French Lick, and Hammond were largely stripped from SB 552 in the House Committee on Public Policy (a West Baden historic hotel fund tithe was reinserted on the House floor on Second Reading).

While individual lawmakers understandably work to protect their respective individual communities (and others seem to conform to Groupthink mentality on the floor with such amendments, particularly those affecting the Springs Valley), legislative leaders (including the Speaker of the House, chair of the House Committee on Public Policy and the chair and co-chair of the Committee on Ways and Means) look at the bigger picture, are not preoccupied with balkanized interests, and are more free market-oriented.

Since conference committee deliberations on this bill are more likely to be guided from the top down – and voted on as a package, up or down, with no ability to amend individual sections – expect virtually all the special subsidies to stay out of the bill.

Terre Haute Sen. Ford, a conferee, specifically told Indiana Public Media's Barbara Brosher, a reporter for WTIU-TV and WFIU 103.7-FM news in Bloomington, after the Ways and Means hearing, “At the end of the day I don't think a Terre Haute casino affects Evansville in the way that some might think.”

That didn't convince Sen. Vaneta Becker (R) of Evansville, who voted for casino gaming in 1993 as a House member, and has worked to protect the Vanderburgh County casino ever since,

including via a Senate amendment to SB 552 that created a subsidy for both Tropicana Evansville and the City of Evansville. She told WIKY 104.1-FM in Evansville Wednesday that she will not support the final product without the subsidy language, but that it will probably pass regardless.

One that may stay: a minimal (and capped) annual payment to the hotel fund along the lines of the Davison amendment, and while we expect the Harrah's Hoosier Park Racing & Casino subsidy for Orange County to disappear at the end of 2019, the Indiana Grand Racing & Casino subsidy might last a bit longer, perhaps through the end of calendar year 2021 (or, more likely, the end of Fiscal Year 2020).

Taxes and Free Play. There seemed to be consensus that the House Committee on Ways and Means found the sweet spot on casino tax rates, how to tax and distribute the new revenue

that would flow to (and from) the racinos as they get live dealers at table games and become full-fledged casinos, and the timing of everything.

Allowing new table game revenue to become part of racino AGR, changing the Senate 20% tax rate to the House provisions that gave breaks at the lower (first \$25 million) and higher rates made sense and offered as much equity as possible to those concerned.

Do not expect lawmakers to get involved in trying to figure out specifics of sorting through the 12% distribution to horsemen; they don't want to get into the weeds (hay?) and would probably prefer to leave it up to the horsemen to figure out how that money is best distributed to help them (and the two Indiana tracks) compete against new/increased purse money at the Ohio tracks from their huge racino takes, and Churchill Downs from their Derby City Gaming historical horse racing machines. The long run of Indiana purses being a cut above is over, and the pumped up AGR from table games will help horsemen address this.

Increasing the promotional play allowance is welcomed by all the casinos, and continues to attract no scrutiny whatsoever from lawmakers (who haven't even inquired into the internal casino market for buying and selling or transferring these tax credits).

The delay in most of the tax changes –including the free play deduction increase – seems to be well-enough balanced against the tax expenditures for the state in the next year, and well-enough explained by fiscal leaders that the extended time frame for these changes to kick in is accepted as reasonable by the industry and should stay intact from the House version.

Meeting Notice. This is one provision to which you need not devote any of your time, because it was simply a bipartisan statement made without any intention of becoming law.



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A House Second Reading amendment was attached that would require “All meetings between the governor’s office or a representative of the governor’s office” and a permit holder, operating agent, licensed owner, or prospective Terre Haute license owner “must be a public meeting” subject to Indiana Open Door Act provisions with full notice. The same conditions would apply to the Indiana Gaming Commission.

Do not expect the language of this amendment to survive conference committee deliberations (in fact, this will probably be the first provision excised). This was strictly a vote for show designed to blow off some steam, and for Republicans to gently and obliquely express their disapproval of the Governor’s actions – which appeared to have been perfectly legal.

The measure itself is also effectively unworkable. The language applies to licensees and operators, and not necessarily to individuals; there are no penalties specified for noncompliance or violations; while it applies to applicants for a Terre Haute license, there are technically no such applicants yet because there is no license available; there are no provisions for chance meetings; there is nothing specifically stated about any right to public access (or not) for publicly “noticed” meetings; there is no reconciliation of these provisions with the ability to close economic development meetings; and more. As to the Gaming Commission, this would also seem to be redundant, because the then-brand new Gaming Commission in 1993 passed a resolution barring *ex parte* contact by a license applicant to anyone with an ownership interest in such an applicant with any member of the Commission . . . and any meeting of the Commission itself must be publicly noticed and open (unless it was an executive session pursuant to items specifically elaborated in state law).

The point’s been made, and there seems to be no underlying rationale for this section remaining in any final law.

Racinos

Live Dealers at Table Games. We all know live dealers are coming (even under current law) to racino table games, but the question is when and how. The current law allows the Gaming Commission to allow live table games upon application in early 2021. The House Committee on Public Policy made it automatic and not discretionary, and other changes ensured it would happen in January 2021.

The only opponents to moving up the date (and delaying some big-bucks economic development in Anderson and Shelbyville hinted by the owner of the tracks and local lawmakers) are those who claim their casinos are impacted by the racinos today. Lawmakers have become much more free market-oriented in recent years, and the thought of foregoing considerable investments for minimal advantage to some other properties went out the window in 2007 when the General Assembly approved “slots at the track” and \$500 million in property tax relief dollars and \$200 million in direct investment even after weighing a direct threat issued in public testimony to both House and Senate committees (which turned into action) by Belterra Casino Resort to pull the plug on a planned \$35 million third hotel tower for which soil testing was already underway.

Watch for the conference committee to maintain the automatic approval of live dealers from the House bill, and to move the date up to January 2020.

Sports Wagering

General Provisions. Hard to believe, but sports wagering has been the forgotten component of the overall omnibus bill, even though it was a pre-session highlight, and contained in a standalone bill. Sports betting simply has attracted little public, and only minimal legislative attention . . . and what has been heard has been largely neutral to positive.

Sports wagering will pass conference, and the only difficult questions involve registration fees and the tax rate, mobile wagering, and use of official data for in-play wagers. We’re assuming – and this may be too big a stretch – that wagering on esports remains out of the final package.

And while the details may be devilish, bear in mind that any sports wagering is not expected to begin until at least September due to the time required by the Indiana Department of Revenue to develop and implement a tax reporting and collection system . . . as well as for the Indiana Gaming Commission to devise appropriate regulations and investigate and license “sports wagering service providers.”

There may be sentiment in conference to simply postpone some of the more complicated or controversial aspects of the genre, and forego in-play wagering for now, allowing more time for industry practice to shake out, and for the Commission to work with the industry and the leagues and sanctioning bodies with an eye toward 2020 implementation of wagering more complicated than wins and losses and point spreads (and there are only two IndyCar races in September, one on September 1).

Mobile Wagering. The most visible aspect of the sports wagering measure was not acceptable to the leaders of the House Committee on Public Policy, who pulled it from the bill.

There seemed to be some sentiment among members of that panel to re-insert it, but it was not amended back in either that panel, upon recommitment to Ways and Means, or on Second Reading on the House floor. This was probably strategic. Backers didn’t want to waken the anti-gamers and those who viewed this as a significant expansion (in addition to the significant expansion created by the establishment of a “14th license” for Terre Haute, and not the fiction of a move of an “unused license” from Patoka Lake or “unused capacity” from Ohio County).

When this issue is addressed in conference, expect the negotiators to drop the facade and add mobile gaming back.

Rep. Huston told reporters after the House Committee on Ways and Means hearing, “I am fine with mobile gaming. That has not been an issue with me.” Meanwhile, Terre Haute Sen. Ford has been widely pushing for mobile wagering, citing the activity in other states as well as the attachment to smart phones and mobile devices among the younger generation.

Ironically, at least a nominal opponent of mobile wagering is Terre Haute Mayor Bennett (who arguably has bigger fish to fry in conference, and will have no influence on this issue). He said on an *Ask the Mayor* segment earlier this month, “I like the fact they didn’t allow everybody to use their cell phones for sports betting, I think that was too big of a jump into it.”

Taxes and Fees. While no one seemed to publicly complain about the proposed 9.5% tax rate operators would pay on adjusted gross receipts, this rate may be a shade on the high side, and could be adjusted down . . . particularly if mobile gaming is authorized. The mobile gaming component could be subjected to a slightly higher tax rate, allowing the in-person rate to come down. A bifurcated tax rate could end up between 7.5% and 8.5% for brick-and-mortar sports betting, and between 9.0% and 10.5% for mobile wagering, while still allowing enough of an incentive to move Hoosier betting Back Home from offshore operators.

The proposed five-figure application/registration fee didn't seem to draw much beyond a shrug, nor did the six-figure fee (a typo, we were told) that made it to the House Committee on Ways and Means. The registration fee could be bumped up a tad in the low five-figures.

Problem Gambling Fund. The lack of an appropriation for problem gambling was lamented by many until a 3.3% rate on sports wagers was imposed by Ways and Means, with the continuing appropriation universally lauded. "We felt it was important, since we were creating a new form of legalized gaming, sports gaming, that we recognize that that might mean more people who may need addiction-based services," Rep. Huston told David Williams of WISH-TV in Indianapolis after the Ways and Means Committee hearing.

That appropriation stays, and it will be hard to trim, even in conference.

Official Data for In-Play Wagers. Even after locally based IndyCar got involved (on top of the Indianapolis-based National Collegiate Athletic Association and the Indianapolis Colts and Indiana Pacers), there seemed to be no real public talk about requiring the use of official league or sanctioning body data – at least of in-play wagers or prop bets.

Even though there doesn't seem to be any public fervor or regulatory enthusiasm for use of official data – and the operators are certainly not fans, we see this as a jump ball of sorts headed into conference where lawmakers still seem to be uncertain about what is involved in practice (and it could simply be dumped into the lap of the Indiana Gaming Commission to handle through regulations).

If the leagues and sanctioning bodies do get their way, there will undoubtedly be some reins on their ability to charge operators for their services. On the Senate side, lawmakers expressed concern about the effective monopoly power they would have with their data (although some of that discussion was in requiring official data to be used in determining *all* wagers), and wanted some economic protections for the operators.

This could simply boil down to whether casino lobbyists do a better job in battle than league and sanctioning body lobbyists, while anti-gamers simply root for injuries.

So that's our assessment of how things look headed into conference. Now we'll bring you up to date on how we got there since we were last with you, with our usual obsessively detailed coverage of events in the House Committee on Ways and Means, and Second and Third Reading on the House floor.

The Bottom Line

When you analyze the Third Reading votes in both the Senate and House, it's hard to see how almost any package that emerges from conference – assuming, as we expect, that there will be a final conference report – does not become law.

The Senate vote was 38-11, while the House approved SB 552 on a 78-15 vote. Neither vote was partisan, and only a handful of nay votes came from lawmakers who were anti-gaming and are unlikely to support any gaming "expansion" measure. Much of the opposition came from lawmakers whose districts stood to lose from either an inland, off-footprint Gary move, a new casino in Terre Haute, or bumping up the date for live dealers at racino table games.

Break that down and if the Gary and Terre Haute moves are considered inevitable, there may be enough sweeteners left in the form of lower tax rates for hometown casinos to justify aye votes by some of those who cast symbolic votes against the package in progress on Third Reading. With live dealers due to be implemented fairly soon even absent 552 changes, those who may be opposed for that reason can also find a rationale for supporting the bill thanks to the tax law changes. The absence of hold-harmless provisions would not prove fatal and likely would not affect literally more than a handful of votes in either chamber, even in isolation.

While authorization of mobile wagering may cause anti-gamers to dig in deeper, it is not likely, on its own, to change more than five votes total in both chambers, if that many.

There could be some institutional concerns about both the Governor and Speaker of the House flying a bit too close to the sun with the one operator that stands to benefit the most from the package, and that could derail things in the end game. Watch to see if disease morphs into pushback over Easter Weekend.

The only other danger to 552 would come if the casino/racino sections are separated from the sports wagering, and even then, there doesn't seem to be a sense that one is carrying the other. While some believed at the outset of the session that this "kitchen sink" omnibus bill would sink of its own weight, as it has worked through the process it has been effectively managed and amended, and now almost seems to be too big to fail.

Summing things up on *Indiana Lawmakers* were Terre Haute Sen. Ford and Rep. Earl Harris, Jr. (D) of East Chicago. Said Sen. Ford, "Everyone will feel a little pinch, and we'll have a good deal coming out of this," to which Rep. Harris added, "You don't get everything that you want, and everybody walks away a little happy."

House Committee on Ways & Means Hearing

SB 552 easily cleared the House Committee on Ways and Means on April 9, but not before some serious surgery, the key elements of which were served up in an amendment at the beginning of the meeting by Co-chair Todd Huston (R) of Fishers who began the morning by reminding panel members and others seeking to impact the measure that the hearing on recommitment was intended to be limited "to the issue of taxation." Rep. Huston explained that "We are not changing policy. We are just putting tax and structure around it."



MOVING INDIANA FORWARD!

Senate Bill 552 means new jobs,
investment and tax revenue.



A YES VOTE

*on Senate Bill 552 will create a variety
of opportunities:*

NEW POSSIBILITIES FOR BUFFINGTON HARBOR

Senate Bill 552 calls for Majestic Star and Majestic Star II to vacate Buffington Harbor, making it possible for the harbor and adjacent real estate to realize its true potential as an intermodal hub, port and logistics center.

A MORE VIABLE LOCATION FOR A GARY GAMING FACILITY

Senate Bill 552 permits one of the properties to relocate adjacent to I-80/94. The subsequent **\$300 million** investment would create **400 new jobs** and increase tax revenue by more than **\$78.75 million** annually as compared to that produced by the two existing properties.

A NEW FACILITY AND ECONOMIC BENEFITS FOR TERRE HAUTE

Senate Bill 552 authorizes the relocation of one of the Majestic licenses to Vigo County, which would create **400-500 new jobs**, **\$100 million** in economic investment and approximately **\$24 million** in annual tax revenue, while making Indiana increasingly competitive with Illinois within the gaming industry.

*After 25 years of the status quo, it's time
for Indiana to be bold. To take action. To
win. It's time to turn Senate Bill 552 into a
reality and move Indiana forward.*

Rep. Huston's Amendment #93 was focused on five things: (1) relocation of a casino within Gary; (2) an "opportunity for a Vigo County casino"; (3) sports wagering; (4) additional funding for problem gaming initiatives; and, (5) "some acknowledgment" of tax rates and adjustments for free play tax deductibility. "At the end of the day we want to be competitive with our neighboring states," Rep. Huston said. "We want to see investments in Indiana, not in other states."

The Huston amendment halved the proposed fee for off-footprint relocation of the Gary casino (within Gary) from the \$100 million imposed under the amendment authored by House Committee on Public Policy Chair Ben Smaltz (R) of Auburn in his committee, to \$50 million. The lower relocation fee would be paid to the state General Fund in two equal installments. The first installment would be due upon approval to relocate, and the second installment would be due "one year later."

"We've separated the Terre Haute discussion from the Spectacle discussion," Rep. Huston explained. "If the operator in Gary wants to move, that's their decision based upon the parameters that we provide within the legislation." If a Gary casino chose to relocate, once it "moves into its new location," the owner would be required to surrender one of its two current licenses.

Rep. Huston acknowledges of a Gary license surrender, "that has tax implications, both to the casino and to us" because each of the two current casinos is taxed as a separate entity, allowing the owner to take advantage of lower marginal rates at the bottom end of the revenue chain. With the current graduated caps on Adjusted Gross Revenue, Huston noted that the owner is currently able to shift business between the boats to keep its taxes down. When the licenses are combined, that would add \$10 million to \$10.5 million (\$8.5 million to the State and another \$2 million in local tariffs) annually based upon current AGR levels.

"Ongoing, that's a positive for the State and the local community, but at the expense of the operator," Rep. Huston observed. Taxes at a new inland Gary site would be paid on a single comprehensive - and not bifurcated - amount, and that comes at the "expense of the operator and we're acknowledging that expense." He added, "We felt like we needed to acknowledge that, and that's being acknowledged in the reduction in the proposed fee from \$100 million to \$50 million."

The number of games to be allowed at the relocated inland Gary casino would be capped at the combined total allowed of the two current casino vessels.

Rep. Huston stated clearly that by opening an opportunity to site a casino in Vigo County, his amendment "creates an 11th (sic) casino license." This would be a new license not predicated on what happens in Gary.

There are currently 11 licenses at 10 sites, including the two Gary licenses, one of which would be surrendered if the Gary license owner opts to move off the current footprint within Gary. If the two Majestic Star Casino vessels stay moored at Buffington Harbor, there would be 12 casino licenses in use along with the two racino licenses.

A countywide referendum with the question, "Shall inland casino gambling be permitted in Vigo County?" would be conducted locally, with the option for it to occur in November 2019 or May 2020. The flexibility to hold the referendum next year reflects what we had told you about this being a municipal election year, and no elections taking place in other areas of the county. Rep. Huston said that if the county wanted to spare the additional expense of a sole-issue election in those areas, it could hold the referendum next year as part of the regular primary election.

The amendment creates a Vigo County Inland Advisory Board comprised of Terre Haute's mayor; the president of the Vigo County board of commissioners; an appointee of the Vigo County Capital Improvement Board; a member appointed by the Terre Haute Chamber of Commerce; and one individual selected by the governor. This board would be led by the Indiana Gaming Commission in an effort to offer a competitive bid process for the new license. That license would be up for bids in an "auction process" with a \$25 million minimum bid, and the requirement that a local development agreement (LDA) be part of the process.

Rep. Huston says that in fashioning the new license process, he took current language in state law on how the French Lick operating contract was shaped, and "we took the auction idea out of Pennsylvania."

His rationale on the critical point - a novelty for Indiana: "It's very important to me that the Vigo County - the community of Vigo County - has an opportunity to participate in these discussions; that they have an opportunity to find an operator that meets the community's needs. I didn't want it to be done 'to' them, I think it's important that it be done 'with' them. But at the end of the day, as we've noted in this body before, the state is a partner in the gaming discussion. So what we're doing is letting the local community get down to three operators they would feel comfortable with, and then we will auction off the license to one of those three. I want to be clear on this: I don't presume to know what the license value is. I'd like to see it be done in a competitive marketplace. That's for the benefit of the entire State of Indiana because at the end of the day those dollars will flow into the state General Fund."

Sports wagering would have to wait for a September 1, 2019 start date instead of June 30. Huston said he made that change because the Indiana Department of Revenue "will not be ready by July 1, so we moved it," but "it is possible that that date may change, too." The proposed sports wagering tax rate will be 9.5% on adjusted gross receipts, and there will be funding for addition problem gambling services. Of the tax revenue, 3.3% must be deposited into the Addiction Services Fund. "This is a continual revenue stream" that will be used for gambling addiction issues, rather than a one-time appropriation. "I did not want to appropriate one-time money," he explained.

The Sports Wagering Service Provider license application fee will change from \$100,000 to \$10,000 because that "\$100,000 was a typo that needed to be fixed; we're not giving anything up," Huston assured. A person under 21 would be prohibited from making a sports wager. "As the bill currently stands today," it would only allow on-premise and not mobile sports wagering: "that will be a discussion for another date."

“Very little of this money comes in in this biennium,” but would rather be “a continual revenue stream.” One-time dollars in an unknown amount and timing would come if the Gary operator moves locally off-footprint and/or the Vigo County process comes to fruition. “There would be one-time dollars, but I don’t know that amount,” concedes Rep. Huston.

After being “deep in the numbers in the last few days” with state fiscal analysts, Rep. Huston says that “at best we’re talking about maybe \$12 million to the state in sports betting – that’s beginning September this year or January 1 of next year – so not a huge sum” and then “as the bill sits today,” another six months of additional table game-related “racino dollars, which is maybe \$5 million. So in the most optimistic of scenarios we’re probably talking maybe \$15 to \$20 million in new revenue across this biennium,” says the panel co-chair.

Rates would not be adjusted under the Huston amendment until after the current biennium. He proposes to lower the wagering tax rate on the first \$25 million of adjusted gross receipts for “riverboats” with a total AGR above \$75 million from 15% to 10% beginning in Fiscal Year 2022. He would then lower the tax rate for riverboats on the first \$25 million of AGR, for riverboats with a total AGR below \$75 million from 5.5% to 2.5%, beginning in FY 2022. If the Gary operator chooses to move, he says that silo would likely apply to only one operator at that point (which we presume refers to Rising Star Casino • Resort).

The Huston plan would also eliminate the highest marginal tax rate of \$35 million for racinos beginning in FY 2022.

The amendment would also shift the effective date for the proposed increase in the free play deduction (from \$7 million to \$9 million) from FY 2021 to FY 2022. He explains that this would cost the state an average of \$6 million, and “without a bigger pot of money coming in, I felt it was responsible to push it back outside this biennium.”

Huston said that if we were to take the four things that provide additional revenue to the state into account – the move of the Gary casino, a Vigo County casino, table games for the racinos, and authorize sports betting – “To the state we’re looking at anywhere, in probably a best-case scenario, of anywhere from \$40 million to \$50 million” in new state revenue. After factoring in some \$14 million in tax expenditures for increasing the free play deduction and altering the marginal wagering tax rates – important to keep the industry competitive with the states, he says – the state would be “about \$20 million ‘to the good’ if all these proposals came to the plate.” He is of the opinion that the legislation should not be enacted unless the state is a beneficiary, as a partner with the industry. “Overall, this is a reasonable way to help modernize, maybe, gaming in Indiana and then also drive economic development,” particularly in Gary and Vigo County. “But at the end of the day, all taxpayers of the state need to be the beneficiaries of this.”

Rep. Huston opened the floor for questions. Rep. Peggy Mayfield (R) of Martinsville asked for clarification on the “lowering of the rates” reduction in wagering tax rates from 15% to 10% for everyone is at the \$5 million level – “and then the 2.5% is for the small ones?” Rep. Huston told her, “Currently, with the way the current AGR is, that would be correct.”

Rep. Ed Clere (R) of New Albany asked if his amendment allowing sports bracket tournaments for fraternal organizations as inserted in the House Committee on Public Policy meeting was being removed. He was told by Rep. Huston that this was the case, because “there were some issues and we’ll work through that.” “I hope that we’ll have the opportunity to revisit this,” said a disappointed Rep. Clere, who added that we need to make sure we take care of Hoosier fraternal and veterans organizations.

Rep. Huston said that the amendment also attached in that meeting by Rep. Justin Moed (D) of Indianapolis about local distribution of sports wagering dollars had also been excised.

Huston also made it clear “I’m not doing anything regarding local hold-harmless provisions. At I know the end of the day, I’m not sure what the market’s going to look like before all this takes place.” He said he fully understood and appreciated efforts by colleagues to protect their local communities. However, he continued, “My concern in this is, ‘Tell me what the landscape is going to look like’ as these things take place, and then I’ll have a better idea, we will all have a better idea, and additionally, through this entire discussion, I think we have to understand some of these market shifts probably would have happened anyway.” He believes, however, that by the time the state would see another comprehensive change in the marketplace, we’ll have another budget session. He did not want to address hold-harmless language when “we don’t know the impact who’s going to be where and when,” something that will better known within the next year.

He also added that with the racinos, table game revenues would go into AGR and be part of the purse money and horsemen’s money.

Rep. Greg Porter (D) of Indianapolis, the Ranking Democrat on the panel, asked about the list of the three potential operators to bid on the Terre Haute license. He asked, “How do you decide on those three entities?” Huston said the advisory board led by the Gaming Commission would recommend the three operators with whom they felt “most comfortable” for the auction. He said the Commission needed to lead the process because they will have to vet the operators. He noted that his amendment would also require the Commission to take into account “The impact of any undue economic concentration of the ownership or control of a gaming license” when granting casino licenses.

While Rep. Huston didn’t elaborate as to whether this meant a particular geographic market or statewide, he (and the language) may have been deliberately vague so as to provide commissioners with as much flexibility and discretion as possible. Here is how current ownership shakes out:

Parent	Northern	Southern	Central
Boyd Gaming Corporation	1	1	—
Caesars Entertainment Corp.	1	1	2
Cook Group, Inc.	—	1	—
Eldorado Resorts, Inc.	—	1	—
Full House Resorts, Inc.	—	1	—
Penn National Gaming, Inc.	1	1	—
Spectacle Entertainment, LLC	2	—	—

Would the bidders already be operating in Indiana?, Rep. Porter asked. “Potentially,” replied Huston. Would this be a closed bid or public auction? Huston said it was a sealed envelope bid process in Pennsylvania.

Would there be a best-and-final component? "I want the most transparent process possible," said Huston, who noted that the plans would have to be disclosed before they can go to the auction. The bids must cite the proposed LDA investment, the committee would negotiate on LDAs, and the bidder would detail what the facility would look like, and the "highest bidder wins and they execute upon their promise."

Rep. Sheila Klinker (D) of West Lafayette asked if things other than the "monetary remuneration" aspect – such as use of organized labor and Indiana employees – would be in play at the auction. Rep. Huston told her the financial component would only arise after prospective bidders have turned in their proposals and are chosen as one of the three potential finalists. At the time of the auction, it will be awarded to whomever bids the most for the license.

Rep. Holli Sullivan (R) of Evansville told her colleagues that she had drafted but not offered an amendment about transparency, interposing a third-party facilitator to vet the process. She suggested that this would add another layer, and probably "ensure that the local entities do not have any ownership" in any of the licenses. She also asked Huston what would happen if three bidders did not go to the gate – would the Terre Haute license revert to the State, or perhaps be eligible to shift to another location? Rep. Huston told her that lawmakers would be back in session next year, and address it if necessary, but for now, "it's important that all are invited" to the TH table.

Rep. Ed DeLaney (D) of Indianapolis asked if the bidders would have to detail their building plans and such in proposals. "Absolutely," he was told by Rep. Huston. If they meet the criteria, they will move forward, but will have to submit details. DeLaney continued, and if they pass, they would propose a bid of at least \$25 million, then whomever bids the most over \$25 million wins the license? "That is correct," said Huston. He said that \$25 million was a figure he heard as a good starting point, though "I'm not sure that I know it is the perfect number." I just felt this was the best way to get community involvement without undervaluing the license, he said. Rep. DeLaney labeled this as "a joint venture" with the state "and we're one-half of it."

Huston clarified that at least two bidders must participate. "There has to be more than one bidder." If there is only one, lawmakers will start again next year.

Rep. Bob Cherry (R) of Greenfield asked whether Huston thought the possibility of having a true auction instead of a sealed-bid process would be better. He was told that the option we have chosen here "was very well-received" in Pennsylvania, and "we tried to mirror that." The "auction was something Pennsylvania did" and was considered to be "best practice." Rep. Huston acknowledged, however, that "it would be fun to go see a live auction."

In response to further questioning from Rep. Porter, Rep. Huston said "I struggled with determining the right value" of the license. He went on to say, "The legislature is in a unique position in that nothing can happen without us taking action Frankly put, we provide the ability for someone to receive a gaming license, to move – again, we're kind of knee-deep in all this." He explained, "This is a different scenario, so when we shift the market, when we allow for changes to happen, we have to make sure that those changes are in the best interests of the entire state."

Huston reiterated that a license was the "property of the state," and "If they want to move, that action can only happen with us taking action. And there is a value to that move. At the end of the day, if there wasn't a value to moving, they would stay right where they are." They will make their own decisions, he added.

Rep. DeLaney said he would be interested to see what we have done to the other casinos in a year or two, calling kicking that aspect down the road was "one negative to this proposal." "We all want to protect the industry," he added, but concluded that he was "willing to give up the prophecy for a very rational overall proposal."

Rep. Cherrish Pryor (D) of Indianapolis asked if there was any type of repayment to Spectacle Entertainment, LLC as the owner of the two Gary licenses if it opted to move inland within Gary off the footprint, or if the owner would simply be forced to surrender that second license in Gary. Huston reiterated that they would have to pay \$50 million for such a move, and surrender the second license without recompense. When Rep. Pryor suggested that the Gary operator has "purchased" two licenses initially, Rep. Huston again told her that they would be surrendering one "if they were to choose to move." If they chose not to move, "we would maintain the status quo."

Rep. Huston later emphasized if the Gary operator wanted to move, it would have to surrender a license. A move inland off-footprint and a move to Terre Haute are "not interlinked, they should be viewed separately."

Rep. Pryor asked if something was needed in the bill to ensure that legislators come back and address "what we probably know will happen to those communities," and the hold-harmless provisions. "Do we need something in the bill to ensure that we do that? We tend to forget about things. Do we need a trigger to agree to help out communities harmed?" We need something to hold us accountable, she suggested.

Rep. Huston told her he was sure that solons will have ample amount of time to deal with hold-harmless provisions. "I will be transparent in saying that I will not support those as the sponsor of the bill." He noted he didn't even know where we will be in a year, particularly with the only actual relevant change precipitated by SB 552 being just on-premise sport wagering and its "nominal impact." "I am not that interested in trying to figure out hold-harmless provisions right now," he said, but "if a majority of the body supports them, that's fine."

"There's two things within the 'hold harmless' that I think we have to understand," Rep. Huston asserted. "One, there's the argument about economic shift and the impact to the local government revenue. That is one discussion. And then the other discussion is the impact on the local community as far as jobs. Those are at times, two different discussions. As I noted, sometimes ... there can be a shift and the local government doesn't really see much of a change because they are so high above the AGR threshold."

Huston's Amendment #93 was adopted by consent after an hour of explanation and questioning.

Rep. Sullivan offered Amendment #91, telling colleagues, "this amendment has to do with data."

She cited (and praised) the 2009 Legislative Services Agency study of the gaming landscape and impact of moving licenses, and out-of-state competition (prepared for the Kenley-led interim study committee on gaming), and sought an updated version from LSA and the Gameboys to allow lawmakers to make decisions with a “data-driven approach.” Like Rep. Huston, she preferred to see what the market would look like “before we make adjustments and policy changes.”

Rep. Porter asked Rep. Sullivan when this study would take place. “That’s a great question and something I forgot,” she acknowledged. She explained that her amendment asks for the study to be completed “before anything can happen” with the Gaming Commission on the Vigo County license. “It’s a trigger” that would then allow the process to proceed under the Huston Amendment #93 provisions.

“This study is ‘current landscape of the casino licenses where they are,’ that’s what the 2009 study is, it gives us an updated version of that 2009 study, and then it also does – a portion of the study ... is what is the effect of moving licenses around the State of Indiana, and what is the effect of out-of-state competition on current operators in the state.”

Rep. Sullivan denied an implication from Rep. Porter that this was her strategic plan to expand gaming, and described the study as “just truly a snapshot of where we are with our current tax policy before we change it, and current status of the state with the licenses where they are before we change it, and if it changes, we can do another snapshot and compare where we are where we plan to be in the future and hopefully make those decisions on data versus guesstimates.”

Rep. Earl Harris, Jr. (D) of East Chicago questioned whether the proposed study would have to be completed in advance of a move to Terre Haute, but not before a move to land in Gary. Sullivan told him her intent was to take a data snapshot as things are now, as we see movement, and then do another study and data review, after those changes to compare things in the next session and next biennium for hold harmless discussions. She wants the study to guide lawmakers on the right tax rate, live table games, “those kind of decisions.”

Rep. Pryor again questioned if no casino could be moved – even Gary inland – until the study was complete. “Right,” responded Rep. Sullivan, telling Pryor that drafters can work with Terre Haute to insert a date instead of trigger.

Rep. DeLaney questioned the timing of the report, expressing concern that the process could be delayed and “we might find the report nailed to our foreheads.” Rep. Huston acknowledged this could be the case depending upon how the dates work out, “but I think the operators will take their own numbers and base their own decisions based upon their own dynamics.”

One concern that no one mentioned: the 2009 interim study committee report(s) on the gaming numbers and markets were prepared by Dr. Jim Landers, who recently retired as director of the Legislative Services Agency’s Office of Fiscal and Management Analysis to become the Enarson Fellow in Public Budgeting and Financial Management, teaching graduate and undergraduate budgeting and finance courses at the John Glenn College of Public Affairs at The Ohio State University, where he earned his Ph.D.

Dr. Landers, who joined LSA before all the riverboats were in the water, had a special professional affinity for gaming numbers, even authoring professional conference papers and journal articles about Indiana gaming numbers and casino markets . . . and he and Kenley had developed a close professional relationship with Sen. Kenley based upon their mutual interest in deep dives into the gaming numbers (as well as Landers’ understanding of the Ohio markets and political psyche from his time at OSU and six years of working for the Ohio Legislative Service Commission.

The amendment was adopted by consent with the support of Rep. Huston.

Rep. Harris offered Amendment #78, saying it had twin focuses: (1) hold-harmless dollars for East Chicago and Hammond, and Cline Avenue toll bridge subsidies. He reminded his colleagues that he and Gary Mayor Karen Freeman-Wilson (D) have been upfront through the process about making this a win not just for Gary but to ensure that other communities gain as well. He said that he would “like to see something in place to ensure that ‘hold harmless’ does not fall off the table, and is not forgotten. We need to protect East Chicago and Hammond,” he said and his hold-harmless language would do just that, kicking in only after the first five percent of loss of revenue. The second part of his amendment dealt with the Cline Avenue toll bridge. He added financial help so the toll from the new public-private partnership venture – slated to open in January, 11 years after the old bridge was shut down without notice, condemned, and destroyed – doesn’t affect the local area, and that the Gary and East Chicago casinos are not hurt by tolls.

“This is not unprecedented; we did a Toll Road freeze,” he reminded his fellow lawmakers.

Rep. Huston told Rep. Harris, “You’ve been awesome” in standing up for his communities, which include parts of East Chicago, Gary, Hammond, and Hobart, but suggested it would require a “massive shift” for the City of Hammond to be affected.

The first Harris amendment failed on a vote of 7-12.

Rep. Pryor offered Amendment #67 which covered contractor participation goals, and would aspire to direct 30% of contract values for the new casino this way: 18% for minority business enterprises, eight percent for women business enterprises, three percent for disadvantaged business enterprises, and one percent for veteran business enterprises. While the amendment was adopted by consent, Rep. Huston noted that *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469 (1989) may have an impact on this issue, and those involved need to make sure that the provision in the amendment does not conflict with the Supreme Court ruling.

Rep. Harris was back with Amendment #92 that he said would make it easier for patrons to access the Gary and East Chicago casinos without having to pay an additional cost to drive there. He noted that the 11-year closure of the old Cline Avenue Bridge has caused considerable rerouting and havoc, and toll subsidies have been offered by the legislature before. This amendment, covering tolls for 10 years, would “help people come in and not [impose] a tax on people who want to come in and do gaming.” The amendment failed on a vote of 7-13.

Undeterred by the first two setbacks, Rep. Harris returned with Amendment #81. "This is about people," he said by way of introduction. "We are here to take care of people." He elaborated that he wanted to help ensure that Ameristar Casino East Chicago employees would not be "left out in the cold" in the event of a Gary casino move inland and subsequent ACEC job cuts. He said his proposal would guarantee that people who lose their positions at Ameristar will be able to move to the new casino if it relocates to the interstate, and that current employees of Majestic Star Casino would also be able to transfer to the new location. The proposal would also lock in training. "Let's ensure that our people don't go from employed to unemployed because of because of a decision that we have made," said Harris, whose father and mother had also represented the same House district and casinos before him earlier in the decade.

Rep. Huston told Rep. Harris "it makes me nervous to get involved in private operations or employment. But I know you are fighting hard for your constituents, and I do appreciate that." Rep. Porter said that Rep. Harris was merely trying to address human infrastructure concerns and holding down the local unemployment rate, lamenting that it "falls on deaf ears" that lawmakers were "trying to help communities." He suggested that the deployment of a legislative "velvet hammer from time to time" would be helpful. The body takes "lots of parochial votes" in every session, and shouldn't be afraid to intervene here.

The Harris amendment failed on a 6-13 vote.

Rep. Pryor called down Amendment #86 that she said tried to provide protection for student-athletes who get injured and are no longer able to play. The Pryor amendment would impose a 10% sports wagering tax directed to a fund that a school will be able to tap into if the injured student-athlete does not have health insurance. Schools would be required to allow them to keep their scholarships. "Very few people have talked about these athletes, particularly the student-athletes," she lamented. "Everybody is going to make money off these kids," Rep. Pryor said. "We need to figure out a way to help these students."

Protections for students injured and no longer able to play would be the beneficiaries of a 10% wagering tax directed to a health care insurance fund for students whose parents don't have insurance to cover them. She said she was "just looking out for those students who nobody seems to be talking about." Rep. Pryor contended that "If we cannot do something to take care of our young people, everybody is going to make money off these kids. Nobody has probably come in here to talk about helping our kids. We need to be helping them."

Rep. Huston observed with some understatement that there was certainly "a lot to unpack in this amendment," noting the debate nationally over the benefit package provided by scholarships. He said that he preferred the current provisions for the direction and distribution of the wagering tax.

The Pryor amendment failed on a 6-14 vote.

The final amendment to be offered came from Rep. Porter. His Amendment #72 would appropriate \$3.5 million per year from Indiana Toll Road lease revenues to fund Northwest Indiana Regional Development Authority (RDA) payments by local governments until 2024.

This, he suggested, would address property tax circuit breaker losses in Northwest Indiana, communities such as Gary and Hammond which have been "hammered" by property tax caps.

Rep. Huston reminded panel members that RDA payments from Lake County communities largely come from riverboat revenues now, and the communities have benefited from significant gaming revenues before.

The Porter amendment failed on a 6-13 vote.

Rep. Huston opened the hearing up for public testimony on the bill, requesting that comments be related to the taxation and fiscal impact aspects only.

Matt Bell of the Casino Association of Indiana said that he would pass and instead simply offer his testimony in writing.

Full House Resorts, Inc. Senior Vice President Alex Stolyar led off by asking a "clarifying question" about the Terre Haute bid process and how it would work when two proposals meet the criteria, but offered different investments and different bids above the \$25 million minimum.

Stolyar, whose company is the parent of Rising Star Casino • Resort, emphasized how much money (lots) his company had invested in the property and paid in taxes to the state and community (lots more) while remaining "cash-flow negative."

He ran through the math. "We're a public company, so this is all public information. Not to worry here. Of [\$51 million spent to buy the property], in the eight years we've operated, we've made back \$60.5 million. During that same time, we have paid - we have put - \$17 million back into the property. So even after the - not counting the \$51 million we spent on the investment - we're cash-flow negative there. Now, over the last two years, our free cash flow has been about a negative \$5 million. Over that same two-year period, we have paid \$50 million in gaming taxes to Indiana," but "made no profit." "Nobody has paid a greater share of their profits in Indiana back to the state than we have," he told the panel, reminding members that casinos pay taxes on their revenues, and not their profits.

He noted how Ohio had grown an industry with four land-based casinos and seven racinos since Full House purchased the Rising Sun property. While he conceded that his company pays the least amount of wagering taxes because of its low revenue, the rate is not so much tied to the operator as it is linked to the location, and Rising Star finds itself mired "in a very challenged location." He asked rhetorically if any other operator would switch places with Rising Star even with the lower tax rate, and told lawmakers that he would assume none would take up such an offer.

Stolyar explained that the "distressed casino" provision already exists in Indiana tax law and was created to help casinos in situations like his property faces. He asked for a modification "to allow us to better compete in that location." He added that "Indiana gaming is not a free market, and I ask that we all acknowledge this." If it were a free market, his company would be able to move to a new location if it wanted. Let us find away to make profits and be successful, he implored solons. "Our ask is that, if we are going to stay in Rising Sun, that there is a modification to the wagering tax, or you provide other ways to help us succeed," Stolyar concluded.

Ice Miller LLP's John R. Hammond III testified on behalf of Penn National Gaming, Inc. parent company of Hollywood Casino Lawrenceburg, and Ameristar Casino East Chicago. Hammond told the panel that Ameristar employed 1,100 people in East Chicago, 900 in Lawrenceburg, and paid \$125 million in annual taxes in Indiana. There are 175 to 300 jobs at stake here, Hammond emphasized.

He discussed the Penn National savings thanks to the promotional play credits (just south of \$2 million per facility annually). He noted that SB 552 would allow up to 2,764 positions in Gary, and asked legislators to consider limiting that number to the amount currently in use at the two Majestic Star Casino vessels (1,680 slots + 63 table games at the end of March), instead of allowing about 350 more gaming positions than are available to patrons of the area's largest casino, Horseshoe Casino Hammond (although Rep. Huston engaged him in a colloquy about how many of those authorized Horseshoe positions were operational). The number of positions would also be approximately one-third greater than the limits at Ameristar and Blue Chip Casino.

Rep. Pryor incredulously asked Hammond if he wanted to limit gaming, and was told that Penn National wanted to further limit the number of gaming positions authorized for Gary. While Majestic Star would be surrendering the license, they could still maintain the high number of positions. He also noted that not all those positions are currently even in use. "This is a policy discussion," Hammond contended, noting that their competitive position would change if it moves off the current footprint. This change would create "a very, very large casino operation in a changed position," and the largest in Indiana, he calculates.

Eric Miller of Advance America was next in line to testify, but the leader of the social conservative group was not present.

Gary Mayor Freeman-Wilson spoke briefly, explaining that the City of Gary received proceeds from both Majestic Star Casino I and Majestic Star Casino II, and the change from two licenses to one "may cut our cut in half." While there was an advantage to the move to a new location, "I don't want to gain on one hand and lose on one hand," Mayor Karen said. But she obviously didn't do the math. "Because of the combining of the licenses, mayor, you would actually get more," Rep. Huston told her. "Congratulations. you may be the only winner."

Matt Brooks, executive director of the Indiana Council of Community Mental Health Centers was signed up, but was not in the room when his turn arrived.

Ryan Soultz, Boyd Gaming Corporation's vice president of governmental affairs, spoke about the impact of SB 552 changes on his company's Blue Chip Casino (but said nothing about his company's other Indiana property, Belterra Casino Resort). While Boyd appreciated the \$1.85 million in tax relief Blue Chip would enjoy, "The tax provisions in this bill do not offset the potential revenue impact we're going to see in Michigan City." Citing the 2009 LSA study, Soultz said Blue Chip would suffer a three percent to five percent revenue change if the Gary casino relocates undermining the stability that has made investment possible, including \$10 million now being spent for new meeting facilities as part of an overall \$300 million spent on the footprint.

Soultz explained that the State of Indiana has no control over Blue Chip's nearby competition from the Pokagon Band of Potawatomi Indians in New Buffalo, Michigan and South Bend, which pay a much different "tax" - if any - compared to Blue Chip's tab. He said the BCC had "tried to position ourselves as a regional gaming destination," and since the Native American casino in South Bend opened, management had focused on growing business out of Chicago - and performed better than anticipated. Today, however, thanks to SB 552, Blue Chip was "looking at the potential of having perhaps the state's largest operating casino built in an area that would kind of cut off our traffic." "Location matters," he emphasized to Rep. Porter, who asked specific questions about mileage from different sites on the Borman Expressway, and "we have concerns about that traffic being cut off."

After the testimony was complete, Rep. Huston said that he appreciated and respected that individual members were standing up for their respective districts. "There are a lot of parochial and sovereign interests" at stake here, he observed shortly before the committee vote, saying he understood that some may vote in favor of SB 552 just to move it to the floor. "This is a jump ball," he continued. "Do what you feel like is best for your constituency and the state."

Rep. Sullivan said that SB 552 was in a "better place than when it came over from the Senate," removing some layers and adding some transparencies. She said that she would still have to vote nay due to her district's interests and "not knowing where the landscape is hurts our district."

Rep. Harris said that he was focused on the concept that "a win for one city is not a loss for another city. I think we can make sure that happens." There would be "lots of income for some," and we can take care of people. He would vote "yes to move it to the floor" to keep working on it. He said that his colleagues could still "make this even better" and provide help "for cities we are worried about" and ensure that "people are protected."

Rep. Klinker said that in honor of the Mother of riverboat gaming, her one-time roommate, former Sen. Earline Rogers (D) of Gary, she would be a yes vote.

Rep. Porter echoed what Rep. Huston had said, convinced that "we've done some good things and we've done some entertaining things.... and some bipartisan things." He said he looked forward to "robust conversations coming."

The amended bill passed 17-6.

Second Reading on the House Floor

As time was ticking down for Second Reading of bills in the House on April 11, some were speculating that House Speaker Brian Bosma (R), not a huge fan of gaming - and particularly not any measure that has "EXPANSION" written across it in flashing colored Vegas style lights - was prepared to let SB 552 simply die on the calendar, with any necessary pieces resurrected and inserted into other bills.

The way the Speaker structured the agenda that Thursday kept bumping back 552 for consideration, jostling the order of the (nine) Second and (11) Third Reading bills, until it was the last substantive item on the calendar, and at 6:20 p.m., the House finally addressed the measure.

An hour later, the amended measure was engrossed and moved to the Third Reading calendar for April 15. And through it all, Speaker Bosma was not in his traditional post presiding over the House at the rostrum, having turned the gavel over to Speaker Pro Tem Mike Karickhoff (R) of Kokomo.

Speaker Bosma was not presiding because his Indianapolis law firm, Kroger, Gardis & Regas, LLP, was retained last June by the Vigo County Capital Improvement Board and last November by the Vigo County Board of Commissioners, and he felt it appropriate (as he explained in a March letter to the House Committee on Ethics that seemed not to have been released until last week, and was first reported by Niki Kelly of the *Fort Wayne Journal Gazette* after she found it curious why Speaker Bosma was not presiding) to not participate in related gaming matters. While the *Terre Haute Tribune-Star* reported the new pact contemporaneously last year, what was not known locally was that “The contract was arranged by Terre Haute businessman Greg Gibson, one of two principal investors in Spectacle Entertainment,” as reported by Kaitlin Lange of the *Indianapolis Star* on Thursday. Gibson is a CIB member.

While there were 30 amendments prepared for consideration, only a handful were actually called down for votes by their authors. One amendment that was filed caused consternation in the Wabash Valley. Rep. Huston’s Amendment #10 would have stripped all language in 552 regarding a potential casino move to Vigo County, effectively leaving just the tax law and sports wagering changes. This was likely a pre-emptive move aimed at ensuring that he had an arrow in his quiver to fire back at those who may have sought to gum up the Terre Haute works with untenable hold-harmless provisions or an operator selection process that might have been either too perfunctory on one hand, or too unwieldy on the other.

Huston never had to reach into his quiver for that amendment.

The discussion began with Rep. Huston proposing Amendment #1 that clarified the language surrounding a Gary license surrender if a Gary license were to move within the Steel City, off the current footprint. The Huston change specified that in the event of such a move, the “second” license would not merely be relinquished, but it would be terminated. The Huston amendment made it clear the second license would not just “sit in some depository, but the license would be terminated.”

The amendment also specified that the comprehensive study sought by Rep. Sullivan in the Committee on Ways and Means hearing must be completed by September 1, 2019. There were no questions for the author, and the amendment carried unanimously.

Rep. Pat Bauer (D) of South Bend, who was speaker of the House during many of the key gaming law changes through the mid 2000s, offered a strange – and virtually unworkable – amendment that would require “All meetings between the governor’s office or a representative of the governor’s office” and a permit holder, operating agent, licensed owner, or prospective Terre Haute license owner “must be a public meeting” subject to Indiana Open Door Act provisions with full notice. The same conditions would apply to the Indiana Gaming Commission.

Rep. Bauer outlined his concern about the “\$20,000” private plane trip taken by the Governor to the Republican Governors Association with Spectacle Entertainment’s Rod Ratcliff last year, just before Ratcliff’s company was “granted two licenses” in the sale of the Gary casinos. He said that there was “speculation that that was done on that plane,” but asked rhetorically, “How would we know? It wasn’t a public meeting; it wasn’t announced.”

He continued, “There is no admission or public statement by anyone on that plane why they were doing or what they were not doing,” and “It could be that nothing happened, they had a pleasant chat and it was all a coincidence. Or some of the things being done here are running, in a way, as a possibility of whatever was decided there,” Bauer added. Rep. Bauer expressed his wonderment at the Committee on Ways and Means – which he once chaired – acting “hither and dither” in slashing the proposed \$100 million license fee for Spectacle to just \$50 million. He cited the “peculiar timing” of the “\$20,000 trip and the next day (sic) getting those two licenses,” and then hearing about change from \$100 million in Ways and Means got him thinking again about the situation. He said that these types of situations could be “simply solved” by making any meeting “concerning gaming” with the Governor’s Office and the Governor public. Any meeting with someone who is licensed or seeking a license must be announced 48 hours in advance.

Rep. Bauer noted that when gaming was first debated in the legislature “They were constantly saying, somebody’s going to go to jail from this General Assembly. And the reason they said that is because in every other state, gambling brought legislators to jail.” “I heard it all the time,” he recalled, as he proudly reminded colleagues that “not a single legislator,” nor, “for that matter, not a single governor, has ever gone to jail” for gaming-related actions in Indiana. “You and I should try to preserve that. This is simply trying to make sure there is not even the hint of a private meeting.” “Put it in writing,” and in place today “so this kind of suspicion won’t fall upon the things we do in that area.”

Rep. Huston said that he would accept the amendment, though he did ask “Why now, why today if no one has been indicted?” Rep. Bauer took umbrage to that comment, and began ranting about “the rock and roll show you put on in that Way and Means Committee” hearing.

As members started shouting objections, Speaker Pro Tem Karickhoff – a member of the Committee on Ways and Means – banged the gavel, asking those in the chamber to “dial it down a little bit,” as one member asked for a ruling from the chair on whether Rep. Bauer was improperly casting aspersions on the motives of fellow members. Bauer gruffly apologized after a brief time out that also served to cool emotions.

When debate resumed, Rep. Alan Morrison (R) of Brazil trekked to the front of the chamber to lament “how we treat gaming in this state” vs. other business. He said that we “punitively charge them to do business” here, while other industries get subsidies. He was not happy with “the way that we treat gaming so differently” when they are “a big part of this state.” He concluded, “I think it is bad policy and sets a strange precedent.”

The House then voted 61-28 in favor of the Bauer amendment, with nine members excused for assorted reasons, and two not voting.

A majority of Republicans voting (32-28) joined all Democrats who voted in approving the Bauer amendment, effectively showing their opprobrium for the Governor's actions.

Rep. Steve Davisson (R) of Salem called down his Amendment #5, which dealt with the West Baden Historic Preservation Fund. He wanted to move a chunk of the French Lick Resort • Casino wagering tax dollars back into the Preservation Fund until the casino hits \$100 million in AGR or the Fund hits \$25 million. He noted that the two historic Orange County hotels are "treasures," and that the Cook family spent \$500 million on preservation and renovation to make the property the "main economic driver in Orange County." Rep. Davisson said that it was "very important that we take care of these treasures and make sure they're kept very well." He explained that \$12.8 million had been spent on repairs since 2010, with \$7.5 million reimbursed and \$5 million flowing in from other sources.

Rep. Huston told Rep. Davisson that while he appreciated his advocacy and support for his district, the proposed changes that would flow from SB 552 will take multiple years to play out, while this Davisson-proposed change will move General Fund dollars immediately. Huston reiterated that the legislation contains lots of different moving parts and impacts. These are General Fund dollars at stake, he reminded the chamber, and we should think about where they are appropriated. He said he was "hesitant" about making any such changes today.

Rep. Shane Lindauer (R) of Jasper rose to express his "respect" for Rep. Huston before telling him that "We differ on this." He reminded the Central Indiana lawmaker that everyone says "French Lick is different. It's different from all the other casinos," and its revenues are distributed differently than any other casino. A percentage of what the Springs Valley casino earns is funneled back to the West Baden fund overseen by the Department of Natural Resources, and the Davisson amendment contains a pair of "circuit breakers" to prevent over funding. These are not just regular hotels, he told colleagues. Rather, they have special historical constraints. He noted how the historic and aging nature of the property made many repairs difficult, expensive, and time-consuming.

House Committee on Ways and Means Chair Tim Brown (R) of Crawfordsville came to the microphone to defend his co-chair, Rep. Huston. The funding being diverted by the Davisson amendment was state General Fund revenue - money that could go for schools, Medicaid, higher education, and the Division of Child Services - "that's where it's coming from."

Rep. Steve Bartels (R) of Eckerty, whose district actually includes the French Lick casino, told the House that the body has constantly changed funding and allocation percentages and this amendment had both triggers and circuit breakers tied to it. "These hotels are historic places," he said, contrasting it to the Indiana State Museum in Indianapolis which receives state funding, and the Davisson amendment provides tools to fund the living museums.

Rep. Ed DeLaney (D) agreed that "this is a different facility and it's one that draws tourists and fame to this state this is a unique asset for this state." He observed that lawmakers were lowering rates for some casinos under 552 already, and the Davisson proposal offered "a creative approach to solve a unique problem for a unique facility."

Rep. Davisson closed by referring to a 2003 state commitment that money flowing to this account would grow from \$1 million to \$3 million, labeling his proposal not a huge amount of money to "keep our obligation."

His amendment passed on a 55-45 vote.

Rep. Harris offered Amendment #16, similar to one he had proffered in Ways and Means that would help hold Hammond and East Chicago harmless for potential future revenues lost to an inland Gary casino, and subsidize tolls for the forthcoming new Cline Avenue Bridge replacement. He noted he was the only House member to represent all or parts of East Chicago, Gary, and Hammond, "which means I have been in the middle of all of this fun for months." He reminded colleagues that hold-harmless language had been removed from the bill after it came across the Rotunda from the Senate. Rep. Harris asked to help make SB 552 "a win-win for all."

Rep. Huston asked the body not to support the Harris amendment. He said he struggled with "hold harmless" and the moving of dollars back and forth, and felt it important to remain "consistent on local issues."

Rep. Lisa Beck (D) of Crown Point joined Rep. Harris in support. She reviewed some of the bridge's history (which she seemed to conflate with the 1982 Cline Avenue Extension collapse tragedy) calling it "a very tender issue in lake County; I can't tell you how often it comes up." She called the assistance "really important to residents of Northwest Indiana."

Rep. Smaltz told the chamber that "if it was a hold harmless," it was removed by the Committee on Public Policy and it should stay out. Nothing happening now should trigger "hold harmless," he suggested.

Rep. Pryor contended that just as French Lick and West Baden "is a unique situation," so to is what is happening in Lake County. East Chicago "will be drastically affected" by an inland Gary casino, she stated. Do something now to mitigate the negatives, she implored House members, or the community will have to wait and "they will have to convince us later" as we've seen with Gary and its issues. "We've been very reluctant to help a lot of communities in Lake County," she added.

Rep. Harris closed debate by explaining that the hold-harmless dollars would only be triggered after the first five percent of revenue was lost.

The Harris amendment was defeated on a 30-60 vote.

Rep. Harris then offered a similar proposal, Amendment #18, that dealt exclusively with the new Cline Avenue Bridge tolls. He said he didn't want to make it harder for people to come into Ameristar, and noted as well that Mayor Freeman-Wilson had agreed that bridge access will help the Gary airport.

Rep. Huston told the body that he wanted to remain consistent on the local dollars, and asked for the defeat of the Harris amendment, which was voted down on a voice vote.

As the House action turned into a reprise of the Ways and Means debate, Rep. Pryor served up an amendment mirroring her attempt in committee to protect student-athletes.

While lots of money is at stake, she reminded House members that “one voice not heard” is that of student-athletes. Everyone involved should have some type of benefit, Rep. Pryor contended, and one part of this would be to require universities to guarantee a four-year college education even if someone is injured as a student-athlete. “We want the best for our kids.” The other part of her amendment provided that if a student was injured or hurt while participating in a collegiate sport, “they will have their insurance covered.” That funding would come via a wagering tax administered by treasurer of the state, with the Indiana Commission on Higher Education responsible for parceling out grants. She called this a “very small step that we can provide for the student.”

A point of order requested about her amendment being germane was ruled well-taken.

House Majority Floor Lehman asked the House to consider his Amendment #30. He noted that Ways and Means members determined that the proper fee to charge the license-holder for moving off-footprint within Gary was \$50 million, and his amendment says that if the operator moves to the inland Gary site, pays the \$50 million fee, and then chooses to transfer or sell that license in the first five years, the operator would pay another \$50 million. He explained, “If they choose to either transfer or sell that license in the first five years of their approved operations, then they would pay \$50 million” - “so it locks them into that position for at least five years.”

On a division of the House (a non-recorded count from the rostrum), the Lehman amendment passed by a 57-30 vote.

Rep. Harris returned with another familiar amendment, joking that he was now hoping at least to go “one-for-three” for the day with his amendments. This was his staffing proposal that would offer first right of refusal for employment at a new Gary location to current Majestic Star Casino employees and then to Ameristar Casino East Chicago employees who lose their jobs because of the new competition. The proposal also offered training support. Amendment #24 was supported by Rep. Huston, and in closing, Rep. Harris noted that Spectacle was also in favor. He did not strike out with this proposal, which passed on a voice vote.

Rep. Mayfield offered an amendment that would expand upon the Huston extinguishment of the second Gary license if not moved to Terre Haute. Her amendment proposed that if a license holder conducted no operations for one year, effectively leaving their casino mothballed or in limbo, the license would revert to the State and be extinguished. Rep. Huston supported her amendment.

Rep. Eberhart asked why it was necessary. Mayfield responded that while the Gaming Commission can revoke a license, a license can remain in limbo, but can still be owned until the State takes it. She was aiming to extinguish such licenses “so there is no mothballing of a license.” Pressed by Eberhart about what licensees might find themselves in such a situation, or whether she had something more specific to offer, Rep. Mayfield conceded, “I have nothing ... no sir.”

Rep. Morrison asked what she meant by “extinguish,” and was told that it would mean no one could ever use that license again, and we would reduce our count by that license.

So “now is a good time to start decreasing revenue on purpose?” asked an incredulous Morrison. Mayfield said it would not be decreasing dollars, but when pressed by Morrison about how that could be when she was saying there was never another chance that another party could purchase the license, she acknowledged that there “could be a possibility.” She explained that she was attempting to address “some of the concerns about the expansion of gambling” by potentially reducing the number of licenses, and that to bring such a license back into circulation, applicants would be required “to come back here and have a very public debate on adding another license.”

Rep. Morrison spoke on the amendment, reminding colleagues that 20+ years ago Indiana decided to be a gambling state. We now have the fourth-highest gaming tax revenue of any gaming state in the country, he observed. “Whether or not you like it, it’s what we do,” he said of this public policy, and it’s “incumbent upon us to set up the best structure” for gaming. Even if a licenses were simply laying dormant “it’s not very prudent, that’s for sure,” and certainly “not a good idea for the state.”

Rep. Terry Goodin (D) of Austin asked Rep. Mayfield if she could provide him a definition of what “being closed means.” He asked what happens if a casino closes but a gift shop remains open, or a slot machine is in use. “I had not actually tried to define that,” replied Rep. Mayfield. She said that if a location decides it’s not making money, and decided to “literally close it, no more employees, and they’re done” or abandons the facility and just leaves was what she had in mind. “I had envisioned an abandoned site.” “I think we need to be a little more refined” in the definition retorted Goodin, saying that if just a limited retinue of retail or gaming was occurring, under the Mayfield amendment they could make the case that “You can’t close us down. That’s something we really need to think about,” Rep. Goodin cautioned.

Rep. Chris Judy (R) of Fort Wayne - whom we can never recall having spoken on a gaming measure - asked the author what would happen if an operator were building a new facility and it takes longer than a year. “I had not addressed that, I admit that,” said a flustered Rep. Mayfield, who then withdrew her amendment.

Rep. Eberhart called down Amendment #4, which he said would removes the “hold harmless” dollars for Orange County which had been in effect since 2015 because the two racinos and French Lick “functions the same as hold harmless” provisions looked upon with askance by Ways and Means members. “If it crows like a rooster, it’s a rooster,” Eberhart asserted. He explained that French Lick was siphoning off \$1.25M per year per facility “in perpetuity” from the racinos, and “we don’t have live table games” as originally envisioned in 2015. His measure would end the tithe by Harrah’s Hoosier Park Racing & Casino at the end of the year. Look at a map from Anderson to French Lick, he told colleagues. There should be no impact at all from gaming activity in Anderson.

His language would allow payments from Indiana Grand Racing & Casino in his hometown of Shelbyville to continue two years, until the end of 2021 because one could make a “slight argument” that there is “some impact” from that racino, so he would allow the Springs Valley some time to transition out and wean themselves off that fee.

Eberhart noted that House Committee on Public Policy Chair Smaltz had called hold harmless “bad public policy” and removed it, and “I agree,” he continued, questioning why the state should countenance requiring “one private entity pay another private entity for perceived harm” – here to a community, and “that might even be more egregious.” He pointed out that the House had just provided French Lick with the ability to access \$3 million more from the General Fund via the Davisson amendment, so maybe they don’t need it now. He questioned, “Where does this stop?” Rep. Eberhart then pledged to work with everyone in conference on this, and withdrew his amendment.

Rep. Sullivan offered Amendment #3, saying that she had wanted to offer an amendment in committee providing for a third-party facilitator for the Vigo County local license negotiations, but Rep. Huston had answered her concerns with the establishment of a formal advisory board. The amendment simply specified that advisory board members cannot hold an interest in any gaming operation.

Rep. Huston supported the amendment, which was attached via voice vote, and that wrapped up the evening’s Second Readings at 7:20 p.m., with a few hours still remaining before the deadline.

Third Reading on the House Floor

Third Reading debate on April 15 consumed just under a full hour, and featured a lot of lawmakers expressing assorted concerns with SB 552, but wanting it moved on so they could be sorted out in conference.

Rep. Huston took three minutes to outline the bill that “deals with gaming regulations in the State of Indiana,” which he said accomplished five basic things:

- (1) Establishes a process for on-premises sports wagering, including a 9.5% tax rate
- (2) Directs 3.3% of sport wagering tax dollars to the addiction services fund
- (3) Allows a Gary casino to move from Buffington Harbor “to the interstate,” and requires the operator to make two \$25 million payments and surrender the second Gary license
- (4) Establishes a process for Vigo County to “receive a license,” replete with community input to vet the operator, who would be chosen in an “an auction to be led by the Gaming Commission for a license”
- (5) Casino tax rate changes effective in 2021

He noted that Thursday Second Reading amendments were added, ensuring additional funding for the West Baden historical hotel fund; a “public process” for meetings involving the governor and Indiana Gaming Commission and “gaming interests”; allowing employees who lose their jobs from a Gary casino shift inland within the city special consideration under a Harris amendment; and a Sullivan amendment that provided “clarity on who can serve” on the local commission in Terre Haute vetting the applicants. Huston thanked his fellow cosponsors, Reps. Lehman, Porter, and Austin.

Rep. Morrison was first to rise to address the bill, stating up front that he would support and vote for it, but complaining that there was much about it that needed to be fixed.

Rep. Morrison expressed his respect for the work that Rep. Huston had done on the bill, and said that following “a lot of great conversations” between the two, they had “agreed to disagree” because “the process will work itself out and we’ll get to the place where want to be” after conference. He mentioned that he had lived for 16 years in Vigo County before moving east to Clay County, and that Terre Haute and environs had “taken it on the chin a little bit” over the years, but their “trajectory is on the way up.”

Morrison told newer legislators that five years ago he had offered an amendment to an Eberhart bill paving the way for a Wabash Valley casino that he eventually pulled back, but that showed he had been “talking about [this] for quite a while.” The original 1993 rationale for riverboat gaming was to promote economic development, and economic need helped determine where lawmakers first put them. For Vigo County and Terre Haute, “tourism is a big part of our portfolio,” and a casino “can certainly help add to that.” “Obviously, the job creation is huge,” he added, with a casino bringing 800 direct jobs and more in spin-off employment.

While he had said that he would support the measure, “Unfortunately the way this bill is written now, I don’t think a 14th license will make it through the process. I don’t think this will happen. We have cornered Vigo County into basically not being able to get this casino.” Rep. Morrison continued, “I think the language in the Senate is more effective,” saying he would work toward changes in conference.

As for the Second Reading amendments, “We made a mistake on some of them,” pointing specifically to Rep. Davisson’s Orange County-specific change. “Folks, we have to stop subsidizing French Lick and West Baden,” he said. “It makes no sense to me the fact that we’re taking money from private companies and sending it to another community across the state to fund programs, and now to an actual hotel – the precedent there is strange to me. I think the policy is not good.” He hoped that the Senate takes this and other amendments out.

As for the sports wagering components, Morrison noted that he had worked for this for four years – “I was one of the first legislators in the country to start working on this.” The bill was, however, in his view “missing a major component of it, and that’s the mobile part.” Eight states have sports wagering, and all have mobile gaming, although Mississippi only allows mobile gaming on premises. “We’re better than Mississippi. We shouldn’t adopt a policy that they have which has decreased their revenues from sports gaming by more 50 percent. And I understand that it’s not all about dollars, but it’s a lot about dollars,” and mobile gaming needs to return in conference.” He continued, “When we take this back over to the Senate, I certainly think we need to take a look at how the mobile language can get back into the bill and make sports wagering a very worthwhile endeavor for this bill and for the state.”

The Morrison bottom line: “I will vote yes, but I think the bill has a lot of work (ahead).”

Rep. Justin Moed (D) of Indianapolis said that he wanted to delve into a provision not talked about a lot.

Rep. Moed probed the license limits under current law with Rep. Huston, using Huston to acknowledge the point that under the bill as structured, “there is no cap” on licenses, and the Gameboys could approve one operator for all 14 licenses. Rep. Huston tried to explain that the Commission has some authority to regulate it, and an appropriate number of licenses will be discussed in conference. Huston enlightened Rep. Moed about national industry trends toward consolidation within operators, and he wanted a new law to “give as much flexibility as possible.” “It’s a pretty large policy change,” Moed told him, and solons “need to look at as we move forward. Essentially every license could be owned by one single casino operator.” Like Rep. Morrison, he said he would support the bill now because it includes provisions we need, but warned of the “very big public policy change” with respect to busting the cap, adding “I hope this comes out in conference.”

Rep. Mara Candelaria-Reardon (D) of Munster came to the well to “rise in opposition.” She was one of two lawmakers specifically mentioned a few weeks ago by Hammond mayors as one of the lawmakers he was counting on to rally opposition to the measure. “I just really believe that an investment in the current location like the others invested in their location, would be the fair thing to do. The community that I represent, of Hammond, Indiana, had an operator that invested millions and millions of dollars in their current location, building roads, investing in the facility. That hasn’t happened in Gary. That didn’t happen in Gary. None of these locations in the industrial communities that they’re located in had ideal locations like on a highway. I don’t think it’s fair to change the rules in the middle of the game and benefit and choose one community over another. Hammond, Indiana followed all the rules. Hammond did the right thing, and now Hammond’s going to suffer because the rules are going to be changed by this body, and I would ask you to vote no.”

Rep. Kevin Mahan (R) of Hartford City offered the afternoon’s longest set of comments, delivered from the perspective of a businessman and former county sheriff who was plucked by the Daniels Administration to become the founding superintendent of the Indiana Gaming Commission’s division of gaming agents.

He told colleagues that some of the things he had heard about the bill and industry “have been kind of disturbing to me.” While he respected people for their own opinions, he was concerned about factual matters related to working in or owning a casino, noting a “lot of conversation about integrity.” As he said Rep. Bauer “correctly pointed out” on Second Reading, “no legislator has been indicted on account of gaming legislation since 1993, when this General Assembly passed riverboat gaming [and] the same is true about Indiana’s gaming companies and their executives,” many of whom, Rep. Mahan said, he and his agents had investigated in background and follow-up licensing investigations that even assessed whether “the applicant is of good moral character and will be a credit to the Indiana gaming industry.” Based upon the detailed background investigations required of all those involved in the industry and his own experience in working with and regulating many of them, “I would urge you not to let your vote be swayed by unsubstantiated rumors, most likely initiated by opponents of Senate Bill 552. It’s patently unfair to perpetuate rumors about the character and conduct of a person or persons who have withstood the rigorous Gaming Commission vetting process, but don’t have a voice in this House to defend themselves.”

Rep. Mahan echoed the words of others when he urged support of the bill, but acknowledged the work still to be done. He wanted colleagues to frame their decision making in this way: If these laws were not on the books, would we do this this way? “I am going to suggest that we wouldn’t.” He noted his work in the insurance and auction business as well as gaming, and noted, “I cannot think of any industry that is more heavily regulated than the gaming industry and the State of Indiana ought to be very proud of this.” He also praised some of the operators for their proactive stances, noting that Blue Chip Casino got ahead of Native American gaming expansion nearby, spending “hundreds of millions of dollars more money” with its expansion before the 1997 Michigan casino debut, while “in East Chicago, they held off; they waited.”

He then spoke to the concerns raised by industry competitors about cannibalization. “I always said it will be real interesting when some of the other states catch on. But you know, these people that are out in the hall talking about cannibalization, they didn’t care much about cannibalization when they brought in their competition across the state line that took a lot of money from the State of Indiana,” a pointed reference to Penn National Gaming, Inc., Caesars Entertainment, Inc., and the former Pinnacle Entertainment, Inc., an ownership universe that accounted for seven of the state’s 13 properties.

He spoke about how “some home-grown Indiana businessmen who care about this state” want to reinvest in the state, and while he was appreciative that the fee for the off-footprint Gary casino move within the city was slashed from \$100 million to \$50 million in committee, he was still concerned about the surrender provision and hold harmless discussions that required cross-subsidies that wouldn’t fly in the insurance business he is involved in, nor in any other business in Indiana “but that’s what we do because we put ‘gambling’ after it.” He related his personal experience in fixing up and flipping a commercial apartment building early in his career and discovering later that the taxes, fees, and related costs effectively left him unable to reinvest and spend in his community anywhere near what he had expected to be able to do.

Rep. Mahan continued, “I just want to remind you that we have some homegrown Indiana businessmen what care about this state, they want to do great things for this state. They want to employ a lot of people. And I think when we’re sitting here talking about – let’s call it what it is, a tax, \$50 million, plus we’ll take your license – I just sit here and think we’re possibly sitting here passing over dollars to pick up dimes.”

Rep. Harris then rose to tell fellow members what an “honor it is to represent the district I represent” – which included parts or all of Hammond, East Chicago, and Gary, and told them that “If you do this correctly, can be a win for all three cities.” While he appreciated their help in the prior week with his amendments, there was “more we can do to make this a win-win-win,” including holding Hammond and East Chicago harmless and subsidizing the Cline Avenue bridge. He urged everyone to “take another look at those amendments” in conference.

Rep. Eberhart took to the well to first tell Rep. Moed, “I’m sure that the (U.S.) Department of Justice would have something to say if there was just one company that owned 14 licenses here in Indiana. There are certain federal laws that would come into play as well.”

While Rep. Eberhart's contention that the feds would be picky about such concentration was well-taken, it is the Federal Trade Commission that undertakes a review of large mergers and acquisitions under the Hart-Scott-Rodino (HSR) Antitrust Improvements Act of 1976, and not the Department of Justice (Indiana transactions have seen some delays over HSR concerns in the past, although not in recent years . . . and your favorite newsletter's proprietary data has been used by the FTC in the past to help them sort through markets).

The Shelbyville Republican thanked Rep. Huston for his work on the bill having been "more than accommodating ... and hope to continue that dialogue" moving forward. He said that he would back the bill "today," but wanted to use conference deliberations to iron out some additional changes. "I'm happy with the provisions that are in the bill; they're not perfect. There's work to be done on each of the main provisions of the bill."

Eberhart was particularly concerned with the impact of one provision on his district.

Rep. Eberhart explained, the Senate bill as it came over, moved up the date for live dealers for table games in Anderson and Shelbyville "to an immediate date. That date was taken out by Chairman Smaltz and he did do some good things with it. He did change the enabling language for the live table games from a 'may' to a 'shall,' which is important - I appreciate that - and we moved it up from March 2021 to January of 2021, so it does give some certainty to live table games to the racinos, but I do still think that the right public policy is to move that date up even further." He noted that 650 jobs, up to \$30 million in wagering taxes to the state, million of dollars in more investment, and millions in additional property taxes would result "just by making that change. That's a lot, and that's what were going to forego if we continue to delay that implementation."

He reiterated statements that he had made both in the House Committee on Public Policy and on the floor that "the only reason that Indiana Grand and Hoosier Park doesn't (sic) have live table games now is for just one reason, one reason - and that's the threat of Governor Pence's veto back in 2015. The provision was in that bill that would have given live table games immediately to the two racinos. It was taken out due to that threat of the governor. The reason for that threat: The governor didn't feel comfortable to have that during his two terms of governor. He only served one term. He's in D.C. now, as we all know, so there's no longer a threat for us. There was no 'grand compromise.' You will hear folks talk about some big compromise that was put together in 2015 on this issue. It's just - that's inaccurate. There was only one reason that it did not happen - and again, that was the threat of a veto from Governor Pence. We don't have that threat now. We don't have a threat of a veto from our current governor."

Rep. Eberhart elaborated, "The Senate overwhelmingly supported SB 552 and sent it over here with live table games to happen immediately, and that was changed, again, as I mentioned. They also sent that bill over to us in 2015 with live table games, so obviously they feel strongly that that provision should happen now. I had an amendment back in 2015 that was put into that bill, where 76 of us voted for it, so I think the appetite is clearly within this body for that to happen again." "Let's support the bill [and] take a long look at it in conference committee" and address these concerns."

Rep. Bob Morris (R) of Fort Wayne told the chamber about his "amazing" experience chairing the interim study committee that looked into how to revive the city that "fell upon hard times," and how he had promised Mayor Freeman-Wilson he would "do everything that I could to help her community." The big development opportunity is the proposed intermodal port, and the impediment to the "great potential" at Buffington Harbor, according to a world-renowned architect, was the "two boats that are corking the port." They need to be moved, and "where they get moved to is up to us," Rep. Morris said, adding that "The mayor would like to see one of the licenses go to 80-94." He asked, "what can we do today to help the City of Gary ... What is best for the State of Indiana? What is best for the people of Indiana on where these licenses go? What is the State of Indiana going to make the most money off of? How are the people going to benefit most where these licenses go?"

Then Rep. Morris continued (with a bit of revisionist history), "So a company comes in and purchases these two licenses that have been in bankruptcy for three years. they've been sitting there for three years and this group of investors came in and decided to take a risk, to move these licenses. And as they've researched cities from north to south, and east to west, it's been decided that one of the licenses will go in Terre Haute, Indiana. That's where this private business wants to put one of these licenses. The other license is going to stay in the City of Gary. Now we have the port freed up."

"Ladies and gentlemen of the House, we need to do what is correct for the people of Indiana on these licenses," concluded Rep. Morris. "The City of Gary and the people of Gary are asking us to move these boats."

Rep. Carolyn Jackson (D) of Hammond, one of the other lawmakers that Hammond Mayor McDermott was counting on, came forward to thank Rep. Huston for his work on the measure, but cautioned the House, "This bill is far from ready to be passed." She lamented that so many things were left out of the bill related to Hammond, or not even considered. She added, "I would definitely like to see Gary prosper, but not [on] the backs of East Chicago and Hammond." Rep. Jackson claimed that a new intermodal facility at Buffington Harbor would mean trains of 1,400 cars or more "will shut our city down" and disrupt emergency fire and ambulance service. "I urge you to not support this bill."

Rep. Austin came forward to call for House members to drop their balkanized concerns and think about the greater good. "I completely sympathize with my colleagues who are concerned about the impact this is going to have on their communities, but I'm also going to ask you to take a statewide view for a second."

"Right now, gaming is the fourth greatest source of revenue in our state, (with) 12,000 employees, and that includes the lottery and everyone else. Charity gaming alone is about a \$400 million industry in this state," she educated her colleagues.

Rep. Austin also referred to the "wild west when it comes to sports gaming," with 18 states considering regulation and management. "If we kill this bill today, it's likely to be another 18 months before we're likely to do anything in regards to sports betting," she intoned.

"And this is a statistic that should make your hair stand on end," said Rep. Austin prefacing word that the American Gaming Association conservatively estimates that Hoosiers are already spending some \$300 million annually on illegal sports betting that we "can't get our arms around ... unless we pass a bill." The illegal wagering comes with no consumer or athlete protections, regulation or taxation. She acknowledged of SB 552 that "It is a total, total work in progress at this point. It is going continue to undergo some significant changes. But if we kill this bill today, we have no chance to manage sports betting." She said that as the home to the National Collegiate Athletic Association and several professional sports teams, "we need to have some sort of framework in place" to address this new form of gaming.

She asked colleagues to "keep your reservations in your mind. But I hope that you'll see that passing this thing is the next important step to trying to get our arms around - not just the boats, where the discussion has been dominated - but the truth is, this new form of gaming that's about to be introduced in Indiana, that we have got to get a handle on, because I guarantee you all of our surrounding states are taking action to do something as we speak," said Austin.

Rep. Bauer came to the front of the chamber to ask a question of Rep. Huston about what establishments would be allowed to conduct sports betting. Rep. Huston seemed to think he was asking about on-premise vs. mobile wagering, but both ultimately worked through things so that Rep. Bauer understood it was just the casinos and racinos that could offer sports wagering, and Rep. Huston communicated that only on-premise wagering would be allowed as SB 552 currently stood. There was no discussion about whether on-premise wagering would include the satellite wagering facilities.

Rep. Vanessa Summers (D) of Indianapolis then came forward. "Okay, here we are again," she started, noting that she was one of a dwindling number of lawmakers who was a member of the legislature at the beginning of casino gaming. "We're pregnant; we can't be a little bit pregnant," she said. "We have gaming in Indiana and need to do what we can to help." She recounted the quest of former Rep. Charlie Brown (D) and Rep. Vernon Smith (D) of Gary over the years to try to help lift up their city. "They need this," she admonished the House. "You cannot let a people die."

Rep. John Bartlett (D) of Indianapolis also spoke of his experience with Rep. Morris on the study committee that looked at Buffington Harbor. He noted that the railroad companies that were once at odds have now come together, resolving their differences, and everything was on pace for the intermodal facility if the boats could be moved. He referred to the largesse that would follow from the new economic development, suggesting that "With that kind of income, they could then fix the Cline Avenue bridge." Of course, the new bridge, a public-private partnership project, is scheduled to be completed by January.

Majority Floor Leader Lehman left his front row seat to hint that his colleagues were "hopefully wrapping it up" for the day on the measure. He recalled that when he and Reps. Smaltz and Huston began to parse through it, they were faced with an immediate "parade of folks with interests" that proceeded to run through a list of the winners and losers.

"I went into this," Lehman said, as he explained he has with all the gaming bills he has reviewed in his six years on the Committee on Public Policy, with one thing in mind: "I don't care who, I don't care when, and I don't care where. I care about the State of Indiana. What is good public policy for the State of Indiana. We've heard a lot of people say, 'We need to change this,' 'We need to change that,' 'My town is gonna be hurt,' 'This town is going to be hurt. What is good public policy for the State of Indiana? This is a big lift. There's a lot of expansion in this, I know there is. But is it good public policy? I think some of it is. We will be take this to conference" where Rep. Huston will help reshape it. "I hope we all can filter this through what is good public policy *solely* for the State of Indiana."

Rep. Huston closed. "You know, this is probably the most challenging bill I'll carry, only because there's a lot of interest in it, and nobody is wrong. There's folks that philosophically just don't like gaming. There's folks that this has a huge impact to the communities. And there's issues regarding the state, maximizing the value to the state that gaming does provide and many, many good points were made. And I think uniformly, I get the fact that this bill is not in perfect shape. I've tried and will continue to work with members of the entire body to figure out how we get this into better shape. One of the things I do want to note is we have tried to narrow the focus of this to those five components I talked about at the beginning: The sports wagering, the sports wagering infrastructure, making sure if we expand - if there's new gaming in the State of Indiana, that we're getting dollars towards the addiction services fund. That we talk about and we think about what was discussed here in this body, in Public Policy, in Ways and Means. I mean, frankly, some of the best discussions I think we've had as a body has been around this issue, both thoughtful, and folks sharing both genuine concerns and thoughtful solutions. How we deal with the process in Terre Haute and Vigo County and then thinking about how we broaden out an infrastructure that strengthens what is - Representative Morrison noted on Thursday and others have noted today is a very important, frankly, aspect, and not just the state revenue source but an economic driver for our State. One of the great challenges of this is that you're dealing with both new investments and investments that have already been made, and we need to talk, and I'll continue to talk to Rep. Moed about the license cap. We've got some language in the bill that deals with what's referred to as 'undue economic concentration.' Rep. Eberhart noted the federal concerns, and I want to certainly make sure we address that. But the fundamental thing is if we keep it moving, what's driven this entire process for me is both the dialogue and the fact of 'How do we do all of this to maximize value to all of the taxpayers across the State of Indiana by certainly recognizing also those most dramatically impacted?'"

Huston then thanked his cosponsors, Reps. Lehman, Porter, and Austin.

The measure passed the House 78-15 (seven members were excused). Both Republicans and Democrat supported it by more than 2:1 margins. The four Democrats who opposed it were all from areas that would have been hurt by a new casino. Two of the 11 Republicans who opposed it were in the same boat (so to speak), while seven of the Republicans who voted against it fall into the anti-gaming category, and one Republican opponent may simply have voted against it because of some of the fiscal issues and questions.

The only Wabash Valley lawmaker to vote against SB 552: anti-gaming Rep. Bruce Borders (R) of Jasonville. "I've always said and still believe that gambling is economic development for people who are bad at math," he told the *Terre Haute Tribune-Star*. "And ultimately what often happens with these places is it comes in with all the excitement and the bling and you get a great turnout initially. But later what happens is ... they become a regressive tax on the poor. I do not, and will not support the expansion of gaming in Indiana."

The three other Terre Haute lawmakers all backed the bill. Rep. Tonya Pfaff (D) of Terre Haute (whose brother serves on the Terre Haute City Council) told the paper, "I think it's very important that Vigo County has the opportunity to have a casino. What I believe is we need the opportunity to let voters decide. From what I've heard, all kinds of cities in Indiana want a casino and we need to at least have that choice." Rep. Bob Heaton (R) of Terre Haute agreed. "I think it could be an economic driver for the area. And when I talk to people they seem all seem to be in favor of it, of course I'm sure there are people who aren't," he said. "But based on the referendum language in there, the people in Vigo County will get to make that decision for themselves." Rep. Morrison told the *Trib-Star* basically what he said on the floor: "As 552 sits right now, even though I'm voting for it, there is a lot wrong with it and it'll be a big lift to change some of it."

IN General

● **Caesars Entertainment Corporation** – as we hinted to you in March would be the case – names **Tony Rodio** as the new CEO of the conglomerate. Rodio, Affinity Gaming's CEO since October, was president, CEO, and a board member of Tropicana Entertainment, Inc. for seven years before the sale of the parent company of Tropicana Evansville to Eldorado Resorts, Inc. in late 2018 (ironically, Eldorado is one of two entities reported to be making a play for a Caesars takeover). Rodio was also general manager of Argosy Casino Lawrenceburg and then Hollywood Casino Lawrenceburg, from October 2008 until May 2011, overseeing the \$336 million conversion from the original riverboat ... and giving him an understanding of the Cincinnati market (and Indiana dual-casino operator Penn National Gaming, Inc., which owned the Lawrenceburg property). Rodio's Affinity, with Z Capital Partners, also made a takeover bid in October for Full House Resorts, Inc., parent of Rising Star Casino Resort, giving him an even more intimate inside peek into Indiana's gaming industry.

□ Writing Thursday for Seeking Alpha, veteran gaming industry observer **Howard Jay Klein** explains that "Rodio is a four-decade gaming pro who guided Icahn's Tropicana Entertainment from a frazzled, dated collection of so so casinos, to a company stout enough to attract a \$1.85bn sale to the very smart Eldorado Resorts and the Gaming and Leisure Properties. It was a win-win"

□ The Caesars board also announced the formal creation of a Transaction Committee to oversee "the Company's evaluation of ongoing efforts in creating additional shareholder value," confirming that the world's largest casino company is open for offers, if not up for grabs. Eldorado Resorts, and billionaire **Tilman Fertitta** (Golden Nugget) are said to be the two with access to Caesars books as they perform their respective due diligence in preparation for likely bids.

□ With all the street talk surrounding the "undue economic concentration" provisions related to ownership in SB 552, we thought we would run the numbers on what a Caesars buyout by Eldorado would look like for the Hoosier gaming market:

STATE MARKET SHARE BY CORPORATE PARENT, past seven months

CORP	03/19	02/19	01/19	12/18	11/18	10/18	09/18
New Entity*	57.14%	56.75%	57.75%	56.35%	56.59%	56.85%	57.44%
Caesars*	50.11%	49.80%	50.61%	49.59%	49.92%	50.41%	50.69%
Penn Nat'l*	17.89%	18.23%	17.93%	18.22%	18.53%	17.47%	17.15%
Boyd*	11.98%	10.88%	11.16%	11.91%	11.70%	11.89%	12.09%
Spectacle	6.78%	7.35%	6.82%	6.65%	6.64%	6.97%	6.56%
Tropicana	7.03%	6.95%	7.14%	6.76%	6.67%	6.44%	6.75%

* Assumes current combinations looking retrospectively

● As part of a legal action far from the borders of Indiana, on April 8, the U.S. Department of Justice released a new memorandum clarifying that state lotteries were not intended to be addressed in the Justice Department's controversial reversal of course on the federal Wire Act re-interpretation released earlier this year. Attorney General **Curtis Hill** (R) was among a bipartisan cadre of 25 attorneys general that we told you last month had sent a letter expressing states' concerns to the feds, and asking Justice officials to clarify the recent legal opinion regarding the meaning of the Wire Act and its effect on lotteries. The AGs contended that the latest Wire Act interpretation could reach beyond the realms of sports gambling and into areas traditionally controlled by the states, potentially jeopardizing state lotteries.

□ "I welcome the Department of Justice's clarification of the January 2019 Wire Act memorandum," General Hill said. "The Hoosier Lottery plays an important role in funding various programs in Indiana. Deputy Attorney General (Rod) **Rosenstein**'s clarification of the Department's position is a move in the right direction."

● The state's new revenue collection forecast – the bipartisan parameters upon which the Fiscal Year 2020-2021 budget will be shaped – was released Wednesday, and the numbers show a downturn in gaming tax collections for the current fiscal year compared to both the most recent (December 2018) forecast, and modest, but steady growth going forward. One caveat: this does not, obviously, account for nay potential changes from SB 552.

FY	12/2018 Forecast	04/2019 Forecast	Growth Over Prior Year	Difference - 12/2018 to 04/2019 Forecast
2019	\$ 411.5M	\$ 414.2M	-\$ 18.0M - 4.2%	\$ 2.6M 0.6%
2020	\$ 415.4M	\$ 417.9M	\$ 3.7M 0.9%	\$ 2.5M 0.6%
2021	\$ 417.6M	\$ 420.9M	\$ 3.0M 0.7%	\$ 3.3M 0.8%

● Indiana reeled in \$47.5 million during March for the state's General Fund from the riverboat and racino wagering taxes, underperforming the most recent (December 2018) forecast by \$2.0 million (- 4.0%). March is the initial month in Fiscal Year 2019 in which both the riverboat and racino taxes missed the mark. Combined tax revenue from the two categories improved compared to March 2018 by \$10.0 million (26.7%); a similar rate of growth occurred in January. Through the first nine months of Fiscal Year 2019, the riverboat and racino wagering taxes generated General Fund revenue of \$278.5 million, topping the forecasted amount by \$5.8 million (2.1%) and exceeding the accumulation during the first three quarters of FY 2018 by \$41.8 million (18%).

□ Riverboat wagering collections aggregated to \$36.0 million for March, which is \$1.8 million (- 4.7%) below the monthly estimate rendered just three months earlier, but \$7.0 million (24.3%) above actual revenue in March 2018. Fiscal year-to-date performance has now improved compared to the same nine months in the prior fiscal year by \$33.0 million (20.3%) and the numbers are running ahead of the most recent round of expectations by \$2.4 million (1.2%).

□ Racino wagering collections accrued to \$11.5 million for March, which is \$200,000 (- 1.7%) below the monthly estimate yet \$3.0 million (35.2%) above revenue in March 2018. Through the first three quarters of Fiscal Year 2019, revenue from the racino wagering tax has grown by \$8.8 million (11.9%) compared to the same July-March period in FY18 and has outperformed the forecast by \$3.4 million (4.2%).

□ Riverboat admissions taxes for March totaled \$1.3 million. Because of a change in how and when they are collected, there were no such collections in March 2018. Through the first nine months of Fiscal Year 2019, riverboat admissions taxes total \$8.5 million, up by \$900,000 (11.8%) from \$7.6 million during the first three quarters of FY 2018. Estimate fiscal year-to-date admissions tax dollars of \$9.4 million through March are running \$900,000 (- 10.0%) below expectations.

FYTD Comparison to Monthly Targets

	Forecast	Actual	\$ Differ.	% Differ.
Riverboat Wagering	\$ 193.0M	\$ 195.4M	\$ 2.4M	1.2%
Racino Wagering	\$ 79.7M	\$ 83.1M	\$ 3.4M	4.2%
Riverboat Admissions	\$ 9.4M	\$ 8.5M	(\$ 0.9M)	(10.0%)

FYTD Comparison to Prior Fiscal Year-to-Date

	2018	2019	\$ Differ.	% Differ.
Riverboat Wagering	\$ 162.4M	\$ 195.4M	\$ 33.0M	20.3%
Racino Wagering	\$ 74.3M	\$ 83.1M	\$ 8.8M	11.9%
Riverboat Admissions	\$ 7.6M	\$ 8.5M	\$ 0.9M	11.4%

IN Native American Gaming

● As the Indiana weather improves, television advertising for the Pokagon Band of Potawatomi Indians Four Winds Casino South Bend ramps up (and the casino earned a priceless national television shout-out from South Bend Mayor Pete Buttigieg (D) during Mayor Pete's April 14 presidential campaign announcement).

IN Casinos

Northern Market News . . .

● One of the highlights of the recent State of the City address by East Chicago Mayor Anthony Copeland (D) was this enthusiastic line: "Did I say Cline Ave bridge? The bridge will reopen in January 2020!!!!" The bridge was shut down on an immediate emergency basis in mid-November 2009, despite carrying some 30,000 vehicles daily, including many to the Gary and East Chicago casinos. The Indiana Department of Transportation soon thereafter demolished the Cline Avenue elevated span, diverting traffic - including that from the Arcelor Mittal steel mill - through city streets. Some 11 years later, the span will reopen as a toll route under a unique public-private partnership.

● The Hobart City Council unanimously approved a resolution endorsing the ability of Spectacle Entertainment, LLC to move one of its Majestic Star Casino licenses to an off-footprint site within Gary and free up space at Buffington Harbor for a new trans-modal facility. The selfish motive for Hobart: The closer the land-based casino would be to I-94 and I-65, the more it would mean for commercial development on the west side of Hobart.

● Chicago's mayor-elect will be the latest in a line of Chicago mayors to lobby lawmakers in Springfield for a Windy City Casino. "The sad reality is if we don't do something about this, we're going to continue to lose tens of millions of dollars every single year to Indiana and Wisconsin. And that makes no sense to me," Mayor-elect Lori Lightfoot (D-IL) told reporters at mid-month. "We've got to have serious conversations about a casino in the city of Chicago and elsewhere."

Southern Market News . . .

● The new market leader in the Cincinnati market, the land-based downtown Cincinnati casino, will soon have its third different brand in just six or so years, after opening in March 2013. JACK Entertainment LLC enters into contracts to sell its JACK Cincinnati Casino and Greater Northern Kentucky's Turfway Park to Hard Rock International and VICI Properties for \$780 million, pending regulatory approval. VICI will simultaneously enter into a favorable triple-net leased fee agreement with Hard Rock International, and Hard Rock will be responsible for the operations at both properties. JACK Cleveland Casino and JACK Thistledown Racino will remain JACK Entertainment properties.

□ The property opened as a Horseshoe-branded property, a joint venture between Caesars Entertainment Corporation and Dan Gilbert's Rock Gaming, before transitioning to the JACK label in June 2016, as part of Rock Gaming's rebrand.

□ When the deal closes late this year, look for the Cincinnati casino to expand its entertainment offerings, and Turfway (in Florence, Kentucky) to add historical horse racing machines.

● Former Cincinnati Bengals star defensive back Adam "Pacman" Jones accepted a plea negotiation in Ohio County Circuit Court and was sentenced by Judge James D. Humphrey to serve two weeks in the Dearborn County Jail with credit for four days that he already had served after his February arrest at Rising Star Casino • Resort on assorted charges after he was found to be capping his table game bets. He must also serve one year of probation.

□ Jones pleaded guilty to a single Felony 6 charge of cheating at a gambling game and one Misdemeanor A charge of resisting law enforcement (fleeing). Other charges - including Felony 6 Intimidation; Felony 6 Battery Against a Public Safety Official; Misdemeanor A Theft; a second Misdemeanor A Resisting Law Enforcement (forcibly resisting); Misdemeanor B Disorderly Conduct; and Misdemeanor B Public Intoxication - were dismissed.

● In a just-filed Form 14A proxy statement, Full House Resorts, Inc. management discusses its Rising Star Casino • Resort, and boasts that "Today, Rising Star is in better physical shape than it has been in for many years."

□ Full House Resorts President and CEO Dan Lee tells shareholders, “We’ve also been focused on cost controls. We recently reevaluated our longstanding strategy of operating our buffet with service for three meals per day, seven days per week. Buffets require high volume levels to be efficient. Many of the buffet customers are ‘comped’ by the casino, but operating a buffet during slow periods is a very expensive way to serve free food to a handful of customers.” Lee adds, “We are now renovating an older adjoining restaurant to operate as a ‘Bistro’ during lunch and dinner periods. We expect that many of its guests will be comped casino customers, but the Bistro will offer a better meal experience for our guests at a lower cost to the casino. We will still operate the buffet during lunch and dinner on weekends, and we will strive to offer a great experience during those busy periods.”

□ On the lodging side, Lee tells shareholders that a little bit of Las Vegas has come to the Ohio River. “Our hotel now charges a \$10 resort fee, as is common for many hotels in recent years. The resort fee now includes a free breakfast buffet, but not the same type of buffet as the full-service buffet we have been offering. The new free breakfast buffet is similar to that offered by many mid-priced hotel chains, where guests serve themselves coffee, waffles and various cereals and pastries. Our guests are still receiving a ‘comped’ buffet of sorts, but the resort fee significantly mitigates the cost to provide it.”

□ Lee also confirms something we told you he was pondering recently. “We’ve also re-evaluated our policy of operating our casino’s table games 24 hours per day, seven days per week. In the early morning, the staff required to operate the table games pit sometimes outnumbers the customers. Mathematically, it is also now difficult to earn a profit on a \$5 blackjack game. Using relatively new technology, we can offer a table games-like experience with new forms of slot machines. We are installing a cadre of these new machines in our casino near the table games pit so we can continue to accommodate customers seeking to play table games at non-peak hours.”

IN Other Casino News . . .

● Indiana Democratic Party Chair John Zody seeks an investigation into reports that Governor Eric Holcomb (R) flew on a private jet “owned (sic) by Spectacle Entertainment” to Republican Governors Association (RGA) meetings to a pair of political events, but did not disclose either flight as contributions on his 2018 campaign finance report. Democrats say the Governor’s campaign previously justified not disclosing the flights because Gov. Holcomb did not directly benefit. However, on the dates of the trips, Democrats claim, “thousands of dollars of direct contributions were made to the governor’s campaign and the Indiana Republican Party.”

□ In a pair of statements, Zody called upon the Indiana Election Division “to notify Holcomb he filed a defective report” and the Indiana Inspector General to “determine whether Holcomb accepted the flights as gifts in violation of state ethics rules [since] Holcomb contends his flights were not political contributions”

□ Hammond Mayor Tom McDermott, Jr. (D) devoted a few minutes of his weekly paid political radio show on WJOB 1230-AM in Hammond April 12 to knock the Governor over the RGA flights. As the WJOB website summarized it, “Mayor Tom McDermott says Indiana governor has committed a felony, wonders if it will be recognized.”

□ Mayor McDermott crystallized the Governor’s argument as the RGA was the beneficiary, and thus it was up to RGA to file any required reports. “So it’s no big deal,” suggested Mayor Tom, “using the governor’s logic,” for him to donate \$1 million to the Democratic National Committee “and take \$700,000 to make some contributions to Democrats.” He said “If I did that, the FBI would be knocking on my door.” As to the House floor vote on the amendment offered by Rep. Pat Bauer (D) of South Bend to open gubernatorial and regulatory meetings to public notice, hizzoner says “The Governor even pissed off his supermajority.” The mayor – an attorney (as is the show’s host, Kevin Smith) whose wife is a Lake County judge – added, “He circumvented the law. RGA didn’t get flown all over the country. That’s a felony, guys, that’s a level 6 felony committed by the Governor. Our governor should know better and he broke the law, and it’s a fact he committed a felony this is a Level 6 felony.”

● Mayors Karen Freeman-Wilson (D) of Gary and Duke Bennett (R) of Terre Haute visited the State House with little notice Thursday afternoon to implore lawmakers in conference committee to focus on the economic development of their respective cities when making decisions regarding SB 552. “We want to be clear about reminding everyone how important this economic development is,” Mayor Bennett said. The duo gave media less than a 30-minute heads-up for the joint availability, quickly arranged to help shift the conversation Inside the Limestone (and Back Home in individual districts over the holiday weekend) from casino interests driving the process helped by friendly executive and legislative branches leaders.

□ Mayor Bennett acknowledged “all the drama ... and all the conversation. “We are really just trying to reframe it a little bit in a way,” he said of the noise, “Because it seems to be there is a lot of discussion out there about a variety of things, and this has always been about economic development for us.” He went on to explain that he and his fellow chief executive “want to continue to make sure that everyone stays focused on the economic development opportunities, not only in Gary and Terre Haute, but the entire State of Indiana.” “We will not only benefit (in the Wabash Valley), but the state will just by changing how gaming licenses work and their impact on economic development, “It’s about a \$75 million impact for the state of new revenue if we can get both of these casinos done,” Bennett added. His bottom line: “We’re trying to get everybody to stop and just pause for a minute and think about the most important part of this bill.”

□ Mayor Freeman-Wilson also flipped the switch on the narrative, trying to get lawmakers to turn their collective gaze away from the “shiny object” of casinos and back to the nuts and bolts of economic development. “For us this has never been primarily about the casino,” she asserted Thursday afternoon. “It has always been about the ability to develop Buffington Harbor into the North American Intermodal Gateway.” She reiterated, “We know the demand is there. We have seen that in our preliminary studies,” and sought to remind those involved in the process that “It doesn’t just create economic opportunity for the city of Gary. It creates it for all of Northwest Indiana.” When pressed for details about the proposed port, she was vague, but insisted “We do have a plan. We have done the first phase of the study. We have interested parties.” she continued, “There really is a demand for that area. It is a demand from industrial interests We believe that it is best as an industrial quarter.” But in the end, she added. “I’m not at liberty to name the entities” who are pursuing opportunities in the Buff.

□ When reporters asked about the concerns dominating the mainstream media headlines (and some of the State House gossip) last week – and that particular day – Mayor Bennett responded that both officials and business interests “are always going to have conversations about what’s best for Indiana,” adding, however, that “at the end of the day, I trust everyone involved with the process to make the right decisions and do the right thing.”

□ Asked specifically about the ability of the casino interest to open doors, Mayor Karen replied, “They don’t have any more access than everyday citizens.”

● John Waggoner’s HMS Global Maritime, a New Albany-based marine management and operations company which handled maritime work for some of the initial Indiana riverboat casinos as (very) long-time readers may recall, is expanding its Floyd County operations, using state and local incentives to help create up to 50 new jobs by the end of 2022. The company is renovating and equipping a 10,000 square-foot historic building in downtown New Albany.

□ The new HMS Floyd County facility will house a training and customer service center for American Queen Steamboat Company, which will accommodate 200 to 300 hospitality and hotel trainees annually. Construction is underway, and the new facility is expected to be fully operational by the fall of this year.

● Here are your March casino numbers:

CASINO	TABLE WIN	SLOT WIN	TOTAL WIN
Ameristar	\$ 6,073,166	\$ 16,975,090	\$ 23,048,256
Belterra	\$ 1,778,059	\$ 8,923,665	\$ 10,701,724
Blue Chip	\$ 1,559,092	\$ 13,790,068	\$ 15,349,160
French Lick	\$ 1,122,981	\$ 7,897,479	\$ 9,020,460
Hollywood	\$ 1,975,767	\$ 13,859,443	\$ 15,835,210
Hoosier Park	N/A	\$ 20,750,767	\$ 20,750,767
Horseshoe HD	\$ 9,611,144	\$ 28,677,123	\$ 38,288,267
Horseshoe SI	\$ 4,133,110	\$ 16,117,501	\$ 20,250,611
Indiana Grand	N/A	\$ 29,654,956	\$ 29,654,956
Majestic Star I	\$ 1,686,650	\$ 6,794,155	\$ 8,480,805
Majestic Star II	\$ 159,645	\$ 6,088,117	\$ 6,247,762
Rising Star	\$ 537,207	\$ 3,960,346	\$ 4,497,553
Tropicana	\$ 2,181,766	\$ 13,090,680	\$ 15,272,446
STATEWIDE	\$ 30,818,587	\$ 186,579,390	\$ 217,397,977

CASINO WIN, past six months (\$ in millions)

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe HD	\$ 38.29	\$ 30.58	\$ 28.56	\$ 32.37	\$ 29.79	\$ 33.34
Indiana Grand	\$ 29.65	\$ 24.23	\$ 20.68	\$ 23.80	\$ 22.11	\$ 19.97
Ameristar	\$ 23.05	\$ 17.01	\$ 16.16	\$ 19.50	\$ 18.40	\$ 18.05
Hoosier Park	\$ 20.75	\$ 16.94	\$ 14.68	\$ 18.32	\$ 17.29	\$ 17.58
Horseshoe SI	\$ 20.25	\$ 13.98	\$ 16.47	\$ 20.43	\$ 18.76	\$ 18.29
Hollywood	\$ 15.84	\$ 14.37	\$ 12.32	\$ 15.38	\$ 14.26	\$ 12.86
Blue Chip	\$ 15.35	\$ 11.90	\$ 10.30	\$ 13.16	\$ 12.17	\$ 12.27
Tropicana	\$ 15.27	\$ 11.97	\$ 11.34	\$ 12.94	\$ 11.75	\$ 11.39
Belterra	\$ 10.70	\$ 6.84	\$ 7.43	\$ 9.64	\$ 8.45	\$ 8.77
French Lick	\$ 9.02	\$ 7.97	\$ 6.84	\$ 9.03	\$ 7.53	\$ 7.93
Majestic Star I	\$ 8.48	\$ 7.42	\$ 6.54	\$ 7.54	\$ 6.94	\$ 7.28
Majestic Star II	\$ 6.25	\$ 5.23	\$ 4.29	\$ 5.20	\$ 4.77	\$ 5.05
Rising Star	\$ 4.50	\$ 3.71	\$ 3.25	\$ 4.10	\$ 3.99	\$ 4.14
STATEWIDE	\$217.40	\$172.16	\$158.87	\$191.41	\$176.19	\$176.91

CASINO WIN, vs. prior month, past five months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018
Belterra	56.51%	- 7.96%	- 22.93%	14.10%	- 3.60%
Horseshoe SI	44.83%	- 15.13%	- 19.38%	8.94%	2.56%
Ameristar	35.50%	5.26%	- 17.14%	6.01%	1.92%
Blue Chip	29.04%	15.48%	- 21.70%	8.12%	- 0.83%
Tropicana	27.63%	5.55%	- 12.42%	10.16%	3.12%
Horseshoe HD	25.20%	7.07%	- 11.76%	8.66%	- 10.66%
Hoosier Park	22.51%	15.37%	- 19.88%	5.95%	- 1.65%
Indiana Grand	22.36%	17.20%	- 13.11%	7.66%	10.72%
Rising Star	21.24%	14.15%	- 20.81%	2.96%	- 3.65%
Majestic Star II	19.36%	21.93%	- 17.37%	9.02%	- 5.61%
Majestic Star I	14.26%	13.53%	- 13.24%	8.58%	- 4.61%
French Lick	13.16%	16.55%	- 24.27%	19.93%	- 5.03%
Hollywood	10.16%	16.65%	- 19.88%	7.86%	10.88%
STATEWIDE	26.28%	8.37%	- 17.00%	8.64%	- 0.41%

CASINO WIN, past six years (\$ in millions)

CASINO	03/2019	03/2018	03/2017	03/2016	03/2015	03/2014
Horseshoe HD	\$ 38.29	\$ 40.10	\$ 39.39	\$ 38.60	\$ 41.50	\$ 43.24
Indiana Grand	\$ 29.65	\$ 27.66	\$ 25.98	\$ 23.70	\$ 22.54	\$ 23.42
Ameristar	\$ 23.05	\$ 22.92	\$ 20.38	\$ 21.60	\$ 20.19	\$ 20.53
Hoosier Park	\$ 20.75	\$ 20.92	\$ 20.12	\$ 18.76	\$ 18.81	\$ 19.71
Horseshoe SI	\$ 20.25	\$ 21.86	\$ 23.33	\$ 22.51	\$ 17.26	\$ 22.03
Hollywood	\$ 15.84	\$ 16.55	\$ 16.22	\$ 16.09	\$ 16.12	\$ 19.13
Blue Chip	\$ 15.35	\$ 15.11	\$ 14.97	\$ 14.43	\$ 14.47	\$ 15.04
Tropicana	\$ 15.27	\$ 15.69	\$ 11.61	\$ 11.35	\$ 10.02	\$ 10.91
Belterra	\$ 10.70	\$ 11.25	\$ 10.25	\$ 8.65	\$ 9.71	\$ 9.99
French Lick	\$ 9.02	\$ 9.12	\$ 8.41	\$ 7.28	\$ 6.81	\$ 6.36
Majestic Star I	\$ 8.48	\$ 9.14	\$ 9.52	\$ 8.63	\$ 8.56	\$ 9.83
Majestic Star II	\$ 6.25	\$ 5.95	\$ 5.78	\$ 6.31	\$ 6.14	\$ 6.79
Rising Star	\$ 4.50	\$ 4.79	\$ 4.74	\$ 4.59	\$ 4.33	\$ 4.98
STATEWIDE	\$217.40	\$221.06	\$210.70	\$202.50	\$196.45	\$211.97

CASINO WIN, vs. prior year, past five years

CASINO	03/2019	03/2018	03/2017	03/2016	03/2015
Indiana Grand	7.20%	6.49%	9.61%	5.16%	- 3.78%
Majestic Star II	5.01%	3.00%	- 8.46%	2.83%	- 9.60%
Blue Chip	1.60%	0.89%	3.80%	- 0.33%	- 3.78%
Ameristar	0.55%	9.12%	- 5.68%	7.02%	- 1.68%
Hoosier Park	- 0.81%	3.98%	7.25%	- 0.26%	- 4.55%
French Lick	- 1.10%	8.40%	15.54%	6.95%	7.03%
Tropicana	- 2.64%	35.16%	2.26%	13.32%	- 8.19%
Hollywood	- 4.31%	2.02%	0.79%	- 0.14%	- 15.76%
Horseshoe HD	- 4.52%	1.80%	2.05%	- 6.99%	- 4.01%
Belterra	- 4.84%	9.67%	18.48%	- 10.91%	- 2.77%
Rising Star	- 6.07%	0.98%	3.41%	5.86%	- 12.96%
Majestic Star I	- 7.19%	- 3.99%	10.31%	0.76%	- 12.91%
Horseshoe SI	- 7.38%	- 6.29%	3.65%	30.44%	- 21.68%
STATEWIDE	- 1.66%	4.60%	4.05%	3.08%	- 7.32%

STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
04/18	\$ 195,349,498	2.15%	\$ 4,114,748
05/18	\$ 191,065,884	- 0.25%	(\$ 474,507)
06/18	\$ 186,792,189	4.49%	\$ 8,019,573
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856
03/19	\$ 217,397,977	- 1.66%	(\$ 3,659,436)

STATEWIDE WIN, same month, past years

	Total Win	% Change Prior Year	Actual Change Prior Year
03/99	\$ 135,012,904	13.75%	\$ 18,307,786
03/00	\$ 153,966,065	14.04%	\$ 18,953,161
03/01	\$ 169,844,766	10.31%	\$ 15,878,701
03/02	\$ 178,784,658	5.26%	\$ 8,939,894
03/03	\$ 199,177,010	11.41%	\$ 20,392,352
03/04	\$ 205,544,430	3.20%	\$ 6,367,420
03/05	\$ 215,137,420	4.67%	\$ 9,592,990
03/06	\$ 229,196,726	6.54%	\$ 14,059,306
03/07	\$ 250,183,817	9.16%	\$ 20,987,091
03/08	\$ 225,078,705	- 10.03%	(\$ 25,105,112)
03/09	\$ 252,848,940	12.34%	\$ 27,770,235
03/10	\$ 250,847,498	- 0.79%	(\$ 2,001,442)
03/11	\$ 251,911,050	0.42%	\$ 1,063,552
03/12	\$ 249,148,632	- 1.10%	(\$ 2,762,418)
03/13	\$ 239,584,314	- 3.84%	(\$ 9,564,318)
03/14	\$ 211,965,405	- 11.53%	(\$ 27,618,909)
03/15	\$ 196,450,461	- 7.32%	(\$ 15,514,944)
03/16	\$ 202,502,601	3.08%	\$ 6,052,140
03/17	\$ 210,703,882	7.27%	\$ 14,280,841
03/18	\$ 221,057,413	4.60%	\$ 9,723,531
03/19	\$ 217,397,977	- 1.66%	(\$ 3,659,436)

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 97,433,450	\$ 104,616,643	(\$ 7,183,193)	- 6.87%
Indiana Grand	\$ 74,567,440	\$ 70,667,266	\$ 3,900,174	5.52%
Ameristar	\$ 56,218,710	\$ 58,744,465	(\$ 816,133)	- 1.53%
Hoosier Park	\$ 52,368,904	\$ 53,185,037	(\$ 3,144,188)	- 5.84%
Horseshoe SI	\$ 50,708,065	\$ 53,852,253	(\$ 2,525,755)	- 4.30%
Hollywood	\$ 42,531,904	\$ 43,580,922	(\$ 1,049,018)	- 2.41%
Tropicana	\$ 38,574,503	\$ 40,130,375	\$ 809,211	2.20%
Blue Chip	\$ 37,545,583	\$ 36,736,372	(\$ 1,555,872)	- 3.88%
Belterra	\$ 24,969,275	\$ 25,546,558	(\$ 577,283)	- 2.26%
French Lick	\$ 23,831,199	\$ 22,703,983	\$ 1,127,216	4.96%
Majestic Star I	\$ 22,441,343	\$ 22,904,398	(\$ 463,055)	- 2.02%
Majestic Star II	\$ 15,775,549	\$ 15,088,448	\$ 687,101	4.55%
Rising Star	\$ 11,457,001	\$ 12,011,766	(\$ 554,765)	- 4.62%
STATEWIDE	\$548,422,926	\$ 559,768,486	(\$ 11,345,560)	- 2.03%

REGIONAL WIN (\$ in millions), past six months

REGION	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Lake	\$ 91.41	\$ 72.14	\$ 65.86	\$ 77.76	\$ 72.06	\$ 75.99
Southern	\$ 75.58	\$ 58.84	\$ 57.65	\$ 71.53	\$ 64.73	\$ 63.37
Racinos	\$ 50.41	\$ 41.17	\$ 35.36	\$ 42.12	\$ 39.40	\$ 37.55

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Caesars*	\$ 108.94	\$ 85.74	\$ 80.40	\$ 94.92	\$ 87.95	\$ 89.18
Penn National*	\$ 38.88	\$ 31.38	\$ 28.48	\$ 34.88	\$ 32.66	\$ 30.91
Boyd Gaming*	\$ 26.05	\$ 18.73	\$ 17.73	\$ 22.80	\$ 20.62	\$ 21.03
Spectacle	\$ 14.73	\$ 12.66	\$ 10.83	\$ 12.73	\$ 11.71	\$ 12.33

* Assumes current combinations looking retrospectively

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN	TABLE WIN
Horseshoe SI	54.09% \$ 5,657,520	17.33% \$ 610,369
Belterra	45.62% \$ 2,795,487	150.53% \$ 1,068,342
Blue Chip	30.86% \$ 3,252,133	14.86% \$ 201,711
Tropicana	30.08% \$ 3,027,004	14.70% \$ 279,626
Ameristar	29.36% \$ 3,852,838	56.21% \$ 2,185,444
Horseshoe HD	24.59% \$ 5,660,805	27.03% \$ 2,045,374
Hoosier Park	22.51% \$ 3,813,218	N/A N/A
Indiana Grand	22.36% \$ 5,420,029	N/A N/A
Majestic Star I	20.21% \$ 1,142,176	- 4.73% (\$ 83,825)
French Lick	19.27% \$ 1,275,790	- 16.79% (\$ 226,610)
Majestic Star II	18.96% \$ 970,260	36.82% \$ 42,961
Rising Star	18.37% \$ 614,608	47.61% \$ 173,265
Hollywood	12.68% \$ 1,559,270	- 4.74% (\$ 98,412)
STATEWIDE	26.46% \$ 39,041,138	25.18% \$ 6,198,245

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN	TABLE WIN
Indiana Grand	7.20% \$ 1,990,544	N/A N/A
Majestic Star II	5.10% \$ 295,571	1.75% \$ 2,752
Blue Chip	2.51% \$ 337,904	- 5.81% (\$ 96,224)
Tropicana	1.26% \$ 162,955	- 20.92% (\$ 577,109)
Horseshoe HD	- 0.22% (\$ 63,349)	- 15.41% (\$ 1,750,331)
Hoosier Park	- 0.81% (\$ 169,675)	N/A N/A
French Lick	- 0.88% (\$ 70,309)	- 2.61% (\$ 30,068)
Hollywood	- 4.47% (\$ 648,247)	- 3.19% (\$ 65,048)
Horseshoe SI	- 4.69% (\$ 792,985)	- 16.56% (\$ 820,577)
Belterra	- 6.14% (\$ 583,810)	2.31% \$ 40,072
Rising Star	- 6.41% (\$ 271,289)	- 3.46% (\$ 19,262)
Majestic Star I	- 6.62% (\$ 481,765)	- 9.39% (\$ 174,891)
Ameristar	- 7.48% (\$ 1,371,532)	32.72% \$ 1,497,237
STATEWIDE	- 0.89% (\$ 1,665,987)	- 6.08% (\$ 1,993,449)

COIN-IN, past five months (\$ in millions)

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018
Indiana Grand	\$ 313.49	\$ 257.10	\$ 226.05	\$ 252.78	\$ 228.65
Horseshoe HD	\$ 286.85	\$ 225.14	\$ 203.11	\$ 241.70	\$ 211.92
Hoosier Park	\$ 220.47	\$ 186.15	\$ 162.65	\$ 200.98	\$ 176.31
Ameristar	\$ 167.69	\$ 132.90	\$ 122.59	\$ 143.02	\$ 135.70
Horseshoe SI	\$ 159.52	\$ 105.13	\$ 133.28	\$ 157.44	\$ 147.24
Blue Chip	\$ 155.64	\$ 120.56	\$ 105.47	\$ 137.39	\$ 123.21
Hollywood	\$ 140.04	\$ 117.63	\$ 102.71	\$ 129.49	\$ 121.25
Tropicana	\$ 121.92	\$ 98.68	\$ 88.43	\$ 104.77	\$ 90.88
French Lick	\$ 96.25	\$ 77.03	\$ 67.38	\$ 92.02	\$ 75.66
Belterra	\$ 94.00	\$ 67.11	\$ 65.38	\$ 86.22	\$ 75.93
Majestic Star I	\$ 69.55	\$ 56.70	\$ 51.25	\$ 58.88	\$ 54.18
Majestic Star II	\$ 59.01	\$ 49.08	\$ 41.08	\$ 48.87	\$ 44.94
Rising Star	\$ 45.67	\$ 39.05	\$ 32.35	\$ 44.99	\$ 40.54
STATEWIDE	\$ 1.930B	\$ 1.532B	\$ 1.402B	\$ 1.699B	\$ 1.526B

SLOT PAYBACK, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
French Lick	91.80%	91.40%	91.39%	91.47%	91.53%	91.50%
Rising Star	91.33%	91.43%	91.43%	91.78%	91.20%	91.37%
Blue Chip	91.14%	91.26%	91.42%	91.58%	91.23%	91.55%
Hoosier Park	90.59%	90.90%	90.97%	90.88%	90.19%	91.64%
Indiana Grand	90.54%	90.57%	90.85%	90.59%	90.33%	90.83%
Belterra	90.51%	90.87%	90.73%	90.99%	90.82%	90.35%
Majestic Star I	90.23%	90.03%	90.00%	90.07%	89.86%	90.40%
Hollywood	90.10%	89.54%	89.91%	89.68%	90.12%	89.89%
Horseshoe HD	90.00%	89.78%	90.21%	90.24%	89.87%	90.15%
Horseshoe SI	89.90%	90.05%	90.21%	90.02%	90.22%	90.14%
Ameristar	89.88%	90.13%	90.32%	89.81%	89.90%	89.94%
Majestic Star II	89.68%	89.57%	89.92%	89.61%	89.66%	89.86%
Tropicana	89.26%	89.80%	89.44%	89.72%	89.45%	89.83%
STATEWIDE	90.33%	90.37%	90.53%	90.47%	90.28%	90.61%

SLOT MACHINES, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe HD	2,199	2,217	2,217	2,221	2,205	2,267
Indiana Grand	2,073	2,074	2,069	2,069	2,069	2,071
Ameristar	1,738	1,738	1,749	1,762	1,774	1,777
Blue Chip	1,676	1,676	1,678	1,678	1,675	1,675
Horseshoe SI	1,577	1,580	1,580	1,579	1,586	1,587
Hollywood	1,574	1,543	1,541	1,522	1,509	1,509
Hoosier Park	1,543	1,542	1,599	1,611	1,658	1,811
Belterra	1,176	1,167	1,180	1,186	1,170	1,184
Tropicana	1,127	1,124	1,125	1,128	1,130	1,130
French Lick	915	915	915	916	916	919
Rising Star	898	896	897	897	894	901
Majestic Star II	829	832	838	842	859	859
Majestic Star I	788	789	700	818	819	819
STATEWIDE	18,133	18,093	18,088	18,229	18,264	18,509

WIN PER SLOT PER DAY

CASINO	03/2019	03/2018	02/2019
Indiana Grand	\$ 461	\$ 421	\$ 417
Hoosier Park	\$ 434	\$ 364	\$ 392
Horseshoe HD	\$ 421	\$ 404	\$ 371
Tropicana	\$ 375	\$ 367	\$ 320
Horseshoe SI	\$ 330	\$ 343	\$ 236
Ameristar	\$ 315	\$ 345	\$ 270
Hollywood	\$ 284	\$ 318	\$ 285
French Lick	\$ 278	\$ 276	\$ 258
Majestic Star I	\$ 278	\$ 275	\$ 256
Blue Chip	\$ 265	\$ 257	\$ 225
Belterra	\$ 245	\$ 258	\$ 188
Majestic Star II	\$ 237	\$ 224	\$ 220
Rising Star	\$ 142	\$ 148	\$ 133
STATEWIDE	\$ 332	\$ 326	\$ 291

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 45,607,872	\$ 9,611,144 21.07%
Ameristar	\$ 29,763,240	\$ 6,073,166 20.40%
Horseshoe SI	\$ 19,341,134	\$ 4,133,110 21.37%
Hollywood	\$ 11,519,951	\$ 1,975,767 27.04%
Tropicana	\$ 11,067,038	\$ 2,181,766 19.71%
Majestic Star I	\$ 10,975,518	\$ 1,686,650 15.37%
Blue Chip	\$ 7,305,825	\$ 1,559,092 21.34%
Belterra	\$ 7,242,792	\$ 1,778,059 24.55%
French Lick	\$ 5,867,539	\$ 1,122,981 19.14%
Rising Star	\$ 3,118,300	\$ 537,207 17.23%
Majestic Star II	\$ 135,697	\$ 159,645 117.65%
STATEWIDE	\$ 151,944,906	\$ 30,818,587 20.28%

TABLE HOLD, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Majestic Star II	117.65%	112.18%	152.29%	112.02%	115.59%	108.91%
Hollywood	27.04%	34.41%	34.17%	28.29%	36.29%	24.07%
Belterra	24.55%	14.81%	25.14%	27.48%	24.60%	16.66%
Horseshoe SI	21.37%	26.53%	20.61%	25.63%	24.17%	25.84%
Blue Chip	21.34%	22.52%	21.86%	22.20%	21.62%	19.34%
Horseshoe HD	21.07%	19.84%	22.41%	21.51%	21.96%	26.66%
Ameristar	20.40%	16.06%	16.55%	15.72%	16.41%	15.50%
Tropicana	19.71%	20.83%	23.43%	22.01%	25.20%	22.59%
French Lick	19.14%	23.87%	22.04%	20.76%	23.71%	24.09%
Rising Star	17.23%	14.00%	21.07%	13.00%	15.28%	25.04%
Majestic Star I	15.37%	22.90%	17.45%	21.47%	20.08%	23.02%
STATEWIDE	20.28%	20.36%	20.85%	20.87%	21.42%	22.29%

TABLE GAMES, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe HD	150	157	155	154	156	153
Horseshoe SI	103	103	103	103	103	103
Ameristar	79	79	79	80	76	76
Hollywood	78	78	78	78	73	78
Majestic Star I	49	49	49	49	50	50
Blue Chip	48	48	48	48	48	48
Belterra	43	43	43	43	43	43
Tropicana	41	41	41	41	41	41
French Lick	37	37	37	37	37	37
Rising Star	27	29	29	25	25	25
Majestic Star II	14	14	14	14	14	14
STATEWIDE	669	678	676	672	671	668

WIN PER TABLE PER DAY

CASINO	03/2019	03/2018	02/2019
Ameristar	\$ 2,480	\$ 2,050	\$ 1,758
Horseshoe HD	\$ 2,067	\$ 2,395	\$ 1,721
Tropicana	\$ 1,717	\$ 2,171	\$ 1,657
Belterra	\$ 1,334	\$ 1,335	\$ 589
Horseshoe SI	\$ 1,294	\$ 1,551	\$ 1,221
Majestic Star I	\$ 1,110	\$ 1,177	\$ 1,290
Blue Chip	\$ 1,048	\$ 1,112	\$ 1,010
French Lick	\$ 979	\$ 1,005	\$ 1,303
Hollywood	\$ 817	\$ 793	\$ 950
Rising Star	\$ 642	\$ 619	\$ 448
Majestic Star II	\$ 368	\$ 195	\$ 298
STATEWIDE	\$ 1,486	\$ 1,545	\$ 1,297

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	03/2019	02/2019	01/2019	12/2018
Majestic Star II	97.4/02.6%	97.8/02.2%	96.5/03.5%	97.7/02.3%
Blue Chip	89.8/10.2%	88.6/11.4%	87.8/12.2%	88.0/12.0%
Rising Star	88.1/11.9%	90.2/09.8%	85.3/14.7%	90.2/09.8%
French Lick	87.6/12.4%	83.1/16.9%	84.8/15.2%	86.9/13.1%
Hollywood	87.5/12.5%	85.6/14.4%	84.1/15.9%	86.9/13.1%
Tropicana	85.7/14.3%	84.1/15.9%	82.4/17.6%	83.2/16.8%
Belterra	83.4/16.6%	89.6/10.4%	81.6/18.4%	80.5/19.5%
Majestic Star I	80.1/19.9%	76.1/23.9%	78.4/21.6%	77.6/22.4%
Horseshoe SI	79.6/20.4%	74.8/25.2%	79.2/20.8%	76.9/23.1%
Horseshoe HD	74.9/25.1%	75.3/24.7%	69.6/30.4%	72.9/27.1%
Ameristar	73.7/26.3%	77.1/22.9%	73.4/26.6%	74.7/25.3%
STATEWIDE	85.8/14.2%	85.7/14.3%	83.6/16.4%	84.6/15.4%

STATE MARKET SHARE BY CORPORATE PARENT, past six months

CORP	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Caesars*	50.11%	49.80%	50.61%	49.59%	49.92%	50.41%
Penn National*	17.89%	18.23%	17.93%	18.22%	18.53%	17.47%
Boyd Gaming*	11.98%	10.88%	11.16%	11.91%	11.70%	11.89%
Majestic Star	6.77%	7.35%	6.82%	6.65%	6.64%	6.97%

* Assumes current combinations looking retrospectively

STATE MARKET SHARE, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe HD	17.61%	17.76%	17.98%	16.91%	16.91%	18.85%
Indiana Grand	13.64%	14.08%	13.02%	12.43%	12.55%	11.29%
Ameristar	10.60%	9.88%	10.17%	10.19%	10.44%	10.20%
Hoosier Park	9.55%	9.84%	9.24%	9.57%	9.82%	9.94%
Horseshoe SI	9.31%	8.12%	10.37%	10.68%	10.65%	10.34%
Hollywood	7.28%	8.35%	7.76%	8.03%	8.09%	7.27%
Blue Chip	7.06%	6.91%	6.48%	6.87%	6.91%	6.93%
Tropicana	7.03%	6.95%	7.14%	6.76%	6.67%	6.44%
Belterra	4.92%	3.97%	4.68%	5.04%	4.80%	4.95%
French Lick	4.15%	4.63%	4.31%	4.72%	4.27%	4.48%
Majestic Star I	3.90%	4.31%	4.12%	3.94%	3.94%	4.11%
Majestic Star II	2.87%	3.04%	2.70%	2.71%	2.70%	2.85%
Rising Star	2.07%	2.15%	2.05%	2.14%	2.26%	2.34%

STATE MARKET SHARE BY REGION, past six months

REGION	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Lake	42.05%	41.91%	41.45%	40.62%	40.90%	42.95%
Southern	34.76%	34.18%	36.29%	37.37%	36.74%	35.82%
Racinos	23.19%	23.92%	22.26%	22.01%	22.36%	21.22%

LAKE REGION MARKET SHARE, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe HD	41.88%	42.39%	43.37%	41.63%	41.34%	43.88%
Ameristar	25.21%	23.58%	24.54%	25.08%	25.53%	23.76%
Blue Chip	16.79%	16.49%	15.64%	16.92%	16.88%	16.14%
Majestic Star I	9.28%	10.29%	9.93%	9.69%	9.63%	9.58%
Majestic Star II	6.83%	7.26%	6.52%	6.68%	6.61%	6.64%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Horseshoe SI	26.79%	23.76%	28.58%	28.57%	28.98%	28.86%
Hollywood	20.95%	24.43%	21.37%	21.50%	22.03%	20.29%
Tropicana	20.21%	20.34%	19.66%	18.09%	18.15%	17.98%
French Lick	11.94%	13.55%	11.86%	12.63%	11.63%	12.51%
Belterra	14.16%	11.62%	12.89%	13.48%	13.05%	13.83%
Rising Star	5.95%	6.30%	5.64%	5.74%	6.16%	6.53%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Ameristar	Horseshoe HD	Indiana Grand
(3)	Horseshoe SI	Hoosier Park	Ameristar
(4)	Tropicana	Ameristar	Hoosier Park
(5)	Hollywood	Horseshoe SI	Horseshoe SI
(6)	Belterra	Hollywood	Hollywood
(7)	Majestic Star I	Blue Chip	Blue Chip
(8)	Blue Chip	Tropicana	Tropicana
(9)	French Lick	Belterra	Belterra
(10)	Rising Star	French Lick	French Lick
(11)	Majestic Star II	Majestic Star I	Majestic Star I
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Indiana	\$ 217.40	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91
IL Casinos	\$ 126.20	\$ 97.55	\$ 94.71	\$ 117.69	\$ 107.13	\$ 112.74
SPREAD	\$ 91.20	\$ 74.60	\$ 64.16	\$ 73.72	\$ 69.06	\$ 64.17
IL VGTs	\$ 158.71	\$ 129.06	\$ 120.47	\$ 133.51	\$ 125.14	\$ 127.89
IL Total	\$ 284.91	\$ 226.61	\$ 215.18	\$ 251.20	\$ 232.27	\$ 240.64
SPREAD	(\$ 67.51)	(\$ 54.45)	(\$ 56.32)	(\$ 62.45)	(\$ 56.08)	(\$ 63.72)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	03/2019	02/2019	01/2019	12/2018	11/2018	10/2018
Indiana	\$ 217.40	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19	\$ 176.91
OH Casinos	\$ 81.08	\$ 69.99	\$ 62.45	\$ 76.25	\$ 67.73	\$ 66.56
OH Racinos	\$ 103.11	\$ 84.96	\$ 78.29	\$ 89.69	\$ 80.41	\$ 83.42
OH Total	\$ 184.19	\$ 154.95	\$ 140.74	\$ 165.94	\$ 148.15	\$ 149.98
SPREAD	\$ 33.21	\$ 17.21	\$ 18.13	\$ 25.47	\$ 28.05	\$ 26.93

Hoosier Lottery

● The Hoosier Lotto jackpot for Saturday, April 20, grew to \$34.9 million, a \$500,000 jump over the previous jackpot, and the second \$500,000 jackpot improvement for the first 20 days of April after all of March only saw two such bottom-line boosts. These have been the only four \$500,000 increments of the year to date. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players.

□ The Hoosier Lotto jackpot is the largest up for grabs since the matrix was revised in May 2014, topping the \$25.5 million jackpot of October 14, 2017. This jackpot is now the largest available in Indiana in almost 12 years (having topped the \$34.50 million jackpot hit on February 18, 2012 and a similar-sized jackpot that was won on October 30, 2010), but still significantly lags that one: the record \$54.5 million collected on November 7, 2007. Second place is closer: \$42.0 million (won on June 5, 1999). The current jackpot has been growing since February 10, 2018, unclaimed for more than 13 months.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	04/20/19	\$34.9 Million	\$500,000
WED	04/17/19	\$34.4 Million	\$300,000
SAT	04/13/19	\$34.1 Million	\$400,000
WED	04/10/19	\$33.7 Million	\$200,000
SAT	04/06/19	\$33.5 Million	\$500,000
WED	04/03/19	\$33.0 Million	\$200,000
SAT	03/30/19	\$32.8 Million	\$300,000
WED	03/27/19	\$32.5 Million	\$200,000
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000
SAT	11/24/18	\$22.3 Million	\$300,000
WED	11/21/18	\$22.0 Million	\$200,000
SAT	11/17/18	\$21.8 Million	\$300,000
WED	11/14/18	\$21.5 Million	\$300,000
SAT	11/10/18	\$21.3 Million	\$400,000
WED	11/07/18	\$20.9 Million	\$500,000
SAT	11/03/18	\$20.4 Million	\$600,000
WED	10/31/18	\$19.8 Million	\$500,000

□ The Hoosier Lotto jackpot reigned as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game from January 24 until the draw dated April 10. That's when the Golden State game posted a \$34 million jackpot compared to Indiana's \$33.7 million stake - illustrating the power of \$1 million increments in each draw, sometimes five times as much as Indiana was offering each time out. For the April 20 draw, the California jackpot hit \$37.0 million to Indiana's \$34.9 million.

● Silver Express in Indianapolis maintains the lottery sales lead for a seventh consecutive month, and continues its remarkable run of not having been lower than first or second statewide since a third-place finish back in November 2015. But there's a new face in second place: MCR Short Stop in Portage, its highest place in the rankings since we started monitoring retailer sales in detail back in 2013. Troy Foods Inc. in Indianapolis, which had placed first or second in each month since it transitioned from Buck's Market ownership in the mid-July 2018 buyout (and it had largely been on the podium with Silver Express for years before the change), dropped to third place in February and remained there in March. Silver Express had held the top spot statewide during a strong run from December 2015 through October 2017 and again from January through April. Troy had jumped from 10th to first in August following the July ownership flip. The Troy Foods predecessor, Buck's, had finished second in March 2018. K & D Marathon in Hammond moves up to fourth place after three consecutive months in fifth. Indianapolis now has posted back-to-back months without a win-place showing. Until February, the last time that happened was in July 2018. Before that, the last time Indianapolis failed to post a win-place showing was back in December 2017.

Top 10 Hoosier Lottery Retailers - March 2019 Sales Rank

Mar	Feb	Jan	Dec	Nov	Oct	Sept
19 18						
1 (1) Silver Express - Indianapolis	1	1	1	1	1	1
2 (7) MCR Short Stop - Portage	4	6	8	4	6	3
3 (-) Troy Foods Inc. - Indianapolis	3	2	2	2	2	2
4 (4) K & D Marathon - Hammond	5	5	5	3	3	4
5 (9) Phillip's 66 - Indianapolis	6	4	6	6	9	7
6 (5) Lucky's Mart LLC - Speedway	7	7	3	7	8	5
7 (6) Grand Food Junction - Fort Wayne	2	3	4	5	10	8
8 (-) Munster Citgo - Munster	-	-	-	-	-	-
9 (-) Southside Marathon - Fort Wayne	10	-	10	8	-	10
10 (-) Jerry's Burger Dairy - Fort Wayne	-	-	-	-	-	-

□ Grand Food Junction in Fort Wayne, which ended February in second place statewide, its highest showing since we began tracking retailers in detail in 2013, falls all the way to seventh place in March, about on par with its sixth-place March 2018 performance. Plainfield Dairyland in Plainfield falls off the top 10 list for the first time since April 2017. The Hen in Terre Haute also drops off the top 10 list after a brief (February) reappearance. Plainfield Dairyland started the fiscal year with a second-place July finish, dipped to a disappointing ninth statewide starting 2019, and only moved up one notch in February. Back on the list for the first time since June 2018 is Jerry's Burger Dairy in Fort Wayne, and the eighth-place March finisher, Munster Citgo, is among the top 10 retailers in the state for the first time.

□ Only four different counties are represented among the top 10 retailers, down from six in February and seven in January, and the smallest number of counties earning top 10 honors that we can recall. Four continue to be found in Marion County. Allen County returned to the multiple outlet list in February after dropping off in January, and places three on the list in March, with two from Lake County and one from Porter County. After the top three December retailers hailed from Marion County - a phenomenon we had not seen since August - that slipped to the top two spots in January, and first and third in February and again in March.

□ Here's your deeper dive into the historical March retailer rubric:

#	2019	2018	2017
1	Silver Express	Silver Express	Silver Express
2	MCR Short Stop	Buck's Market	Buck's Market
3	Troy Foods Inc.	Plainfield Dairyland	Lucky's Mart
4	K & D Marathon	K & D Marathon	Grand Food Junction
5	Phillip's 66	Lucky's Mart LLC	K & D Marathon
#	2016	2015	2014
1	Silver Express	Buck's Market	Silver Express
2	Buck's Market	Silver Express	Buck's Market
3	K & D Marathon	Friendly Market	K & D Marathon
4	Lucky's Mart LLC	K & D Marathon	Lucky Stop
5	Grand Food Junction	Grand Food Junction	Dinner Bell Markets
#	2013	2012	2011
1	Buck's Market	K & D Marathon	K & D Marathon
2	K & D Marathon	Lightning Food Mart	Lightning Food Mart
3	Lightning Food Mart	Lucky Stop	Lucky Stop
4	Safeway Foods #14	Silver Express	Silver Express
5	Speedway 8052	The Hen	The Hen

● As the Hoosier Lottery approaches its 30th anniversary late this year, former Gov. Mitch Daniels (R) - who oversaw the lottery for eight of those years, and contracted out its management - uses his regular *Washington Post* op-ed space to suggest that lotteries "manifest all the elements of 'bad taxation.'" He relates story about how "as a new governor confronting a chronically unbalanced budget and a massive debt owed to schools, universities and localities, I sought to lighten a fiscal brainstorming session by saying, 'Hey, I know a great new revenue source. We'll put the state in the cigarette business. We'll call 'em 'Hoosier Smokes.' The margins will be terrific and the take enormous.' My teammates looked properly shocked, but then I confirmed that, of course, I was kidding, but wanted to make a different point: The state already operates a lucrative, high-margin business that promotes addictive, often self-destructive behavior and preys primarily on poor people. It's called the lottery."

□ The **Purdue University** president writes that “the spread and growth of state lotteries as a public-finance tool has never stopped troubling me. I recognize that my view is an isolated one. Among the many ways that governments extract money from the public, lotteries are uniquely popular across income, social, geographic and political spectrums. I once proposed a plan not to end the Hoosier Lottery but merely to cap its revenue at current levels and devote the monetized value of their future growth to making community college free to young people of moderate means. Republicans were unenthused, and Democrats were actively opposed. The bill went nowhere. As far as I can tell, the result would have been the same in most other states.”

□ Daniels cites high odds, double taxation “by the lottery itself and by the taxes on any winnings,” and “severe regressivity” in making his case. He notes that “As a percentage of income, the money spent by low-income people is 10 times that of wealthier residents who play the lottery.” And, he adds, “If the nature of lottery taxation is a bit deceptive, the way it has been marketed is an outright con job. In state after state, lotteries were sold as benefiting education” (though not in Indiana).

□ Speaking to the odds, Indiana’s former chief executive laments – as he did during his tenure in office – “If my Syrian-immigrant grandfather had offered odds that crummy in the numbers game he ran out of his pool hall, he’d have been chased out of **Monessen, Pa.** I used to point out to fans of the lottery system, ‘The Atlantic City mob let you keep 92 percent.’ Here’s a modest suggestion: States should consider reducing their skim of the wagers; at 73 percent, even **Massachusetts’** leading payout seems unfairly skimpy. No state would go broke sharing a little more of the take; in only nine states do lotto revenues amount to even 3 percent of total state receipts.”

□ He concludes by turning to a former **Indianapolis** staple to reinforce his point: “My sources tell me that the long-standing enterprise called ‘pea shake,’ a traditional form of numbers gambling prevalent for decades in my Indiana hometown’s inner-city neighborhoods, is down to two operators and likely to close up shop soon. Local law enforcement has played a part, but competition from the Hoosier Lottery is cited as the biggest reason. By all accounts, a pea-shake player had a shot at 80 percent to 90 percent of the pot. Wouldn’t it seem that our public servants could give their suckers at least that fair a shake?”

● The **Indiana Supreme Court** unanimously denies transfer in *Parsley, II v. Indiana*, No. 18A-CR-72, the strange odyssey we’ve chronicled for you over the past few years involving **Jackie Harold Parsley, II** and the extended Parsley clan in a case involving fraud perpetrated on the Hoosier Lottery.

● The **Tax Foundation** releases a ranking of state lottery tax withholdings, and finds that among the 35 states that tax lottery winnings (**California** and **Delaware** do not tax such lucre), only **Pennsylvania** (3.07%) and **North Dakota** (2.90%) have a lower such rate than that of **Indiana** (3.23%).

IN Horse Racing & Racinos

● **Indiana Grand Racing & Casino** kicked off its 17th season of Thoroughbred and Quarter Horse racing April 16.

□ **Indiana Grand** will operate under a slightly adjusted post time schedule in 2019. Racing on Tuesdays, Wednesdays, and Fridays will begin at 2:15 p.m. with Saturday racing set for 6:15 p.m. The season in **Shelbyville** extends through Wednesday, November 6.

□ In addition to the Pick 5, implemented during the 2018 racing season, **Indiana Grand** will offer a new wager in 2019. The **Quarter Horse Pentafecta** will be offered on each Quarter Horse race and will include a carryover. The 10¢ wager debuted opening night.

● On April 2, the House dissented from Senate amendments to HB 1196, the **Indiana Horse Racing Commission’s** technical amendments bill. Rep. **Bob Cherry** (R) of **Greenfield**, the bill’s author, and Rep. **Terri Austin** (R) of **Anderson** were named as House conferees, joined by Reps. **Sean Eberhart** (R) of **Shelbyville**; **Ben Smaltz** (R) of **Auburn** (chair of the House Committee on Public Policy in which the bill was heard); and **Justin Moed** (D) and **Vanessa Summers** (D) of **Indianapolis**. The Senate conferees were the Senate sponsors, Senate Committee on Public Policy Chair **Ron Alting** of **Lafayette** (whose panel heard the bill), and Senate Democratic Leader **Tim Lanane** (D) of **Anderson**. Senate advisors were Sens. **Vaneta Becker** (R) of **Evansville**, **Greg Taylor** (D) of **Indianapolis**, and **Ron Grooms** (R) of **Jeffersonville**. The conference committee held its first meeting on Thursday, April 11, with Reps. Cherry, Austin, and Summers, and Sens. Alting, Lanane, and Taylor present.

□ Rep. Cherry, the conference committee chair, expected to be able to circulate a bill draft by the end of the day, not alluding to much of substance, but saying that some things pertaining to horses and audits would be moved into SB 552, the omnibus gaming bill. He said he wanted to use the meeting for input on the bill, and opened up the floor for testimony.

□ **Brian Elmore** of the **Indiana Horsemen’s Benevolent & Protective Association** led off, and told panel members, “I feel like I’m talking to friends.” He argued for inclusion of live table game dollars in the formula for distribution of wagering revenues horse welfare – citing a “moral obligation” to these “majestic athletes” to “repurpose them” after their careers are over, and the need to promote “backside benevolence” and enhance lives of many individuals with medical, dental, and eye care – many of them in the country on H-2B visas. He relieved the incident a few years back at **Indiana Grand Racecourse** in which a jockey, following a strange string of circumstances that day, ended up being run over by another horse in a race, and passing away from his multiple injuries. The benevolence dollars helped to fund his medical care and return his body to his family out of the country. “Horse racing is a dangerous sport,” he said. Elmore reminded lawmakers that “any change, whether legislative or regulatory, creates uncertainty.” He explained that the tracks may face a crisis situation if **Indiana** loses mares, and their numbers in **Indiana** have been down since 2010. He said that “we must change that to survive” the “fierce competition” that we face from surrounding states. He also told solons that “We currently have a shortage of Thoroughbred horses,” and requested that they “allow the Thoroughbred Breed Advisory Committee to do their job.” When Elmore asked the panel to move up the date for live dealers at racino table games to January 1, 2020, Rep. Cherry reminded him that this issue was “not [within] the purview of this committee.”

□ Krieg DeVault LLP's Mike McDaniel spoke on behalf of the Indiana Standardbred Association. He confirmed that the industry was not only "alive and well," but Standardbreds are a billion-dollar industry in Indiana and continue to thrive. He asked that table game revenue from live dealers be allowed to flow the same way to purses and horsemen as slot revenue. He said "that is critical" to helping the agribiz industry continue to grow. He also concurred with the call by HBPA's Elmore to move up the date for live dealers at table games.

□ Kelli Waggoner of KWK Management Group appeared on behalf of the Indiana Thoroughbred Owner's and Breeder's Association, and she told lawmakers that ITOBA was among the groups that "appreciate what you're doing in this bill." She answered questions from Sen. Lanane on distribution of live dealer table game revenues as with slot dollars.

□ Also appearing was Michael Phelps, part of a husband-wife veterinary services team, who had also testified on HB 1196 earlier in the process. He noted that breeders must plan now for what will happen three years down the line in breeding. He said that slot wagering revenues are currently fairly distributed; people have "done their jobs and they've done it well." He also noted that the push to get money into the sired program puts some breeders out of business. Rep. Cherry assured him that the dollars would not be going to sired program exclusively, that the legislature should have some control, and reiterated his support for a balance of breed programs, saying "both sides are important."

□ The entire initial meeting consumed just 30 minutes.

● Rep. Sean Eberhart (R) of Shelbyville spoke to the Shelby County Chamber of Commerce legislative luncheon on April 5 with some of his local legislative colleagues in attendance, and he addressed the issue of live dealers at the racinos in the hometown of Indiana Grand Racing & Casino. As is often the case, lawmakers may be a bit more candid with their constituents about events in Indianapolis than they might be in the State House, and we thought you'd be interested in what he had to say . . . including an interesting reference to Vice President Mike Pence (R), as well as to Rep. Ben Smaltz (R) of Auburn, chair of the House Committee on Public Policy, on which Rep. Eberhart serves.

□ Rep. Eberhart explained to local civic leaders, just as he has so many times to his legislative colleagues in committee settings as well as on the House floor, "In 2015 we adopted live table games, but it would not become active until 2021. And I explained this in committee: The only reason we did not get live table games back in 2015 was just one reason, and one reason only, and that was then-Governor Pence, who decided that he did not want to have what he termed 'an expansion of gaming' to happen under his watch. And so he assumed he was going to get elected a second term as governor, which now we know that did not happen. I'm not sure that would have happened if he wouldn't have went on to be vice president. But he's not our governor, and so to me that agreement is null and void."

□ The Eberhart conclusion: "We should move up the date for live table games, and the bill that came over from the Senate contained an immediate move-up on that date."

□ Eberhart continued the narrative. "When that bill went to public policy, of which I'm a member, the chairman of the committee decided that he wanted to have his say on the bill - which again, you're in a powerful position as a chairman of a committee. You can kill the bill, you can change the bill, so sometimes you've got to give the chairman a little leeway, knowing that you have the chance to change the bill at a later date. So the chairman in his infinite wisdom - insert sarcasm there, if you may - decided that he did not want to move up live table games to an immediate date, and so he took that provision out. I did negotiate as part of taking that provision out - I did negotiate the fact that we'd change the language to say that once the date rolled around in 2021 that we will immediately have table games, and that there would be no Gaming Commission approval needed. Which the potential was there that we could quite possibly not get it in 2021 if we did not get the Gaming Commission approval. So we did get the language changed to say it absolutely will happen in 2021, but we still have to wait until 2021."

□ Preempting questions from his audience, Rep Eberhart continued, "Now some will say, 'Well, why did you let that go through that committee, why did you let them change that?' Sometimes its better to let things happen at the committee level knowing that you've got a chance to change it at a later point in time, And we're going to have that opportunity to change that on the Second Reading which will probably be end of next week. We'll have a chance - I'll have a chance - to stand up in front of all of my colleagues and to talk about moving that date back up to immediately. I'll have a chance to get a vote on it and hopefully I'll have chance to move that date back up." He concluded, "I know folks have called me and are concerned and disappointed, but this is a long process. We have two or three more steps where we can address this bill and other bills."

IN Bingo and Charitable Gaming

● Sen. Erin Houchin (R) of Salem filed a motion to dissent in the Senate on Wednesday over her SB 393, the annual charity gaming night license legislation that saw some significant changes in the House.

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GAMING BILL SEES MORE CHANGES, SOME REVERSIONS: A conference committee has made further changes to this session's major gaming bill (Curry, *Howey Politics Indiana*). Immediately noticeable is that the bill has been shifted over to a House bill, HB1015, in order to fit the constitutional guidelines. Making a return to the bill is the mobile aspect of legalized sports wagering, allowing the practice to take place through smartphone apps. The committee also further dialed back the fee required for one Gary casino to move to Vigo County. Initially added in a House Committee, the fee had been lowered first from \$100 million to \$50 million, and is now set at \$20 million with a 5-year payment option. In addition a tax credit has been added for the casino operator who would surrender their current license in that move, totaling \$40 million over several years. The construction of a casino in Vigo County will still be subject to a bidding process, but the conference committee added that the winner would need to make a \$100 million investment in Terre Haute. Also noteworthy: this (potentially final) version of the bill would allow racinos to host live-dealer games as soon as January or July 2020, instead of July 2021 - still later than the Senate's first version of the bill which would have allowed such operations starting July of this year.

DISSENT WITHDRAWN ON CIB BILL: The author of the Marion County Capital Improvement Board bill, Sen. Ryan Mishler, withdrew his motion to dissent on Monday to changes made earlier this session to his bill in the House (Curry, *Howey Politics Indiana*). That means the bill, SB7, will stand as-is for one final vote in the Senate and won't be amended by a conference committee. The House version had made significant changes to the legislation, namely dropping all provisions dealing with the construction of new hotels in downtown Indy, extending certain taxes to provide funding to the CIB through 2045, and relaxing the requirements that the Indianapolis soccer team Indy Eleven would need to meet in order to build its public-private stadium. If passed by the Senate, the CIB bill would immediately head to Gov. Eric Holcomb for his consideration. SB7 is eligible for voting during today's session, scheduled to begin at 1:30 p.m.

CARMEL CLERK-TREASURER ACCUSES BRAINARD OF HARASSMENT: The mayor of Carmel is facing some serious allegations about sexual harassment from another elected official. Carmel Clerk-Treasurer Christine Pauley is speaking out after what she describes as an inappropriate email from Mayor James Brainard. 13 Investigates obtained the email at the center of the controversy at Carmel City Hall (Jefferson, [WTHR-TV](#)). Pauley told Eyewitness News it's been hard to do her job because of the mayor's reportedly unwanted attention. "It created a very difficult work environment," she said. Pauley claims the city's top elected official has crossed the line with sexual advances. Pauley is upset about a March 26, 2016 email from Brainard inviting her on a secret getaway to Rome. "I have a peer who am I suppose to work with and looked to as a mentor who I have presenting these types of emails to me," said Pauley. "It's inappropriate. It's inappropriate," Pauley said. Carmel Community Relations Director Nancy Heck shared the photo with Eyewitness News calling it proof Pauley didn't feel harassed by Brainard. She said she met with the mayor about the Pauley issue. "The clerk-treasurer is leaning in close with her hand on his back whispering in his ear. That was on May 2, during a national campaign stop," said Heck. "It seems clear at city hall they were interested in developing a relationship more than professionally," Heck said.

BUTTIGIEG 3RD IN IOWA GRAVIS POLL; SURGES IN NH: [Gravis Marketing](#) has released its first 2020 Iowa Caucus poll and finds Joe Biden and Bernie Sanders tied atop the field with the Pete Buttigieg running 5 points behind (*Howey Politics Indiana*). Behind Biden, Sanders and Buttigieg are Harris and Warren at 6%, O'Rourke at 5%, Booker and Klobuchar at 4%, Delaney at 2% and everyone else at or below 1%. While the exact numbers will vary throughout the state at various precincts, the important threshold is 15% which is the lowest possible viability threshold for a precinct caucus. Biden and Sanders both have measurable support across all age groups, but Biden is the strongest among those over 65 while Sanders is strongest among 18-29-year-old caucus goers. Interestingly, the O'Rourke and Buttigieg don't register any support among the 18-29 block. Sanders and Biden register in the double digits through most ideological groups. Among those with a post graduate degree, Buttigieg takes 22% with Biden, Sanders and Harris tied at 11%. A Granite State Poll has Sen. Bernie Sanders of neighboring Vermont leading in the battle for the Democratic presidential nomination. The University of New Hampshire Granite State Poll also shows former Vice President Joe Biden a distant second, with South Bend, Indiana Mayor Pete Buttigieg surging to third ([Fox News](#)). And the survey, released Monday, puts Republican President Trump far ahead of his declared or potential primary rivals in New Hampshire's GOP presidential primary, which will be held next February. According to the poll, 30 percent of likely Democratic primary voters in the Granite State say they'd back Sanders, the independent from Vermont who's making his second straight run for the White House. Sanders crushed eventual nominee Hillary Clinton in the state's 2016 Democratic primary. Biden, who's expected to launch his White House bid this week, is at 18 percent, with Buttigieg at 15 percent.

RIVALS SEEKING DIRT ON BUTTIGIEG: Caught off guard by his sudden surge, Pete Buttigieg's rivals are scrambling to find vulnerabilities and lines of attack that can be used against him, five officials with opposing Democratic primary campaigns and Republican political groups tell [NBC News](#). The situation is different than with Bernie Sanders, Elizabeth Warren and Joe Biden, Democrats who have long been on the national scene and were widely expected to run for president.

Potential rivals and GOP campaign groups have spent years hunting for dirt — known in political parlance as "opposition research" — that could be deployed against them. Major political groups had entire books of "oppo" ready to go by the time those candidates entered the race. In contrast, Buttigieg was on nobody's radar as a serious presidential contender until a few weeks ago. As a millennial who has never held an office higher than mayor of a midsize town, his record is largely unexamined. Now his competitors are rushing to file a flood of Freedom of Information Act requests, according to officials, collecting everything he's ever said in public or posted on social media, and poring over years-old budgets from South Bend, Indiana, where he's served as mayor since 2012. One official from a rival Democratic presidential campaign described Buttigieg as "a 37-year-old kid mayor, who nobody knows anything about." "Our competitors can run their campaigns how they want," said Lis Smith, Buttigieg's top communications adviser. "We're less interested in politics as usual and more focused on getting Mayor Pete's hopeful message of generational change out there."

TRUMP POLL NUMBERS DIVE: The split decision in public opinion — a decline in views of Trump's job performance but fewer voters wanting Congress to pursue impeachment — mirrors the report itself, which clears Trump and his campaign of criminally conspiring with the Russian government to boost his election but which documents numerous, embarrassing examples of Trump's efforts to stymie the investigation ([Politico](#)). "President Trump's approval rating has dipped to its lowest point of his term in the immediate aftermath of the redacted Mueller report release," said Tyler Sinclair, Morning Consult's vice president. "This week, 57 percent of voters disapprove, and 39 percent approve of the president's performance — a net approval rating of -18 percentage points, compared with 55 percent who disapproved and 42 percent who approved — a net approval rating of -13 percentage points — one month ago in the aftermath of Attorney General [William] Barr's summary of the Mueller report to Congress."

ONLY 34% SUPPORT IMPEACHMENT: Only 34 percent of voters believe Congress should begin impeachment proceedings to remove the president from office, down from 39 percent in January in the Morning Consult Poll ([Politico](#)). Nearly half, 48 percent, say Congress should not begin impeachment proceedings.

SEN. YOUNG 'DIGESTING' MUELLER REPORT: U.S. Sen. Todd Young says he is still "digesting details" of the report of Special Counsel Robert Mueller (*Howey Politics Indiana*). Amy Grappone, Sen. Young's director of communications told HPI on Monday, "Sen. Young is approaching this matter with utmost seriousness and is still digesting details of the voluminous report. He looks forward to discussing it with colleagues on both sides of the aisle when the Senate is back in session and will make further comments as appropriate." Young told John Krull of the Statehouse File last week, "There's absolutely no question among Republicans or Democrats, certainly with whom I dialogue, that Russia interfered with our election — that they engaged in a disinformation campaign to further divide the American people. I think we all have to acknowledge that they succeeded," Young said.

NRA CONVENTION TO HAVE HUGE IMPACT: Signage and banners are going up around the Indiana Convention Center as the city prepares to host the 148th Annual Meeting of the National Rifle Association (NRA). Officials expect 75,000 attendees to pass through the turnstiles of the 4-day event leaving behind an economic impact estimated at \$35 million ([CBS4](#)). "We had our Harvard economist do a real healthy look at very conservatively how are we estimating economic impact," said Chris Gahl, Senior Vice President of Visit Indy. "And so we've seen a decrease in all of our top ten conventions in terms of the economic impact based solely on a refinement to the way we calculate." The last time the NRA was in town in 2014, the estimated economic impact was \$55 million. Vice President Pence and President Trump will address the NRA's membership Friday inside Lucas Oil Stadium following up the president's last appearance in Indianapolis before the FFA during its annual convention last year.

ENTITLEMENTS BARREL TOWARD INSOLVENCY: The financial condition of the government's bedrock retirement programs for middle- and working-class Americans remains shaky, with Medicare pointed toward insolvency by 2026, according to a report Monday by the government's overseers of Medicare and Social Security ([AP](#)). It paints a sobering picture of the programs, though it's relatively unchanged from last year's update. Social Security would become insolvent in 2035, one year later than previously estimated. Both programs will need to eventually be addressed to avert automatic cuts should their trust funds run dry. Neither President Donald Trump nor Capitol Hill's warring factions has put political perilous cost curbs on their to-do list. The report is the latest update of the government's troubled fiscal picture. It lands in a capital that has proven chronically unable to address it. Trump has declared benefit cuts to the nation's signature retirement programs off limits and many Democratic presidential candidates are calling for expanding Medicare benefits rather than addressing the program's worsening finances.

HPI DAILY ANALYSIS: While Republicans appear to be rallying around President Trump in the wake of the Mueller report, here we are about 18 months out from the 2020 election and he's at 37% approval. That's a major problem for his reelection. The Morning Consult Poll also showed only 34% supporting impeachment. If Democrats go down that path, President Trump will likely be reelected. - *Brian A. Howey*

MUELLER HAS BIG MONEY LEAD IN SOUTH BEND: South Bend voters will see eight names on the Democratic ballot for mayor in the May 7 Primary Election, but two candidates have stood out from the pack in raising money for their campaigns (Parrott, [South Bend Tribune](#)). James Mueller outpaced the field by a hefty margin, raising nearly \$245,000 between Jan. 1 and April 12, according to campaign finance reports that candidates were required to file by Monday. That was followed by Jason Critchlow's \$139,000. Critchlow's campaign spent slightly more than Mueller's, about \$98,000 compared to \$91,000 spent by Mueller — meaning Mueller was left with about \$153,000 cash on hand, compared to Critchlow's \$40,000, entering the campaign's final weeks. Other candidates trailed in terms of fundraising: Lynn Coleman reported raising more than \$19,000, with nearly \$11,000 of that coming as a transfer from his failed congressional campaign in 2016. Regina Williams-Preston raised about \$16,600, while Oliver Davis raised about \$15,300. Mueller said his fundraising lead shows that "we're getting our message out." "I didn't have a lot of name ID and hadn't ever run for public office before this," Mueller said. "I'm proud to have a lot of support from folks who realize this is a critical moment in our history and we need to keep building on the progress."

BUTTIGIEG GIVES MUELLER MORE THAN \$100K: "Pete for South Bend," a holdover from Buttigieg's mayoral and Democratic National Committee chair campaigns, gave James Mueller's campaign \$54,500 — \$50,000 cash and \$4,500 worth of polling service ([South Bend Tribune](#)). Three people each gave Mueller \$5,000: Michael Browning, chairman of Indianapolis-based Browning Investments; Bob Urbanski, retired South Bend businessman and longtime local Democratic Party funder; and Chris Murphy, 1st Source Bank chairman and CEO. Other relatively large contributions came from Luis Montestruque, president of EmNet, who gave \$3,500. EmNet is the company that developed the city's "smart sewer" technology. Mueller also received a combined \$6,000 in individual contributions from executives at American Structurepoint, the Indianapolis-based engineering firm contracted by the city for the Buttigieg administration's downtown Smart Streets project. The company's political action committee also gave Critchlow \$1,500.

HOGSETT HAS HUGE CASH ADVANTAGE OVER MERRITT: Democratic Mayor Joe Hogsett outraised his top Republican challenger, state Sen. Jim Merritt, by a nearly three-to-one margin in the first quarter of the year, according to new campaign finance reports (Colombo, [IBJ](#)). Hogsett pulled in \$769,022 from the beginning of January to April 12, while Merritt raised \$266,939 during that period. Hogsett's take gives the Democrat an even greater fundraising edge for the fall municipal election when the two will likely compete head to head, assuming Merritt is successful in the May primary election for Republicans. With the first-quarter results, Hogsett's cash-on-hand total is \$3.88 million, which the Hogsett campaign says is a "record cash-on-hand figure for any mayoral pre-primary filing in the history of Indianapolis." Meanwhile, Merritt's cash-on-hand figure is \$223,960. That's substantially less than the Republican challenger raised in roughly the same amount of time in 2015, when then-candidate Chuck Brewer raised \$671,730 from Jan. 1, 2015, to April 1, 2015.

MAYOR BRODERICK POSTS \$222K: The four candidates seeking to replace Democrat Thomas Broderick Jr. as mayor of Anderson have raised a total that's 10% of the incumbent's funds. The campaign finance reports were due at the Madison County Clerk's Office at noon Monday (de la Bastide, [Anderson Herald-Bulletin](#)). Broderick started the reporting period that runs from Jan. 1 through April 19 with \$180,827 cash on hand. The Broderick campaign reported spending \$11,765 leaving a cash balance of \$222,234. Longtime Republican farmer Herb Likens contributed \$5,000 to Broderick's campaign. The campaign received a \$1,000 donation from Greg Winkler, executive director of the Anderson Economic Development Department; \$750 from John Paugh, president of Carter Express; \$500 from John Brand; and \$5,000 from the Unified Group. Broderick's opponent in the Democrat Party primary on May 7 is Terry May. May reported itemized contributions of \$2,552 and unitemized donations of \$3,350. May's campaign has spent \$4,344 leaving a cash balance of \$1,558. The campaign received \$2,069 from Dan's Fish, \$1,280 from Ann Chamberlain and \$995 from C&H Signs. On the Republican primary ballot, there are three mayoral candidates.

SMITH TRAILS GARDNER IN GOP MONEY RACE: Former Mayor Kevin Smith, Madison County Auditor Rick Gardner and JobSource Director JoAnna Collette are all seeking their party's nomination ([Anderson Herald-Bulletin](#)). Gardner's campaign reported contributions of \$8,387 and expenditures of \$8,008, leaving cash on hand of \$381. Gardner has spent \$7,437 on the campaign. Smith reported starting the year with \$2,109 for the campaign and received donations of \$3,744. The campaign has \$4,400 currently after spending \$1,453. Collette has provided all \$1,800 for her campaign and has spent \$1,491, leaving a balance of \$309.

BIDEN CAMPAIGN LAUNCH DELAY: Joe Biden's plans are in flux again. If the former vice president does launch his presidential campaign this week, it won't involve a trip to Charlottesville, Va., and plans for potential public events in Pennsylvania are also uncertain, according to sources familiar with his plans ([Philadelphia Inquirer](#)). Even Biden's widely anticipated entry into the race grew unclear Monday, with the Atlantic reporting that a planned video announcement Wednesday was being pushed back.

BUTTIGIEG SAYS TRUMP 'DESERVES' IMPEACHMENT: South Bend Mayor Pete Buttigieg says President Trump "has made it pretty clear he deserves impeachment." The Democrat candidate for president said that in a town hall event with Anderson Cooper on [CNN](#) last night. But he also said that he will "leave to the House and Senate to figure that out." Several prominent Democrats in Congress have been stoking the fires of impeachment talks regarding President Trump and accusations against him that he obstructed justice in the Russia investigation. House Speaker Nancy Pelosi appeared to pump the brakes on those talks after a conference call with her fellow Democrats Monday. Though Buttigieg said that impeachment talks are for lawmakers in Congress, he plays a particular role in the matter. "My role in the process is trying to relegate 'Trumpism' to the dust bin on history," Buttigieg said at the town hall. "To me there is no more decisive way to do that, especially to make Republicans abandon this deal with the devil they've made, than by an absolute thumping at the ballot box."

BUTTIGIEG DEFENDS SOUTH BEND TAPE STANCE: Pete Buttigieg on Monday defended several decisions he made as mayor of South Bend, Ind., that critics have said negatively impacted communities of color in the city ([The Hill](#)). Speaking at a CNN town hall event, Buttigieg stood by his decision to demote South Bend's first-ever African-American police chief for secretly recording one of his white officers. There are allegations that white officers on the South Bend police force used racist language in the recordings. The South Bend City Council subpoenaed Buttigieg to obtain the recordings, but the mayor's office refused to turn the tapes over, arguing in court that a judge must decide if they can be made public. "These tape recordings were made in a way that may have violated the federal wire tap act ... I'm not going to violate it even though I want to know what's on those tapes like everybody else does," Buttigieg said.

BUTTIGIEG CAME OUT BECAUSE HE WANTED TO DATE: South Bend, Ind., Mayor Pete Buttigieg said on Monday that he came out because he wanted to date, and that doing so meant he eventually met his current husband ([The Hill](#)). "Frankly, I came out because I wanted to date," Buttigieg said at a CNN town hall when asked by host Anderson Cooper about whether he would have been different had he come out publicly at a younger age. "If dating had been available to me in my 20s I'm not sure I would have gotten that much done," Buttigieg then joked. Buttigieg has said he came out publicly at 33.

PETE SAYS 'GOD DOESN'T HAVE A POLITICAL PARTY': Pete Buttigieg opened up about his faith Monday night, expressing confidence that he will be able to unite many different groups of people because "God does not have a political party." During a [CNN](#) town hall in New Hampshire Monday, the South Bend, Indiana, mayor was asked how he planned to unite conservatives, moderates and liberal Christians. "It can be challenging to be a person of faith who's also part of the LGBTQ community and yet, to me, the core of faith is regard for one another," Buttigieg said. "And part of God's love is experienced, according to my faith tradition, is in the way that we support one another and, in particular, support the least among us."

MAYOR PETE BRINGS HIS PRESIDENTIAL CAMPAIGN TO DYNGUS DAY: After an early morning signing of the ceremonial kielbasa order and the traditional renaming of a pair of streets, Mayor Pete Buttigieg stepped onto the stage at the West Side Democratic & Civic club for the eighth and final time as the city's mayor (Bauer, [South Bend Tribune](#)). On a day rich in local political history, South Bend saw yet another presidential candidate visit during Dyngus Day. In 1968 it was Robert Kennedy. This time it was Buttigieg himself — a week removed from his formal presidential announcement — who was putting his stamp on the celebration steeped in Polish culture, kielbasa and beer. "At this point, I'd like to welcome POTUS Pete ... Polish POTUS Pete," boomed the voice of Tim Hudak, the apron-clad president of the West Side Democratic & Civic Club. "This is an honor and a privilege to have our next POTUS, coming from here in South Bend, Indiana. We are finally on the map." Amid chants of "Pete" and flanked by a bank of television cameras far larger than in years past, Buttigieg took the stage and noted that the Monday after Easter in South Bend has "touched national politics in so many ways." In a brief address, Buttigieg hit on elements of his stump speech, but emphasized the impact and message he said South Bend has had on him and will have on his campaign for president. "In so many ways, South Bend is our message. This is the story of a city that changed its future, changed its trajectory," Buttigieg said. "And we did it through honesty and we did it through decency. We didn't go around promising we could turn back the clock, I didn't go around saying only I can fix it."

BUTTIGIEG SEEKING RACIAL DIVERSITY: After watching Mayor Pete Buttigieg's presidential campaign kickoff speech last Sunday, Barack Obama's former political strategist was impressed, tweeting, "Who knows where it goes, but this is not a thing. It's real." But about an hour and a half before that, David Axelrod had tweeted something else: "Crowd seems very large, very impressive but also very white — an obstacle he will have to overcome" (Parrott, [South Bend Tribune](#)). He followed three minutes later with, "And by obstacle I mean deficiency. He will need to build out his coalition in a very diverse party." Axelrod's observation has helped spark national media attention on whether Buttigieg can appeal to enough minority and working-class voters to win a Democratic presidential nomination. Those outlets also are scrutinizing Buttigieg's record and relationship with the city's black community. Michael Patton, president of the NAACP's South Bend chapter, praised other recent appearances by Buttigieg, such as his speech before the National Action Network, a New York-based civil rights group. But the mayor has to push further, Patton said. "He's been touching the places where African-Americans are listening and watching," Patton said. "Somehow he has to get on the ground and touch some of those scenarios as well, for people of color to feel him. He's got some work to do. ... That's going to be imperative. He's got to win us."

HARRIS CALLS FOR IMPEACHMENT: Democratic 2020 hopeful Kamala Harris wants the House to impeach President Donald Trump, but doesn't necessarily expect it to be a successful effort ([Politico](#)). "I believe Congress should take the steps towards impeachment. But I want to say this, because it doesn't end there," the California senator said on a CNN-hosted town hall Monday. "I'm also a realist. ... I have also witnessed folks in the United States Congress, and in particular in the GOP, who have been presented with many reasons to push back against this president and they have not."

WARREN INTRODUCES STUDENT DEBT PROPOSAL: Presidential candidate Elizabeth Warren on Monday unveiled a sweeping proposal to erase student loan debt for millions of Americans and make public college free for millions more, a plan that could distinguish her from the rest of the Democratic field (*Washington Post*). Warren is the first Democratic candidate to release a detailed policy to tackle the high cost of higher education for people who want to go to college and those who are still paying for it. Her plan would wipe away up to \$50,000 in student debt for borrowers with an annual household income of less than \$100,000, an estimated 42 million Americans. It also would cover tuition at all two- and four-year public colleges, while expanding federal Pell Grants for low-income students by \$100 billion and creating a \$50 billion fund for historically black colleges and universities.

General Assembly

BUDGET VOTE TODAY: Indiana lawmakers are nearing final decisions on how much more money will go toward school districts as teachers have been pushing for significant pay raises ([AP](#)). The Republican-dominated Legislature must agree on a new two-year state budget before ending this year's session, possibly as early as Wednesday. Republican budget plans have proposed increases of about 2.5% in base funding for K-12 schools. Hundreds of teachers have attended rallies seeking greater funding increases, while Republican state schools Superintendent Jennifer McCormick said GOP Statehouse leaders gave a "false promise" on teacher raises. Votes could come Tuesday on a proposal legalizing sports betting and allowing new casinos in Terre Haute and Gary. Legislators could also approve financing toward \$295 million in public subsidies for renovation of the Indiana Pacers' arena in downtown Indianapolis.

GAMING BILL '99% DONE': A potential deal on a gambling bill would legalize sports betting in Indiana in time for football season. Senate Majority Leader Mark Messmer's proposal moves Gary's casino downtown and allows one in Terre Haute. It turns Anderson and Shelbyville's racetracks into full casinos a year ahead of schedule, with live dealers allowed alongside video terminals starting next year (Berman, [WIBC](#)). And it legalizes sports betting July 1 -- but you still couldn't bet on the Cubs-Pirates game that night. The Indiana Gaming Commission would still have to finalize rules for sports bets, including who provides the data to determine whether a bet is a winner. Messmer says the commission expects to be able to do that within a few months. The bill would allow bets to be placed by smartphone, though they'd still have to be funneled through a casino. The bill lowers a fee for the Gary casino move to \$20 million. The House had initially proposed \$100 million, then cut that figure in half. Messmer says other states have charged a fee when casinos move to what's expected to be a more lucrative location, but those fees have ranged from \$5 million to \$30 million. And Spectacle Gaming, which bought Gary's Majestic Star Casinos earlier this year, would receive a \$40 million tax credit for surrendering one of Majestic Star's two casino licenses. Both the fee and the tax credit would be spread over five years. Messmer says the bill is "99% done," but says there could be some final tweaks before House and Senate leaders sign off on the proposal and clear the way for final votes in the full House and Senate.

LAWMAKERS NEAR FINAL GAMING BILL DECISION: Lawmakers are nearing the ultimate version of this session's major gambling bill (Smith, [Indiana Public Media](#)). The biggest pieces of the gaming bill remain intact: Gary casino operator Spectacle Entertainment could move one of its two licenses to a new facility in a more desirable location in the city. It would have to pay \$20 million, over five years, to do that. The bill would also clear the way for a new casino in Terre Haute. If that happens, Spectacle must forfeit its second license. But there's a new provision, says Sen. Mark Messmer (R-Jasper). Spectacle would get a \$40 million tax credit for giving up that license. "They're giving up real dollars and they're getting real dollars," Messmer says. The final measure would also legalize and tax sports betting statewide -- including mobile gambling on sporting events.

CHAMBER OPPOSES PRUITT, POWER MORATORIUM: The Indiana Chamber of Commerce is responding to Rail Point Solutions LLC and its lobbyist Scott Pruitt, former U.S. EPA administrator, regarding the proposed two-year moratorium on large power plants coming online (*Howey Politics Indiana*). The provision was stripped from Indiana Senate Bill 472 on April 11. Pruitt and Rail Point Solutions, a subsidiary of Hallador Energy, had requested the Indiana Chamber review its stance against the provision and made that public over the weekend. Indiana Chamber President and CEO Kevin Brinegar: "Not one person we've talked to or heard from -- except for Scott Pruitt and Rail Point -- thinks the moratorium will benefit ratepayers. "The new language and explanation provided by Pruitt did not sway our energy policy committee (comprised of

representatives of member companies from around the state) or our thinking that the moratorium is simply a bad idea. "If the two pending projects before the Indiana Utility Regulation Commission are halted after significant planning and preliminary approval, Hoosier ratepayers will feel the pain. The moratorium likely would cause financing issues for all utilities in Indiana. And higher capital costs for energy producers means higher rates for businesses and homeowners. "We believe the moratorium is dangerous policy and are informing legislative leaders that the Indiana Chamber remains staunchly opposed to reviving it in the budget or any other bill."

JUSTIFIED FORCE BILL HEADS TO GOVERNOR: One significant firearms bill is headed to the governor while another regarding training teachers that carry in schools is still in negotiations. The House and Senate gave final approval to House Bill 1284 on Monday. The House vote was 64-17, and the Senate vote was 37-7 (Kelly, [Fort Wayne Journal Gazette](#)). The bill has several key provisions. First, it protects those who use justified force against someone committing a felony from frivolous lawsuits. This includes use of a firearm but also any other use of force. The legislation extends Indiana's four-year firearms permit to five years and makes the cost free. There is still a lifetime gun permit with a fee. It also allows parishioners attending church on a property that also shares a school to carry weapons if the property owner agrees. Rep. Jim Lucas, R-Seymour, referenced the church bombings in Sri Lanka this weekend and said "churches are often soft targets and need to be protected."

GUN RIGHTS BILL GIVES IMMUNITY: Self-defense protections would extend to lawsuits under a bill headed for Governor Holcomb (Berman, [WIBC](#)). The bill gives you immunity from being sued if you shoot someone who's committing a violent crime. If a prosecutor doesn't file criminal charges, a lawsuit would have to persuade a judge at the outset that there's a good reason to sue you anyway. Seymour Representative Jim Lucas (R) says the bill was prompted in part by a 2017 case of a woman honored by her local police department for shooting someone who pulled a gun on an officer, but is still trying to fend off a lawsuit. Indianapolis Representative Ed DeLaney (D) warns it's unprecedented to equate a decision not to charge someone with proof that the use of force was justified. And Indianapolis Senator Greg Taylor (D) complains the immunity law means people have more protection than cities have from being sued over the use of deadly force. The bill also abolishes the fee for gun licenses, except for lifetime licenses. And it carves out an exception to Indiana's gun-free school law. Indianapolis Senator Jack Sandlin (R) says that law wrongly bans houses of worship which operate schools from allowing guns elsewhere on the property. The bill would allow guns in the church or temple portion of the property, unless the church opts to ban them. Lucas says the Easter church bombings in Sri Lanka are a reminder that churches are "soft targets."

FIRE DISTRICT BILL IN CONFERENCE COMMITTEE: Indiana legislation heading into a conference committee today in Indianapolis seeks to add more protections for fire protection districts that could have part of their territories annexed by nearby municipalities (Rollins, [Bloomington Herald-Times](#)). The proposed bill would not prevent cities from annexing territory in fire protection districts. It would, however, help annexed properties in many of those fire districts remain a part of the district, including properties in newly added areas of the district.

Congress

PELOSI SAYS DEMS DIVIDED ON MUELLER REPORT: Speaker Nancy Pelosi, acknowledging that the Democrats are divided over new findings from Robert S. Mueller III, appeared to urge her caucus to hold off impeaching President Trump for now, even as she denounced his "highly unethical and unscrupulous behavior," which she said "does not bring honor to the office he holds" ([New York Times](#)). In her first extended comments since the release of the special counsel's report last week, Ms. Pelosi counseled caution to Democrats as she tested for cracks among Republicans. In a letter to colleagues, she said, "Congressional Republicans have an unlimited appetite for" the "low standards" set by President Trump. "The G.O.P. should be ashamed of what the Mueller report has revealed, instead of giving the president their blessings," she wrote.

PELOSI PUMPS BRAKES ON IMPEACHMENT: Speaker Nancy Pelosi on Monday rejected calls to launch impeachment proceedings against President Donald Trump despite new voices in her caucus calling for the House to take that step in the aftermath of special counsel Robert Mueller's report ([Politico](#)). "We can investigate Trump without drafting articles [of impeachment]," she said during a call with House Democrats ... "We aren't going to go faster, we are going to go as fast as the facts take us."

NADLER SUBPOENAS MCGAHN: House Judiciary Committee Chairman Jerry Nadler issued a subpoena to former White House counsel Don McGahn as part of a House-led obstruction investigation into President Donald Trump ([Politico](#)). The subpoena comes just days after special counsel Robert Mueller's report revealed that McGahn witnessed and testified about potential obstruction of justice by Trump.

CRIME: NEW SKETCH IN DELPHI HOMICIDES - Authorities released video Monday of a man suspected of killing two Indiana teenagers two years ago and urged the public to scrutinize the footage, which shows the man walking on an abandoned railroad bridge the girls visited while out hiking the day they were slain ([Indiana Public Media](#)). The Indiana State Police also released a new sketch of the suspect, which State Police Superintendent Doug Carter said was produced thanks to "new information and intelligence" collected during the investigation into the killings of 14-year-old Liberty German and 13-year-old Abigail Williams. During a briefing in the girls' hometown of Delphi, he said that a composite sketch that was previously released based on accounts from eyewitnesses who believe they saw the man is now secondary to the new sketch. Carter said investigators believe the man is between the ages of 18 and 40, and that he either lives or lived in Delphi or regularly visits or works in the area. He vowed that police will solve the case and, during the briefing, he addressed the suspect directly. "We believe you are hiding in plain sight. For more than two years, you never thought we would shift gears to a different investigative strategy, but we have," he said.

JUSTICE: WYLER TO HEAD PRO BONO GROUP - Evansville attorney Scott Wylie, who presently serves as the Executive Director of the Volunteer Lawyer Program of Southwestern Indiana, has been chosen to serve as the Interim Executive Director of Indiana's proposed statewide pro bono civil legal aid organization. Wylie, who has been with VLP in Evansville since 2007 and has served as its full-time administrator since 2017, will also continue in that position (*Howey Politics Indiana*). He began his new duties on April 17, 2019. Part of the Indiana Coalition for Court Access' efforts to enhance the availability of civil legal aid services for low income Hoosiers, Wylie will coordinate the creation of a statewide infrastructure to support the thirteen existing pro bono agencies in the state. The agencies coordinate the volunteer efforts of attorneys and other legal professionals. In 2017, Indiana attorneys reported providing 442,585 in free or reduced fee services to improve access to civil legal aid services in areas such as family law, domestic violence, assistance to veterans, and protection of seniors.

HEALTH: 20 MUMPS CASES AT IU - The mumps outbreak at Indiana University's Bloomington campus has grown to include twenty students ([WIBC](#)). Specifics on all but one of the confirmed mumps cases were available Monday afternoon, according to Dr. Beth Rupp, Medical Director of the IU Health Center. "Out of the 19 [students], sixteen of them have recovered and are back at classes. Three of the cases are still in isolation right now," Rupp said. The "vast majority" of the infected students were vaccinated, according to Rupp.

EDUCATION: BSU'S MBA PROGRAM IN TOP 30 - Ball State University's Miller College of Business has been recognized as one of The 30 Best Online MBA Degree Programs by MBA Central. The website details 30 programs across the nation and praises Ball State's program for its variety and affordability. The website considered the schedules, business curriculum, and return on investment opportunities of online MBA programs ([Inside Indiana Business](#)). To find the Top 30 Online MBA Degrees offering the most value, MBA Central ranked over 500 degrees in the areas of affordability support services and quality of classes.

INDOT: I-65 CLOSURES IN DOWNTOWN INDY - Construction work will affect your drive downtown starting this weekend ([WTHR-TV](#)). The work has also changed to include the closures beginning at 9 a.m. on Fridays instead of 9 p.m. and extending until 6 a.m. on Mondays. The work will be done in four segments with the northbound lanes first: Crews will first work on segments one and two. They include lanes of I-65 from Southport Road to I-465 and I-65 from I-465 up to the South Split. Work on those two segments will begin April 26 and the northbound lanes will be completely closed.

Segment three should begin sometime in Early May and that includes the area from I-65/I-70 at the South Split to the North Split. At least one lane will stay open during that time. Segment four should also begin in May and will close I-70 westbound from the South Split to Belmont Avenue. All lanes in one direction will be closed. Once those segments are done, crews will then begin working on southbound lanes. That work will run from 7 p.m. on Fridays until 3 p.m. on Mondays. The hope is that work will begin in June and run through August.

CLIMATE: MOST BELIEVE IN WARMING - A statewide survey says the majority of Hoosiers believe climate change is happening and most support efforts to lessen its effects on Indiana. More than 1,000 people responded to the Indiana University Environmental Resilience Institute's survey earlier this month ([Indiana Public Media](#)). 65 percent of Republicans in Indiana support some kind of action to prepare Indiana communities for climate change. "If there's anything hopeful about this particular finding it's for people to say, 'Oh, maybe things are less polarized than they appear to be.' In reality, maybe there is more room for people to talk to each other," he says. While 80 percent of survey respondents think climate change is happening, they underestimated their fellow Hoosiers and suspected only a little more than half agreed.

MEDIA: HOOSIER AG TODAY BUYS MICHIGAN NETWORK - Zionsville-based Hoosier Ag Today, a farm radio network with more than 70 affiliated radio stations, has announced its acquisition of ownership and management of the Michigan Agriculture Information Network (McLaughlin, [Inside Indiana Business](#)). Hoosier Ag Today will take over program production and distribution on May 6. As part of the deal, programs will continue to be referred to as the Michigan Ag Information

Network. "We decided several months ago we would take as much time as necessary to find an organization who would care for Michigan agriculture, and our radio partners, the way we do," Pat Driscoll, Michigan Ag Information Network, said in a news release. "It is with great pride, and a huge sense of relief, that someone so close to home ... and so close to our family for decades ... will be taking the helm. Gary Truitt and his Indiana-based team have layers of special connections to this state's agriculture and the Driscoll family."

Nation

WHITE HOUSE: PENCE ISN'T RELEASING HIS TAX RETURNS - Vice President Mike Pence has filed three tax returns since taking office, but he hasn't publicly released any of them ([Wall Street Journal](#)). As Democrats fight with President Trump about his unreleased tax returns amid a key deadline Tuesday, the vice president's decision to keep his own recent tax documents under wraps has gotten far less attention. It is just as much of a break from his predecessors: Going back to Walter Mondale in the 1970s, all have disclosed their returns. Mr. Pence released 10 years of returns through 2015 during the presidential campaign. Mr. Pence's office has said that he is following Mr. Trump's lead by refusing to release returns until audits are finished and has repeatedly declined to answer questions about the status of the audits. A spokeswoman said Monday Mr. Pence plans to release all tax returns before the 2020 election, provided they are no longer under audit.

WHITE HOUSE: TRUMP DISMISSES IMPEACHMENT THREAT - President Trump said he is "not even a little bit" concerned about impeachment as House Democrats prepared to discuss their next steps later Monday in the wake of the special counsel's Russia report ([Wall Street Journal](#)). The report, released Thursday with portions redacted, detailed what it says were attempts by Mr. Trump to control special counsel Robert Mueller's Russia investigation and blunt its fallout. It contained examples of instances in which aides, including then-White House counsel Don McGahn, didn't carry out Mr. Trump's directives related to tamping down the probe. Mr. Trump, who called some of the information in the report "bullshit" last week, also on Monday dismissed the report's findings that his aides sometimes ignored his direction. "Nobody disobeys my orders," the president responded when asked by a reporter to comment on whether staff ignored his directives.

WHITE HOUSE: TRUMP SAYS 'NO ONE DISOBEYS MY ORDERS' - There is a narrative forming about the Mueller report. It says President Trump would be in a lot more trouble right now if those around him actually did what he told them to do. By essentially ignoring the boss on potentially obstructive acts, the narrative holds, these aides may have saved Trump from himself ([Washington Post](#)). Needless to say, this is not the kind of narrative a proud man like Trump prefers. So, he did what he always does on stuff like this: Deny it, no matter how ridiculous that denial might be. "Nobody disobeys my orders," Trump assured Monday morning at the White House Easter Egg Roll. How wrong he is. Let us count the ways. The Mueller report includes many instances of aides declining to carry out Trump's orders; The Washington Post's James Hohmann recapped them on Friday. But it's worth running through which ones actually involved orders that aides disobeyed. (For the purposes of this post, we're not including mere suggestions, such as when Trump pressured then-Attorney General Jeff Sessions to un-recuse himself and when Trump urged then-FBI Director James B. Comey to take it easy on Michael Flynn.)

WHITE HOUSE: OIL PRICES SURGE AFTER TRUMP'S IRAN ORDER - Oil prices surged to a nearly six-month high after the Trump administration said it would end waivers that allow countries to import Iranian oil, part of a U.S. campaign to deprive Iran of a major source of revenue ([Wall Street Journal](#)). Monday's swift market reaction, coupled with stern objections from at least two countries—China and Turkey—that will be adversely affected, ran counter to Trump administration assurances that its latest move against Iran would have relatively few broad international repercussions. The administration last year withdrew from the 2015 international nuclear agreement with Iran and reinstated sanctions against Tehran, threatening punitive measures against countries that continued to purchase Iranian oil.

WHITE HOUSE: CAIN WITHDRAWS AS FED NOMINEE - President Donald Trump said Monday that he would not nominate Herman Cain to the Federal Reserve after the former GOP presidential candidate asked him not to ([Politico](#)). Senate Republicans had warned the White House against naming the businessman and 2012 presidential hopeful to serve on the body's board of governors. "My friend Herman Cain, a truly wonderful man, has asked me not to nominate him for a seat on the Federal Reserve Board," Trump tweeted. "I will respect his wishes. Herman is a great American who truly loves our Country!"

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump will participate in a photo op with the White House News Photographers Association award recipients at 11:45 a.m. in the Oval Office. He will have lunch at 12:30 p.m. with VP Mike Pence in the private dining room. Trump will swear in Interior Secretary David Bernhardt in the Roosevelt Room at 3:45 p.m.

SCOTUS: TRANSGENDER CASE TO BE HEARD - The Supreme Court announced on Monday that it would decide whether a federal law prohibits employers from discriminating against gay and transgender workers ([New York Times](#)). The law, Title VII of the Civil Rights Act of 1964, forbids employment discrimination based on sex. The question for the justices is whether that language bars discrimination based on sexual orientation or transgender status. Most federal appeals courts have interpreted the law to exclude sexual orientation discrimination. But two of them, in New York and Chicago, recently issued decisions ruling that discrimination against gay men and lesbians is a form of sex discrimination. The Supreme Court agreed to hear the case from New York, *Altitude Express Inc. v. Zarda*, No. 17-1623, along with one from Georgia that came to the opposite conclusion, *Bostock v. Clayton County*, Georgia, No. 17-1618.

TERROR: U.S., INDIA WARNED SRI LANKA - U.S. and Indian security services warned the Sri Lankan government of a possible attack weeks before a devastating series of bombings killed at least 290 people at churches and tourist hotels on Easter Sunday ([Wall Street Journal](#)). Sri Lanka government officials said some of the suicide bombers and others arrested were linked to an obscure radical Islamist group known as National Thowheeth Jamath, a group the government singled out to police for monitoring as a possible threat after the foreign security services issued their warning. The sophistication of the Easter-morning attacks indicated to Sri Lankan and international terror experts that whoever carried them out likely had help from experienced international terrorists, perhaps even al Qaeda or Islamic State, Sri Lankan officials said.

Local

CITIES: SNYDER CHARGES PROSECUTORIAL MISCONDUCT - Convicted Portage mayor James Snyder is claiming prosecutors played games with two potential witnesses, scaring them from taking the witness stand on his behalf (Russell, [NWI Times](#)). In the latest filing in U.S. District Court over the weekend, Snyder's defense team contends Assistant U.S. Attorney Jill Koster's statement "The government does not believe that they have been truthful," regarding Steve and Bob Buha's grand jury testimony was enough to scare them off from testifying at trial. The brothers owned Great Lakes Peterbilt. Snyder was convicted of taking a \$13,000 bribe from the brothers in exchange for steering more than \$1 million in garbage truck bids to them. "When a friend tells you that you are untruthful, you blush. If a spouse says it, you prepare an apology. But when a federal prosecutor says, 'I believe your story is untruthful,' it has an inescapable import. That statement is no different than saying, 'If you repeat the story I heard you say before, you are committing a felony punishable by up to five years in prison,'" reads Snyder's latest reply to the government's response in his motions for the judge to either set aside the jury's verdict and acquit him or grant him a new trial.

CITIES: EVANSVILLE TO STUDY GOLF COURSES - The city is hiring a consulting firm to help determine the future of its municipal golf courses ([Evansville Courier & Press](#)). City Council approved \$47,000 from local income tax funds Monday for a six-month study to be conducted by National Golf Foundation Consulting. City Controller Russ Lloyd Jr. said the study would help the city create a plan for the courses to break even financially or make a profit. There are four municipal public golf courses fringing around the city's core residential area: Fendrich, Helfrich, McDonald and Wesselman Par 3. The courses are all currently operating at a deficit. "We're looking at what we can do to rectify the deficit," said Brian Holtz, executive director of the Evansville Parks Department. "We're also looking into the future and how golf will look in the community."

CITIES: INDY COUNCIL PASSES BLOCK 20 PROJECT - The City-County Council's Metropolitan and Economic Development committee on Monday unanimously approved a request for up to \$7 million in developer-backed bonds for a pair of downtown real estate projects near the Athenaeum in the Mass Ave Arts District (Shuey, [IBJ](#)). The approval sends the two-site Block 20 project to the full City-County Council, which is expected to consider the project at its May 13 meeting. Block 20 consists of developments on two sites: a four-story mixed-use complex and parking garage directly east of the historic Athenaeum building and an office and retail redevelopment about two blocks away, at 602 N. Park Ave. The project at 428 N. East St., next to the Athenaeum, would include at least 76 apartment units along with 6,000 square feet of retail space and a 255-space parking garage. A large portion of the retail space is expected to house a restaurant. The apartments would range from 450 square feet to 1,200 square feet each with rents from about \$1,000 to \$2,500 per month.

CITIES: HOGSETT TO DECLARE NEW DEVELOPMENT ZONE - Indianapolis Mayor Joe Hogsett will join neighborhood leaders to announce the designation of the Brookville Road and Irvington Plaza Economic Development Area on April 23. The Department of Metropolitan Development staff takes the lead on these efforts to strategically stimulate economic development in areas of the city that have signs of potential (*Howey Politics Indiana*). The designation, which is defined in Indiana code, is designed to attract or retain permanent jobs, increase the property tax base, and improve the economic health of the area. Designation of Economic Development Areas increases the chances of obtaining state and federal grants, tax credits, and potentially Opportunity Zone investments. Prior Economic Development Area designations include North Midtown, the airport, and the West Washington Street Corridor. These designations require approvals by the Metropolitan Development Commission, Metropolitan Economic Development Committee, and the City-County Council. The proposal goes before Metropolitan Economic Development Committee for approval tonight.

COUNTIES: ST. JOE LIBRARY HIRES CONTRACTOR - One of Chicago's oldest construction contractors has been selected as construction manager for the St. Joseph County Public Library's \$36 million to \$38 million renovation and

expansion of the downtown library ([South Bend Tribune](#)). The St. Joseph County Public Library board on Monday selected Bulley & Andrews LLC for the Main Library project. Debra Futa, executive director, told board members Bulley & Andrews was the low bidder and the top of four finalists who bid on the project. Bulley & Andrews bid \$1,585,000 for the job of construction manager. The bid was lower than the three other finalists who submitted bids: Core Construction of South Bend, Miller-Davis Co. of Kalamazoo and Panzica 2 of South Bend.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 4/25
Date: Thursday, April 25, 2019 11:39:26 AM
Attachments: [Howey 4-25-19.pdf](#)

Pillar 2- Upgrade our infrastructure

WBIW- [INDOT Hosts Public Open House Thursday in Paoli](#)
Courier Press- [IURC rejects Vectren's power plant proposal](#)

Pillar 3- Strengthen our workforce

Journal Review- [Panel: Expose young people to industry jobs](#)
Inside IN Business- [Encouraging our New Tech Workforce](#)
Inside IN Business- [Notre Dame Partners with IBM Q Network](#)
WLFJ- [Purdue University Global awarded exclusive HIMSS designation](#)

Pillar 4- Attack the drug epidemic

AP- [Unwanted, unused Rx drugs can be disposed of Saturday](#)
Republic- [Unwanted, unused Rx drugs can be disposed of Saturday](#)
NWI Times- [Unwanted, unused Rx drugs can be disposed of Saturday](#)
Fox59- [Unwanted, unused Rx drugs can be disposed of Saturday](#)

HB 1001

US News- [Indiana Lawmakers Approve GOP Budget, Gambling Bill](#)
Inside IN Business- [Legislature Adjourns After Passing Budget, Gambling Bills](#)
WIBC- [General Assembly Adjourns for Year After Passing \\$34.6B Two-Year Budget](#)
NWI Times- [Indiana lawmakers approve new state budget, adjourn annual legislative session](#)
Tristate Homepage- [General Assembly passes balanced state budget prioritizing school funding](#)
Kokomo Tribune- [State budget passes as legislative session ends](#)
IN Public Media- [General Assembly Passes Two-Year Budget](#)
Fox59- [Indiana budget plan approved, legislative session ends](#)
RTV6- [Families frustrated over the lack of adoption subsidy in Indiana](#)
WNDU- [Adoption subsidies removed from Indiana budget](#)
RTV6- [Funding for acquiring Indiana's public lands slowing down](#)
WISHTV- [Elimination of Hoosier State line could threaten jobs in Beech Grove](#)

HB 1015

Indy Star- [Bill legalizing sports betting, allowing for a Terre Haute casino heads to Gov. Holcomb](#)
WIBC- [Legislature Approves Sports Betting, Terre Haute Casino](#)
Tribune Star- [Gaming bill passes House and Senate, heads to Governor's desk](#)
Fox59- [Bill that would legalize sports betting in Indiana sent to governor for approval](#)
Journal Review- [General Assembly all-in on Gary casino move, legal sports wagering](#)

2019 Legislative Session

Indy Star- [Here are 7 big issues Indiana lawmakers faced at the end of the General Assembly](#)
Indy Star- [Mental health provisions quietly added to Indiana budget after being stripped from school](#)

[safety bill](#)

Indy Star- [Indiana school safety bill passes but is stripped of post-Noblesville mental health provisions](#)

Indy Star- [Noblesville shooting bill fails. It would've let young attempted-murder suspects in adult court.](#)

WTHR- [Noblesville shooting bill blocked; children as young as 12 cannot be tried as adults for attempted murder](#)

Indy Star- [Revenge porn in Indiana is one signature away from being a crime](#)

WTHR- [Revenge porn soon to be a crime in Indiana, victims getting two new laws to fight back](#)

Indy Star- [Bill legalizing hemp growth and sales in Indiana clears final hurdle, heads to governor](#)

WIBC- [Bill Legalizing Hemp Headed to Gov. Holcomb's Desk](#)

Nuvo- [Hemp Bill Heading to Governor's Desk](#)

Indy Star- [Indiana e-cigarette tax dies on last day of legislature](#)

Indy Star- [Bottleworks District would get crucial alcohol permit in bill en route to governor's desk](#)

Tristate Homepage- [Bosma: 2019 legislative session "marks a historic win for... public schools"](#)

WLFI- [All you need to know as the 2019 legislative session comes to an end](#)

WSBT- [New Indiana bill promises amnesty for unpaid traffic fines that will last all of 2020](#)

NWI Times- [Governor approves new Indiana abortion restrictions; legal challenge expected](#)

RTV6- [After three children killed in northern Indiana, laws set to change on passing school buses](#)

WNDU- [Breaking down the MAXSTRONG school bus safety bill](#)

Daily Caller- [Indiana set to expand "stand your ground" laws](#)

Star- [Kruse, Glick praise work of Legislature](#)

Indy Politics- [So long and sine die](#)

Misc.

Governing- [Eric Holcomb's Winning Political Strategy: Play Nice](#)

Sincerely,

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Republicans tout 'historic' budget

GOP says teachers will get pay hike; gaming deal reached

By **JACOB CURRY**

INDIANAPOLIS – The 2019 General Assembly session ended Wednesday after nearly four full months of negotiation, success, and disappointment, culminating with what Republicans described as a "historic" budget. Coming into the year, there were



some clear, pressing challenges that would top priority lists at the Statehouse: Passing a working \$34.6 billion biennial budget, addressing the growing crises in Indiana education, getting Indiana off the list of states without a

meaningful hate crime statute, and pushing through bills on gaming and the CIB.

The General Assembly successfully fulfilled its constitutionally mandated duty for this session, passing

a biennial budget late Wednesday that came out of conference committee had most of the key numbers – K-12 tuition support increases, DCS funding, and several grants – at compromise levels in between their House and Senate. That clear compromise was an unusually smooth process of working out the two chambers' differences, though as always there were plenty of hard choices involved as the last item up for vote in both the House and Senate

Continued on page 5

A yield of incompetence

By **BRIAN A. HOWEY**

NASHVILLE, Ind. – Last winter over a plate of Cajun cookin' at Yat's, I compared notes with U.S. Rep. Jim Banks on the Russia collusion investigation by Special Counsel Robert Mueller. My expressed hope was the report would either absolve President Trump of conspiring with the Kremlin with compelling certainty, or that it would be so damning that his political support within the Republican Party would collapse and we would have President Mike Pence.

That was the scenario in July 1974 with President Nixon. Democrats were heading toward impeachment, but Republicans held until the U.S. Supreme



"Mayor Buttigieg has wasted millions of taxpayer dollars in a seven-year effort to keep these tapes secret and hidden from the public. Mayor Buttigieg should release the tapes immediately."

- Indiana Republican Chairman Kyle Hupfer on the South Bend PD tape controversy





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Court ordered the tapes released, which revealed Nixon as a conspiring cover-up liar. It was Republicans Hugh Scott, John Rhodes and Barry Goldwater who delivered the news to Nixon that the gig was up.

The Mueller report landed in the middle of my two best/worst case scenarios. It absolved President Trump and his campaign of conspiring with the Russians. On the obstruction scenario, Mueller punted, sending the matter to Congress, which is ill-equipped to referee this question. By the time it would even get into trial mode, the 2020 election will be at hand and it will be the American people who render the ultimate verdict on President Trump's campaign

Most Republicans snapped quickly into line, professing the lack of collusion. As Banks observed on Twitter, "No collusion. No obstruction. Let's get back to work, @SpeakerPelosi."

In a more lengthy statement, Banks bought into the "witch hunt" Trump had oft described, but noted something Trump has yet to acknowledge in the post-Mueller world, which is that the Russians successfully assaulted the 2016 U.S. presidential election. "Mueller's report proved what the president has said all along, but every American should be more outraged than ever before by findings in the Mueller report that show without a shadow of a doubt Russia sought to meddle and disrupt our election process," Banks said. "President Trump has been exonerated from the witch hunt over collusion, but now I hope he will swiftly turn his sights to show leadership in holding Russia accountable for attacking our American institutions. Congress as well should shift away from bogus investigations and instead turn toward passing tough measures to address Russia's activities and taking action to make the lives of every Hoosier and American better."

Not all Hoosier Republicans took the default "witch hunt" stance. U.S. Sen. Todd Young's comms director, Amy Grappone, said in a statement to HPI, "Sen. Young is approaching this matter with utmost seriousness and is still digesting details of the voluminous report. He looks forward to discussing it with colleagues on both sides of the aisle when the Senate is back in session and will make further comments as appropriate." Young told John Krull of the Statehouse File last week, "There's absolutely no question among Republicans or Democrats, certainly with whom I dialogue, that Russia interfered with our election — that they engaged in a disinformation campaign



to further divide the American people. I think we all have to acknowledge that they succeeded."

True outrage

Today, it came from U.S. Sen. Mitt Romney, the 2012 GOP presidential nominee, who said, "I am sickened at the extent and pervasiveness of dishonesty and misdirection by the president. I am also appalled that, among other things, fellow citizens working in a campaign for president welcomed help from Russia — including information that had been illegally obtained; that none of them acted to inform American law enforcement; and that the campaign chairman was actively promoting Russian interests in Ukraine. Reading the report is a sobering revelation of how far we have strayed from the aspirations and principles of the founders."

Perhaps the two potentially

most vulnerable Hoosier Republicans in 2020, U.S. Reps. Susan Brooks and Jackie Walorski, were circumspect in their reaction. "I am pleased portions of the report that are legally allowed to be shared are now public and I am reading through Special Counsel Mueller's" Brooks tweeted. Walorski has not made a statement since the report was released a week ago.

Different from Nixon, Clinton sagas

Former congressman Mark Souder, observes the differences between Trump and the Nixon and Clinton impeachment sagas. "The allegations against Trump

are scary, but occurred in a campaign by someone not in power. And, so far, no proof exists. No proof," said Souder, who voted for two of four impeachment amendments against President Clinton in 1998. "In Watergate, Nixon was president, used his power and proof existed – it just needed more proof. Bill Clinton was in power, used his power and boxes and boxes of proof existed. Instead the GOP

leaders went after Monica because legal proof in a narrow case. Hillary was a sitting secretary of state, former First Lady and her husband still had people stacked in the federal government. Where was the gnashing of teeth on the Clintons from those who are doing so with Trump? Trump was a candidate, and watching for potential was important but this was not like previous cases and certainly not like Nixon, or Clinton. It does not justify behavior, but it is NOT the same. If he did something because of what was proven to have been done in the campaign, not alleged, then it would have more similarities."



Dysfunction and incompetence

Beyond the "Putin wins" acknowledgement, the more deeply disturbing aspect of the Mueller report is the stunning dysfunction and incompetence of the Trump/Pence White House. It goes back to the hours after the historic upset when Trump named Chris Christie as head of the transition team, throwing the binders into the Trump Tower dumpster, and giving the helm over to Pence, who orchestrated arguably the worst transition in presidential history. It was during this transition that Michael Flynn's contacts with the Russians were exposed along with his lying to Pence, and it put Trump on a collision course for allegations of conspiracy when he tried to protect Flynn to the point of dismissing FBI Director Jim Comey, who throughout 2016-17 had etched a dubious history himself.

Trump's actions throughout 2017 and 2018 only furthered the dysfunction. The solo meetings with Russian President Putin, the lack of read-outs to National Intelligence

Director Dan Coats, his verbal assaults on NATO and the European Union, his tariffs aimed at allies and foes alike, and his policy decisions (e.g., Syrian withdrawal) seemed to match up perfectly with Putin's diabolical playbook. My colleague Craig Dunn (see page 7) can take a shotgun "attempted coup d'état" approach to all of us who wondered what the hell was really going on, but it was Trump himself who stoked the conspiracy blazes. (Most of us prefer that coup d'états remain in the banana republic realm.)

As I noted last week, Mueller made two damning points as the acknowledgment that the Russians succeeded: "Although the investigation established that the Russian government perceived it as an opportunity from a Trump presidency and worked to secure that outcome, and that the campaign expected it to benefit financially from information stolen and released through Russian efforts, the investigation did not establish that members of the Trump Campaign conspired or coordinated with the Russian government in its election interference activities."

The second surveyed the Trumpian incompetence: "The president's efforts to conduct the investigation were mostly unsuccessful, but that is largely because the persons who surrounded the president declined to carry out orders or accede to his requests," Mueller concluded.

11 guardrails

There were at least 11 Trump administration officials who defied the president's orders to obstruct, spread over the course of his presidency. Mueller described 10 of them. These include Counsel Don McGahn, who refused Trump's orders to fire Mueller, and Coats, who refused to intercede and get the FBI probe halted. The full list is a who's who of the nascent Trump presidency, from Reince Priebus, to Corey Lewandowski, to Attorney General Jeff Sessions, to Rick Dearborn, K.T. McFarland, Rob Porter and Chris Christie.

These are the people described as "guardrails" and all but Coats are gone. Some believe Pence may be the ultimate barrier to keep Trump in reality, but that's speculation at this point.

Trump pushed on the institutional guardrails that may have saved his presidency. "Nobody disobeys my orders," Trump said Monday morning at the White House Easter Egg Roll. It's as if Trump is the only one not in on the joke. But we've seen this play out over and over, with Trump denying reality even as past videos and tweets provide the words emanating from him.

If Republicans are jubilation over such demonstrated incompetence, then that itself is a troubling portrayal of where the American body politic stands today. Or as Fox News judicial analyst Judge Andrew Napolitano observed, "Depending on how you

look at them, there might be enough to prosecute, but the attorney general has decided it's not enough to prosecute. But it did show a venal, amoral, deceptive Donald Trump, instructing his aides to lie and willing to help them do so. That's not good in the president of the United States."

We've come a long, long way – as has Mike Pence – since he observed at the time of the Clinton presidency, writing, "If you and I fall into bad moral habits, we can harm our families, our employers and our friends. The president of the United States can incinerate the planet. Seriously, the very idea that we ought to have at or less than the same moral demands placed on the chief executive that we place on our next door neighbor is ludicrous and dangerous. Throughout our history, we have seen the presidency as the repository of all of our highest hopes and ideals and values. To demand less is to do an injustice to the blood that bought our freedoms."

This Mueller report comment shaped many of the headlines last week: "The evidence we obtained about the president's actions and intent presents difficult issues that would need to be resolved if we were making a traditional prosecutorial judgment. At the same time, if we had conducted enough investigation of the facts that the president clearly did not commit obstruction of justice, we would so state. Based on the facts and the applicable legal standards, we are unable to reach that judgment."

Mueller punts to Congress

Mueller punted this question to Congress, and if Democrats such as Sen. Elizabeth Warren get their wish and launch impeachment proceedings against President Trump, it will likely result in his reelection. Trump comes out of the Mueller end-sequence in precarious political position: His approval was just 39% in a Morning Consult Politico poll with 57% disapproving. But only 34% favor impeaching Trump, with 48% saying Congress shouldn't go there.

Unless further information beyond the outlined, Keystone Cops obstruction attempts surfaces, impeachment would be an epic fool's errand. With Republican support holding, the House passing impeachment resolutions will only result in a Senate acquittal. As Republicans learned in 1998 and 1999, President Bill Clinton actually came out ahead when that story played out.

Still, an array of dangers face President Trump. House Democrats will subpoena Mueller to testify soon, and his written report will be augmented by answers to questions on how and why he came to his conclusions. Such testimony on the Part II obstruction segment of the report may not be the catalyst for a move to impeachment, but would certainly add to Trump's emerg-

ing problem of mendacity and incompetence.

Mueller also dished off aspects of his work to 14 other investigations in New York and Virginia. Some of these could be tied to the payoffs to porn star Stormy Daniels, as well as the Trump Organization, the Inaugural Committee and Jared Kushner's various business interests and security clearance.

For Americans who loathe the cycle of investigation, the Trump presidency will be dogged by them to its conclusion. President Trump now extends to Congress. He is seeking to prevent McGahn from testifying and Treasury is resisting the release of his tax returns. Court battles and a potential constitutional showdown loom. While Trump declared a "Game Over" worthy of a Winterfell slaughter, this saga will continue on and on.

Foreign interference

The most compelling question for Democrats, Republicans and independents is the notion of foreign interference in presidential campaigns.

It's happened before. John Fund of "National Review" reminds us of the 1996 Chinese fundraising scandal involving President Clinton's reelection effort. A 1998 Senate Government Affairs Committee report on the scandal found "strong circumstantial evidence" that a great deal of foreign money had illegally entered the country in an attempt to influence the election.

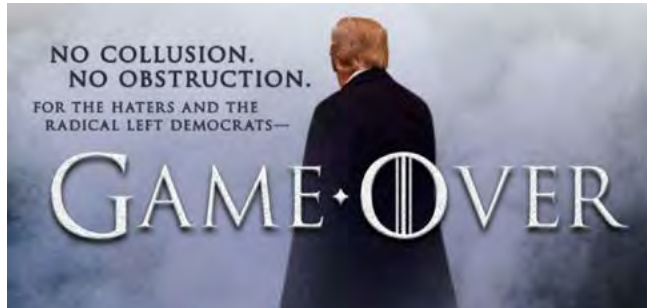
As a result, Clinton was forced to give back more than \$2.8 million in illegal or improper donations from foreign nationals.

So this means that twice in the past two decades, Chinese and Russian money and subterfuge impacted American presidential races. It was dangerous in 1996 and 2016. And it will be perilous in 2020, as well.

President Trump's lawyer Rudy Giuliani said Sunday on CNN's State of the Union, "There's nothing wrong with taking information from Russians. It depends on where it came from. You're assuming that the giving of information is a campaign contribution." When host Jake Tapper pressed Giuliani, the former mayor explained, "There's no crime. We're going to get into morality? That isn't what prosecutors look at — morality."

It is that morality poses the most compelling question facing the American people and Congress. We've been consumed by two years of incompetence and rogue behavior that is now being institutionalized and, perhaps, funded and impacted by foreign adversaries.

As I asked last week, is this our new reality? Is it acceptable? ❖



Sine die, from page 1

Wednesday night, received just one Democratic vote, from Sen. David Niezgodski of South Bend.

Gov. Eric Holcomb lauded the gains, saying, "I want to commend Speaker Bosma and Senator Bray for their extraordinary leadership, and a job well done to their members and staffs. With the investments we'll make over the next two years, we'll be able to make our strong state, even more so. We balanced our budget for the eighth straight time and protected our AAA credit rating. We're making historic investments in K-12 education, expanding our school safety efforts, and implementing all the recommendations to improve our child services. We are strengthening our already transformational road and rail programs, doubling down on our Next Level Jobs programs, and connecting more Hoosiers to affordable broadband service. We passed a bias crimes law and modernized our tax code. We'll help more babies roll." ys. Indiana is on a

Republicans cite education gains

Republicans are touting the budget as a historic success for K-12 public education in Indiana, and for teacher pay. From the start of session, the GOP was promising a budget that could deliver an immediate response to teacher pay concerns. With teachers resorting to walkouts in other states and recent data showing Indiana lagging behind its neighbors, the teacher pay issue was one that the General Assembly simply could not ignore.

ly, Republicans cite the additional K-12 tuition support in the budget, expansion of Teacher Appreciation Grants, and new savings brought on by the state's one-time payment toward the post-'96 Teacher Retirement Fund, combined with a bill encouraging schools to increase their ratio of education-to-facilities spending. They say these measures will free up enough money for teachers to see substantive raises in the short term. But GOP leadership, including the governor, have admitted that work on a systemic solution will need to come in sessions to follow.

Bosma said, "This session marks a historic win for rural, urban and suburban public schools as lawmakers worked hard to increase our commitment to K-12 education by \$763 million in new state dollars."

For their part, Democrats argued all session that Republican efforts on teacher pay contained no guarantee of actual salary increases and thus fell short. They also repeatedly pointed out that while some school districts would indeed see money freed up under the GOP plan, many struggling districts, particularly in smaller communities, would receive minimal increases.

Teacher pay wasn't the only hot-button education issue though, as last year's shooting at a Noblesville middle school heightened efforts to strengthen protections

for schools. Republicans had a priority school safety bill ys of session.

That bill mainly dealt with the establishment of parameters for the School Safety Grant Fund to provide mental health services for students. After passing the House in half of session, the mental health language would be removed in the Senate as a response to concerns over parental consent. Although bill author Rep. Wendy McNamara had the original language r er-
ence committee report approved by both chambers left it out.

Another Republican effort on school safety that struggled was Rep. Jim Lucas' bill which would have allowed school corporations to arm and train teachers. The bill stayed alive y but faltered in confer-

ence committee. The conferees were ultimately unable to come to an agreement over which employees should be subject to training requirements. The idea will surely be back; it's becoming increasingly popular among conservatives.

The question of passing a meaningful hate crime statute, or simply what a meaningful statute would even be, dominated discussions for several weeks in the General Assembly. A long-time wedge issue in the Statehouse, it was anti-Semitic graf-
ayed at a Carmel synagogue last July that gave rise to enough political pressure to see the legisla-

ture pass i e in over a decade.

This issue had a particularly up-and-down journey at the Statehouse. After taking on two very different forms in the Senate, House Republicans opted to disregard the initial measure, Senate Bill 12, altogether. Instead, they inserted Rep. Greg Steuerwald's "compromise" language into a separate bill. The compromise aspect lies in the fact that i ist
of protections, but instead references an already existing list from Indiana's civil rights law, satisfying concerns of most of the rural Republicans.

Republicans heard criticisms on multiple fronts f oduct, with Democrats and some advocacy groups saying they didn't go far enough on protections, some conservative groups saying they went too far by employing enumerations, and others criticizing their procedural methods. The only version of a bias crime statute to receive public testimony, or even just a committee hearing, was the original form of SB12. Both of the most curred

e there was very little actual debate. That drew ire both inside and outside the Statehouse. Still, Republican leadership stood behind the new sentencing guideline as a win for the state and a long-lasting solution.



Ways & Means Co-Chair Todd Huston delivered a sprawling gaming bill on top of his first budget. (HPI Photo by Jacob Curry)

Gaming compromise

On gaming, despite some late doubts, conferees were able to arrive at a compromise and get another of the session's headline-grabbing bills out in time for sine die. The bill had some predictable drama attached to it, even in the days of the session, but the version passed by both chambers late Wednesday turned out very similar to the initial conference committee report released Monday morning.

Still, the signal upon the bill's passage wasn't that the continuity meant it would be a few days, and it certainly didn't have an easy session. The man who carried the bill in the House, Rep. Todd Huston, ended up voting against his own bill in a 59-36 tally. Most of the controversy on the bill revolved around the casino aspect of the bill, though the sports wagering half also underwent some back-and-forth. In particular, hold-harmless provisions and how to handle the potential move of a casino to Terre Haute were the focal point of debate.

Huston had stripped the bill of its original hold-harmless language for payments from Gary to Hammond, East Chicago, and Michigan City when it came to Ways



State Rep. Regan Hatcher, D-Gary, makes an appeal on the gaming

& Means, expressing his preference that the state should not be involved. The language was later reinserted in conference committee, and also extended to include the city of Evansville. The conference committee also imposed a \$20 million fee for one Gary casino to move inland to Vigo County, payable over five years, but tacked on a \$40 million tax credit for the casino operator. Huston's version of the bill, which passed the House, had the fee at a one-time \$50 million payment and contained no tax credit.

Legislators in both chambers were also keen to pass another big-money bill on Marion County's Capital Improvement Board this session, with hotels, the Indiana Pacers, and a soccer stadium as the big-ticket items. The bill had a fairly smooth ride through the Senate but concerns from Indy's hotel industry led to major changes in the House. The state was pulled out of any discussions of bringing new hotels to Indianapolis, but the end result of the rest of the bill remained largely the same: The Pacers will stay in Indy, the CIB has funding to seek further downtown improvements, and a soccer stadium is likely on the way.

Bosma and Bray both noted the CIB bill's passage as a major economic success in their closing remarks for the session. ❖

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Safety is compromised through congestion and by roads that continue to need repair.



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The coup d'état has been averted

By CRAIG DUNN

KOKOMO — The reader may be assured that I enjoy writing on this subject with the same joy and anticipation that one approaches a visit to the dentist. There are days when I would much rather be a sports commentator than one who slices and dices politics. If I were a sports commentator, this week's column would have been about the collapse of the Indiana Pacers in the NBA playoffs.



Alas, instead, I will tackle the attempted coup d'état orchestrated by elements in the former Obama Administration, Democrat operatives, the media and, regrettably, the United States Department of Justice.

Before I begin, I'd like to remind you that I am not a diehard fan of Donald Trump. In fact, I famously (or infamously) declared in the lead-up to the Indiana presidential primary in 2016 that the only way I could vote for Donald Trump would be if his opponent was Satan himself. (Note to self: Be very careful what you say to a national journalist at the end of a long, long interview.)

Needless to say, I found Satan in the form of Hillary Clinton and I cheerfully cast my general election vote for President Donald Trump. That being said, I do not condone, approve, like, admire or support many of the things that the man Donald Trump has said or done both before and after his election as our president. In fact, much of Mr. Trump's behavior has made me want to gag. However, I have learned to separate the conduct of Trump the man from Trump the president.

As president, Donald Trump has done a fairly admirable job. In the areas that are truly important such as the economy, our national defense, judicial appointments and reducing the mindboggling bureaucratic snafus that plague American business, President Trump's tenure has been very good.

This brings me to the sad and troubling realization that the United States has just survived a coup d'état aimed at destroying the president.

Fortunately, this coup has failed. In most countries, the perpetrators would have been taken out back of the Marine barracks in Washington, D. C., and shot. In South America, the principal architects of the coup would

have just been disappeared. But, hey, this is America and in America we will make celebrities of the perpetrators, give them guest slots on CNN and the late-night talk shows. None of this rogues gallery of nefarious characters will be forced to slither into the trash heap of history as they should.

Let's start at the very beginning. The sole focus of the Robert Mueller investigation was to be collusion between the Trump campaign and the Russian government. The basis for launching this investigation and obtaining FISA warrants was the dubious "Steele Dossier," the salacious political hit piece written for Fusion GPS and later sold to the Democrat National Committee and the Clinton campaign.

Please understand this: The two-year-long, \$35 million special investigation of President Trump was launched by a Democrat-purchased and -provided political hit piece joyfully supplied by a Fusion GPS employee, Democrat Nellie Ohr, to her husband, Bruce Ohr, a high-r or misconduct. Ohr delivered the document to disgraced, ed former FBI Deputy Director Andrew McCabe. McCabe assigned the investigation to rabid anti-Trump FBI Assistant Deputy Director Peter Strz ed for his undisclosed anti-Trump emails between him and his girlfriend, FBI counsel Lisa Page. Mueller dumped Strzok from his investigation because of the conspiratorial nature of the pillow talk emails with Page, including the reference to an "insurance policy" to get rid of Trump should Trump defeat Clinton.

Summary: The Mueller investigation occurred because of a bogus dossier provided by Hillary Clinton's allies to their allies in the Justice Department who abused their power in an attempt to bring down the presidency of Donald Trump. This is criminal and treasonous, regardless of what you think about President Trump.

What was the fruit of the exhaustive investigation recently concluded by the special prosecutor? No collusion

with the Russians and no obstruction of justice. Case closed.

Well, the case is not closed. The usual Democrat suspects in Congress, big money men and the media just will not write this sad situation off as another failed political strategy. They intend to use every tool at their disposal

to remove or irreparably injure President Trump before the 2020 presidential election.

Facts and the truth be damned, the destruction of the president is a worthy end to their despicable means. Niccolo Machiavelli would be proud of his Democrat dis-



principles and their dedication to results over truth.

The case is not closed on the investigation of the men and women who dredged up a Democrat-paid-for dossier and used it to illegally obtain FISA warrants and begin the process of intimidation and legal arm-twisting that led a litany of supporting characters to cop pleas. The Constitution was abused and twisted to suit the political ends of the Democrats. Light needs to be shown into the corners of the Justice Department and we all need to see the roaches run. Failure to fully investigate this abuse of the Justice Department will only lead to more egregious abuses in the future.

The American form of government only works because of an adherence to the rule of law. Once that principle is trashed, other forms of abuse and injustice will become prevalent and the rule of law falls to the wicked,

then our country will become no better than some banana republic.

Yes, I understand that many of you wanted Hillary Clinton as president. I understand that you hate Donald Trump for his immigration policies, personal behavior, court appointments, tax cuts, economic success and his Electoral College victory. I get it. You hate him with a purple passion. Message received.

The question to be asked now is, "Do you hate Donald Trump more than you love your country and the Constitution?" The answer to this question will ultimately decide the fate of our nation. God be with us on this one!

❖

Dunn is the former Howard County Republican Party chairman.

Biden's entry becomes a big test for Buttigieg

By BRIAN A. HOWEY

NASHVILLE, Ind. — Perhaps the most important element in Mayor Pete Buttigieg's presidential fortunes becomes a reality today. Former Vice President Joe Biden kicked off his campaign with a video shot in Scranton, Pa.



How his campaign fares could determine whether Mayor Pete ends up with the Democratic nomination or is consigned as a veep nominee, a future cabinet member or an ex-mayor looking for think-tank work.

Biden's campaign launch ends a tormented pre-candidacy period in which we've watched the deliberations include family angst, age considerations and whether the Obama/Biden vision is still viable in leftward-veering Democratic politics. But it sets up the crux of Buttigieg's generational campaign where his polling surges have been prompted by his JFK "pass the torch" mantra.

It's working thus far. Buttigieg is third in national, Iowa and New Hampshire polling. Gravis Marketing has Buttigieg in third in Iowa with 14%, trailing Bernie Sanders and Biden at 19%. The Granite Poll in New Hampshire has Sanders leading with 30%, followed by Biden at 18% and Buttigieg at 15%. That is remarkable: The mayor of South Bend trails a two-term vice president by just 3%. In a national Monmouth

University poll, Biden led with 27%, Sanders was at 20% and Buttigieg was at 8%, up from 1% in March.

"If Biden does enter the race this week, he starts off with a fairly stable amount of good will from Democrats," said Monmouth pollster Patrick Murray. "We might even expect to see a small bump after his announcement, but the bigger question will be what happens when those voters start taking a closer look at him on the campaign trail. It's a long way to Iowa and a lot can happen. This is the most divisive presidential candidates in history, but that doesn't seem to be a major consideration for Democratic voters at this early stage of the campaign. It's probably a large reason why a couple of old white guys are leading the pack right now."

Old white guys haven't fared well in Democratic presidential races in the past. John F. Kennedy, Bill Clinton and Barack Obama all won nominations in their 40s, and Lyndon Johnson and Jimmy Carter were in their early- to mid-50s when they took power.

Former vice presidents don't do well either. Only two of six vice presidents have won the presidency since World War II, Republicans George H.W. Bush and Richard Nixon (in a second attempt). Democrat veeps Hubert Humphrey, Walter Mondale and Al Gore all lost presidential races, and Dan Quayle's 2000 quest ended early, well short of the nomination that went to George W. Bush.

"There's a lot of talk about what lane he's in," a Democratic strategist told The Hill of Biden. "Is he a moderate or a progres-



sive? I think he's trying to be above the fray and above all that."

Therein lies the "lane similarities" between Biden and Buttigieg. Both are likely to campaign as "storytellers" as opposed to trotting out white paper exercises such as the Green New Deal or Medicare for All that would invite criticism.

NBC's "Meet The Press" head explained on Wednesday, "Being a current or former vice president is a real advantage when it comes to name ID, raising money and cutting the downside

is that you don't get to be the new/fresh/different candidate. You own the bad (as well as the good) of the administration you served. And you have a harder time portraying yourself as a change agent. And those potential downsides could end up being Biden's biggest challenges in 2020 – more than age, ideology and a long, long record in public service."

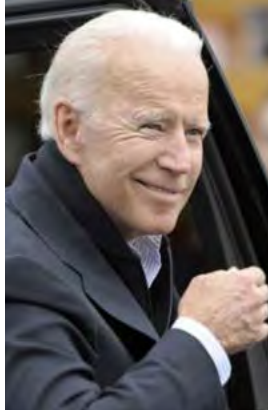
So if Joe Biden falters, it will be Mayor Buttigieg best positioned to pick up support, particularly with the considerable angst that a Sanders nomination would play right into President Trump's wheelhouse of running against a "socialist." Don't underestimate the generational pull that Buttigieg is touting as he works Iowa and New Hampshire.

Buttigieg is also taking aim at Sanders, saying, "I have a hard time seeing the coalition ultimately coming together there," adding that in 2016 "people were refreshed by the novelty of that boldness" of Sanders's ideas, but that they are now less excited.

Buttigieg's week since he kicked off his campaign on April 14 saw him presiding over Dyngus Day celebrations in South Bend on Monday, then to a second CNN Town Hall that night. Appearing at Dyngus Day, Buttigieg said, "In so many ways, South Bend is our message. This is the story of a city that changed its future, changed its trajectory." During his CNN Town Hall Monday night, Buttigieg said President Trump "deserves impeachment" and added, "God doesn't have a political party."

"My role in the process is trying to relegate 'Trumpism' to the dust bin of history," Buttigieg said on CNN. "To me there is no more decisive way to do that, especially to make Republicans abandon this deal with the devil they've made, than by an absolute thumping at the ballot box."

NBC News is reporting that Democratic rivals are now seeking "dirt" on the mayor in South Bend. Thus far the "dirt" includes the South Bend police tape controversy, Police Chief Daryl



Bo 1,000 zombie homes his administration razed in an effort to deal with blight. None of that rises to the so-called silver bullet category. Having said that, running a city can be a complex, even messy endeavor. We've seen mayors running statewide who failed to advance due to pragmatic stances such as tax and fee increases, or how a controversy has been handled. So, this will be a "stay tuned" aspect of the Buttigieg candidacy.

On the police tape incident, Buttigieg said on CNN that he has not heard the tapes. "These tape recordings were made in a way that may have violated the federal wiretap act," he explained. "I'm not going to violate it even though I want to know what's on those tapes like everybody else does."

Indiana Republican Chairman Kyle Hupfer called on Buttigieg to immediately release the hidden tapes at the center of a seven-year long court battle over the city's former African-American police chief, following a new court ruling that the case can now proceed to trial. "Mayor Buttigieg has wasted millions of taxpayer dollars in a seven-year effort to keep these tapes secret and hidden from the public," said Hupfer. "This court battle has gone on long enough and cost far too much. Mayor Buttigieg should release the tapes immediately before it costs the city even a penny more."

Just days after becoming mayor of South Bend, Police Chief

Boykins. Boykins v Buttigieg, while the South Bend Common Council has also fought to make the tapes public.

Parallel between Biden and Buttigieg is that both are now in the process of building out national campaigns. Biden has run twice before and has a reputation of lagging in fundraising and stump speech faux pas. A lot of Democratic talent has migrated to some of the other 20 candidates, so Biden will be under pressure to perform, quickly.

The AP reported that Buttigieg is now under the gun to build a viable national campaign apparatus: "There



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are no policy positions on his website. He has virtually no paid presence in the states that matter most. And his campaign manager is a high school friend with no experience in presidential politics. Welcome to the campaign of Pete Buttigieg, the 37-year-old Indiana mayor who has suddenly become one of the hottest names in the Democrats' presidential primary season. Yet there is an increasing urgency, inside and outside of the campaign, that his moment may pass if he doesn't take swift action to build a national organization capable of harnessing the energy he'll need to sustain his surge in the nine months or so before votes are cast."

In the AP interview, Buttigieg conceded that his supporters across the country have essentially had to "organize themselves" so far. "We need to make sure we have the organizational strengths to sustain this wave of support that we've been getting for the last almost month and a half now," he said. "It's created some challenges to rise this far this fast, but I would put those in the category of a good problem to have."

Politico reported today that While Biden's campaign manager, Greg Schultz, led Obama's campaign efforts in swing-state Ohio, Beto O'Rourke hired Obama's 2012 deputy campaign manager Jennifer O'Malley Dillon and has enjoyed the support of Paul Tewes, the 2008 Obama campaign's director in the nation Iowa. Massachusetts Sen. Elizabeth Warren signed Joe Rospars, Obama's chief digital strategist in 2008 and 2012, and Emily Parcell, political director for Obama's 2008 Iowa caucus team. Several top former Obama administrators contributed to Pete Buttigieg.

So Joe and Pete will build, hope followers will come, and will likely compete in the so-called same lane. It may take a June debate moment with the two on the same stage that catalyzes their future trajectories.

National

Biden enters the race this morning

After months of deliberation, former Vice President Joe Biden announced his decision to run for president for a third time this morning with [this video](#), answering one of the biggest outstanding questions about the makeup of the 2020 race. The video begins with Biden talking about Charlottesville, Va., invoking both Thomas Jefferson and neo-Nazi protests in 2017. "That's when we heard the words of the president of the United States ... who said 'there are some values that are more important than winning.' He said Trump created 'a moral equivalency' between haters and those who resist. 'If we give Donald Trump eight years in the White House' it will 'fundamentally undermine all the core values of the nation.' Later today, Biden will attend a fundraiser in Philadelphia, Pa. On Monday, he will hold his event in Pittsburgh, Pa. followed by a swing through early voting states like Iowa, New Hampshire, and South Carolina in the coming weeks. ❖

Mayor Pete's final Dyngus dalliance

By JACK COLWELL

SOUTH BEND – Mayor Pete was presented with a "POTUS Pete" shirt, bright red letters on white, as he was introduced Monday at Dyngus Day festivities at the West Side Democratic & Civic Club.

Some in the enthusiastic crowd packing the old club, traditional center for Dyngusing and where Bobby Kennedy campaigned for president, were initially unsure of the meaning of the lettering, referring to Washington alphabet lingo for President of the United States.



But they all knew that South Bend Mayor Pete Buttigieg is making a big splash nationally in his candidacy for the Democratic nomination for president. And they couldn't miss all the national news media coverage, TV camera crews and all.

Buttigieg told the crowd that he had urged journalists covering his events in Iowa and New Hampshire and elsewhere to come to South Bend for Dyngus Day to witness the celebrated event in his hometown.

What day? What is it? They didn't know. And the mayor told them: "You've just got to see it and you'll understand."

The Monday-after-Easter event has been celebrated for well over a century in Polish-American neighborhoods on South Bend's west side, with traditions traced back to Poland. Now, it's celebrated all over the area. It's sort of a Polish version of St. Patrick's Day; ethnic food (kielbasa) and music (polka) and abundant liquid refreshment, plus conviviality and crowds that bring campaigning candidates to meet one on one with voters.

Buttigieg called it "politics at its best." Easy to see why Buttigieg welcomed national coverage. Cheers of "Pete, Pete, Pete" came as he mentioned the presidency. He's at the height of his popularity here in his eighth year as mayor, and it didn't hurt to have the national news media around to see the enthusiastic support in the city he has made so much a part of his campaign.

"South Bend is our message," he told the crowd. Indeed, a central part of his campaign theme is that his city, with a new spirit, has moved on from the decades of gloom and "can't-do" despair after the demise of Studebaker automotive production. He stressed that he never made a Trump-like only-I-can-do-it claim or suggested that he turned around the city single-handedly.

"We grew together," the mayor said, referring to the growth of economic developments, jobs and population in the city and his own growth in political stature to rank among top contenders for the presidential nomination.

"South Bend is back," he declared, setting off more cheers and applause.

"Let the rest of the country learn from the city's story," he said. "Can I count on you to tell the real story . . . ?" They shouted ely. And most of the local residents interviewed by the national news media provided positive evaluations of the mayor and his policies. But not all.

Criticism of the mayor in quotes from Regina Williams-Preston, a council member seeking the Democratic nomination for mayor in the May primary, appear in numerous national accounts. She is highly critical of what had generally been hailed as a remarkable achievement, ver 1,000 empty and deteriorating homes in 1,000 days. Williams-Preston and some other African-Americans contend that the effort did not result in more affordable housing or better living in lower-income neighborhoods.

He does have the support of other prominent blacks, including City Clerk Kareemah Fowler ri- can-American elected to that post after Buttigieg provided key support for her in winning an election contest with a whi e regarded as the favorite.

It was a long Dyngus Day for Buttigieg. He went to a Dyngus site at 5 a.m. for TV interviews. Then, more interviews with national news organizations before going in late morning to unveil a "Solidarity Day" street sign at the site of the city's Solidarity Day observance, an African-American event held on Dyngus Day since 1971. It was started back then by blacks who didn't feel welcome at some Dyngus sites and decided to hold their own event



and welcome all candidates to attend.

He also unveiled a "Dyngus Day" street sign at the West Side Democratic Club and spoke there at the traditional noon introduction of candidates - only Democratic candidates are introduced. Immediately after speaking, But e for a live CNN town hall meeting from 11 p.m. until midnight.

Some at the Dyngus event wondered why the mayor didn't skip it this year in order to prepare for and arrive fresh for his national TV appearance on CNN. He stressed, however, not only the importance he placed on showing off Dyngus Day for the national news media but also how appearing at the club for his eighth yor "is emotional for me." He noted how the Dyngus attendees at the club always "were there for me" in his political activities, to welcome him home from active duty in Afghanistan and to back him in the personal decision to come out as gay and be married.

His husband, Chasten Buttigieg, who has become an effective campaigner and political celebrity in his own right, joined the mayor on the platform and received applause, long and loud. Such a warm reception likely would not have occurred there 20 years ago or even 10.

Buttigieg concluded with a promise: "No matter what happens . . . South Bend will always be home."

Whether he will be home for Dyngus Day in 2021 as POTUS Pete or VP Pete or Secretary of Something Pete or just as former Mayor Pete will be determined over the presidential marathon that has just begun. ❖

acades for the South Bend Tribune.

Another twist in Carmel mayoral race

By BRIAN A. HOWEY

INDIANAPOLIS — The Republican Carmel mayoral primary has become, well, just weird. Clerk-Treasurer Christine Pauley accused Mayor Jim Brainard of inappropriate email she-nanigans.



"I have a peer who am I supposed to work with and looked to as a mentor who I have presenting these types of emails to me," Pauley told WTHR-TV's Scoop Jefferson.

"It's inappropriate. It's inappropriate."

Brainard's team quickly produced a photo of the mayor and Pauley in a warm embrace. "The clerk-treasurer is leaning in close with her hand on his back whispering in his ear. That was on May 2, during a national campaign stop," said city spokeswoman Nancy Heck. "It seems clear at city hall they were interested in developing a relationship more than professionally."

These allegations come on top of a complaint by Hamilton County Democratic Chairman Joe Weingarten that Brainard attempted to "bribe" Fred Glynn from running in the primary. "It's been alleged that Mayor Brainard's campaign offered a bribe to have his opponent Fred Glynn not run against him," charged Democrat Party Chairman Joe Weingarten.

Fox59 reported in late March, "There was a guy who was supposed to be representing me in that meeting.

His name is Dan Hennessey," said Glynn. "He went to discuss polling numbers. He came back and said he saw the polling numbers. It didn't say anything in the polling numbers but he said that they were willing to offer me \$140,000 in campaign cash to not run in the mayor's race."

The Hamilton County Election Board will investigate the claim on May 14, a week after the primary.



At a Carmel meet-up this past week, the two candidates made a joint appearance. Brainard made his pitch, saying that he has added 1,000 acres of parkland, 200 miles of trails since he w we've built the safest street network in the country." He said "our debt is reasonable" while Carmel is home to 125 corporate headquarters. He also noted that Carmel had 11 armed robberies last year, and "we caught all 11 of them." He said the roundabout network has reduced personal injuries by 80%.

Glynn, a Hamilton County councilman said, "After 24 years, we need new leadership. I think we're putting all our eggs in one basket and we're putting all our debt downtown when other areas need attention. We need mor esponsibility in this city." **Primary Horse Race Status:** Likely Brainard.

South Bend: Mueller has big money lead

South Bend voters will see eight names on the Democratic ballot for mayor in the May 7 primary election, but two candidates have stood out from the pack in raising money for their campaigns (Parrott, South Bend Tribune). James Mueller outpaced the by a hefty margin, raising nearly \$245,000 between Jan. 1 and April 12, according eports that candidates were required

le by Monday. That was followed by Jason Critchlow's \$139,000. Critchlow's campaign spent slightly more than Mueller's, about \$98,000 compared to \$91,000 spent by Mueller, meaning Mueller was left with about \$153,000 cash on hand, compared to Critchlow's \$40,000, entering the campaign' ailed in terms of fundraising: Lynn Coleman reported raising more than \$19,000, with nearly \$11,000 of that coming as a transfer from his failed congressional campaign in 2016.

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Regina Williams-Preston raised about \$16,600, while Oliver Davis raised about \$15,300. Mueller said his fundraising lead shows that "we're getting our message out." "I didn't have a lot of name ID and hadn't ever run for public office before this," Mueller said. "I'm proud to have a lot of support from folks who realize this is a critical moment in our history and we need to keep building on the progress."

Primary Horse Race Status: Tossup

Buttigieg gave Mueller more than \$100k

"Pete for South Bend," a holdover from Buttigieg's mayoral and Democratic National Committee chair campaigns, gave James Mueller's campaign \$54,500 — \$50,000 cash and \$4,500 worth of polling service (South Bend Tribune). Three people each gave Mueller \$5,000: Michael Browning, chairman of Indianapolis-based Browning Investments; Bob Urbanski, retired South Bend businessman and longtime local Democratic Party funder; and Chris Murphy, 1st Source Bank chairman and CEO.

Muncie: Republicans debate

Republican candidates for mayor of Muncie discussed the relationship between Ball State University and the city, changes to EMS service, the use of TIF districts and more at Tuesday night's debate (Ohlenkamp, [Muncie Star Press](#)). All three Republican candidates — Tom Bracken, Dan Ridenour and Nate Jones — participated in Tuesday's debate. Ridenour pushed the need for bipartisan support in tackling city issues. "We understand we are in a minority and we have to work together," Ridenour said. He added that working in the minority party on city council taught him how to look beyond someone's party when trying to improve the city. Ridenour is one of only two Republicans currently on Muncie City Council, but from around with Democrat council members. Jones stressed the need to talk to the whole city. According to Jones, he has not made a decision based on political stances and didn't plan to if he took office. Bracken said there was already a strong want from certain factions of the Democrat they saw in city hall. He believed that both parties had one goal in mind and that is to make a better Muncie. **Primary Horse Race Status:** Leans Ridenour.

Indianapolis: Hogsett has cash lead

Democratic Mayor Joe Hogsett outraised his top Republican challenger, State Sen. Jim Merritt, by a nearly three-to-one margin in campaign reports (Colombo, IBJ). Hogsett pulled in \$769,022 from the beginning of January to April 12, while Merritt raised \$266,939 during that period. Hogsett's take gives the Democrat an even greater fundraising edge for the fall municipal election when the two will likely compete head-to-head, assuming Merritt is successful in the May primary election for Republicans. With first-quarter results, Hogsett's cash-on-hand total

is \$3.88 million, which the Hogsett campaign says is a "record" for any mayoral pre-primary election in the history of Indianapolis." Meanwhile, Merritt's cash-on-hand is \$223,960. That's substantially less than the Republican challenger raised in roughly the same amount of time in 2015, when then-candidate Chuck Brewer raised \$671,730 from Jan. 1, 2015, to April 1, 2015.

Anderson: Mayor Broderick posts \$222k

The four candidates seeking to replace Democrat Thomas Broderick Jr. as mayor of Anderson have raised a total that's 10% of the incumbent's funds. The campaign reports were due at the Madison County Clerk's Office on Monday (de la Bastide, Anderson Herald-Bulletin). Broderick started the reporting period that runs from Jan. 1 through April 19 with \$180,827 cash-on-hand. The Broderick campaign reported spending \$11,765 leaving a cash balance of \$222,234. Longtime Republican farmer Herb Likens contributed \$5,000 to Broderick's campaign. The campaign received a \$1,000 donation from Greg Winkler, executive director of the Anderson Economic Development Department; \$750 from John Paugh, president of Carter Express; \$500 from John Brand; and \$5,000 from Broderick's opponent in the Democrat Party primary on May 7 is Terry May. May reported itemized contributions of \$2,552 and nonitemized donations of \$3,350. May's campaign has spent \$4,344 leaving a cash balance of \$1,558. The campaign received \$2,069 from Dan's Fish, \$1,280 from Ann Chamberlain and \$995 from C&H Signs. On the Republican primary ballot, there are three mayoral candidates. **Primary Horse Race Status:** Safe Broderick.

Anderson: Smith has narrow money lead

Former Mayor Kevin Smith, Madison County Auditor Rick Gardner and JobSource Director JoAnna Collette are all seeking their party's nomination (Anderson Herald-Bulletin). Gardner's campaign reported contributions of \$8,387 and expenditures of \$8,008, leaving cash on hand of \$381. Gardner has spent \$7,437 on the campaign. Smith reported starting the year with \$2,109 for the campaign and received donations of \$3,744. The campaign has \$4,400 currently after spending \$1,453. Collette has provided all \$1,800 for her campaign and has spent \$1,491, leaving a balance of \$309. **Primary Horse Race Status:** Tossup.

Terre Haute: Bennett has cash advantage

Prospective Democratic challenger Karrum Nasser outraised and outspent Republican Mayor Duke Bennett in reporting period for the 2019 municipal election ([Terre Haute Tribune-Star](#)). But a starting balance of more than \$139,000 gives the Duke Bennett for Mayor Commit a cash advantage, according to campaign reports for the period Jan. 1 through April

12. Bennett has no opponent in the May 7 primary. The three-term incumbent raised \$2,700 and spent \$875.34 during the period, giving him a balance of \$141,056.52. Nasser began the year with \$137.40, raised \$4,350 and spent \$3,715.75, giving him a balance of \$771.65. He listed campaign debts totaling \$4,212.71.

Valparaiso: Murphy has GOP money lead

Valparaiso City Councilman Matt Murphy doesn't have a challenger in next month's municipal primary election, but he's out-raised and out-spent both of his potential opponents in the city's November mayoral race (Russell, NWI Times). Murphy, a Republican, will vie against either Democrat Councilwoman Debora Porter or businessman Bill Durnell in November to replace present Mayor Jon Costas in the city's top role. Costas, a Republican, is not seeking reelection. Murphy report period with more than \$70,000 cash-on-hand. Since Jan. 1, he's raised \$23,500 and spent more than \$28,000, according to the latest reports. Porter began the report period with just less than \$4,000 in her campaign fund. She raised \$880 and has spent \$320. Durnell, who is new to politics and began with no funds, has raised just more than \$10,000 and spent about

\$4,800. **Primary Horse Race Status:** Leans Murphy.

Portage: Tight Democrat primary race

In Portage, four Democrats are facing off in the primary, aiming to take on John Cannon, a Republican, who was elected mayor by precinct committee members after the conviction of James Snyder. He previously served as a city councilman (Russell, NWI Times). Economic Development Director Andy Maletta — son of former Portage Mayor Sammie Maletta — has so far just out-raised Councilwoman Sue Lynch. Maletta started with nothing in his coffers, raised just more than \$32,000 and spent about \$15,000. Lynch began with \$10,000 in her campaign account, has raised \$31,000 and spent just less than \$20,000 on the primary campaign. Clerk-Treasurer Chris Stidham began with \$7,500, raised just less than \$9,000 and has spent about \$9,700. Realtor Leo Hatch Jr. began with nothing and has raised \$5,475. Of that, \$5,000 came from himself, according to the report. He has spent \$2,350. Cannon, who is unchallenged in the primary, began the 3½-month accounting period with \$90 in his campaign account. He has raised just less than \$4,000 and has spent about \$2,600. **Primary Horse Race Status:** Tossup. ❖

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What Indiana Makes, Makes Indiana

Braun spends his early days on health care

By BRIAN A. HOWEY

INDIANAPOLIS — Mike Braun entered the U.S. Senate last January with the government shut down. As a CEO, the notion of any organization coming to a halt due to a lack of compromise is a foreign one, but Sen. Braun found himself in the inert world of Congress where even a good idea can take a decade to pass.

His reaction to the shutdown was to propose a bill that would prevent congressional paychecks when that occurs. It has no chance of passage, but it provides early, symbolic notice that he's uninterested in BS. He is putting drug companies and insurers on notice that if changes don't come to that gigantic sector of the economy, "Medicare for all" could become the alternative.

When we sat down with Braun last Wednesday at Shapiro's Deli at Keystone at the Crossing, it was just hours before the Mueller report became public. We didn't talk about that, but in a follow-up question, I asked Braun if he had read the full report, did he have Section I (collusion) and Section II (obstruction of justice), and whether American campaigns should accept help and resources from foreign governments.

Braun declined to comment further, will send me this statement: "Attorney General Barr kept his promise and provided as much transparency on the Mueller report as was consistent with the law, which I strongly supported. Indeed, the report is unprecedented in its level of transparency. President Trump provided unfettered access to his campaign's records and his personnel to clear his name and now the American people deserve to know how this groundless investigation into the Trump campaign went. Now that the report is public, it is clear there was no collusion between Russia and the Trump campaign and that President Trump did not engage in obstruction of justice. It's time for the country to move forward and focus on real issues like delivering solutions to lower the cost of health care and keeping our red hot economy roaring."

What we did discuss at length were those "real issues" such as health care costs, which was a major thrust

in his upset victory over U.S. Sen. Joe Donnelly last fall, and immigration and the border situation, which also played a major role in his victory. In other recent interviews, Braun has described the "gummed up" process of this dysfunctional Senate. He is engaging the freshman class of senators — notably Rick Scott of Florida and Mitt Romney of Utah — to forge health care solutions. He chastised his own party for seeking to repeal Obamacare (which he believes is also dysfunctional) without a credible plan to replace it.

In a Senate meeting with President Trump last month, he urged the president to act, and that produced Trump's vow for Republicans to become the "party of health care." That gave Majority Leader Mitch McConnell indigestion, but as you'll read below, it may be Braun who forges the "replace" part of the repeal-and-replace equation.

Here is our HPI Interview with Sen. Braun:

HPI: You get to Washington and the government is shut down. What are some of your initial impressions?

Braun: Yeah, we had to get through all of that. It was good to get that behind us. So often when the government shuts down, Republicans and conservatives get blamed for it. In this case, it was the issue of border security and Trump said, "We opened up the government" and he wanted to get a border security bill through. That was a tricky dynamic because it was also a budget bill.

Five of the seven appropriation bills went through at the same time and it kind of complicated that vote. Anyway, we got through it and I've been doing things focused on reforming the place. That's why I came up with a bill that Governor Rick Scott, now Sen. Rick Scott, co-authored with me: No budget, no paycheck. We're trying to get rid of senatorial pensions.

HPI: Any chance those pass?

Braun: No, but it shows you're there for more than to just nestle in and accept business as usual. Nothing has a chance of getting (done) quickly there

anyway. It took 11 or 12 years to get the criminal justice reform through the Senate. Anything you tackle there happens over many, many years.

HPI: Isn't that going to drive you nuts? You're a CEO. You're used to ...

Braun: But you're there for the conversation and the fact that you're going to weigh in on whatever does happen. Yes, that's frustrating. Inherently, like you have to slow your metabolism down and get used to that. But I kind of knew that going into it. You have a big microphone to talk about things. I'm not going to sit back.



I'm not going to go there to not at least talk about what's wrong with the place and try to get others to buy into it. You might get a little victory here and there. Who knows?

HPI: Let's talk about health care. It was a key topic in your Senate race. You did a lot of innovative things at Meyer Industries. As a small businessman, I've had this conversation with Todd Young and just about every Republican colleague of yours in the delegation. I'm getting hammered. My monthly premiums have gone from \$440 a month to \$913 this year. And that's with a \$5,000 deductible.

Braun: That's crazy.

HPI: Help me. What can you do?

Braun: First of all, the fact that there are individual payers and policies with just a few individual employees and you have to interact with this big monster of a health care industry, especially these health insurance (companies), that shouldn't be the case. When it came to covering pre-existing conditions, no cap on coverage, it won't be an issue for us, having kids on the plan until they're 26... mine are out of the nest. That was part of Obamacare. We shouldn't be discussing that any more. Most Americans and Hoosiers believe that should be the case. It was just done through Obamacare and big health care. It was doomed to fail because of costs. That's why your premiums went from \$400 to \$900. The insurance industry has, in the health care industry, come from a system that has been broken for many years. They don't want to change it because they all make a lot of money at it. It's not fair to you pay for your health insurance.

My mantra is, "Hey, you guys are smart. Do you really want the federal government to be your only business partner? Don't you think things will be a little different when that occurs? Fix yourself." The bills I've come out with are prodding them to become transparent and competitive. Do things like all other businesses, to compete for the health care dollar. It's almost like an entitlement through insurance policies that have gone way out of sight because of costs and doesn't allow you and I, as users of health care, to see any of the costs. We just gripe about how expensive it is. You pay it through your premium. You never pull your wallet out when you pay for health care. It ought to be the opposite where consumers are engaged and have choices. You, as a consumer, ought to be pooling with an association or other small companies. Insurance companies don't want to do it because they couldn't sell a policy where they wouldn't make as much money on (it). If that were the case, you'd probably be paying less than \$400 a month. I found a way to do that, but most people don't take the time and energy to take on the industry.

HPI: Your comments to the Journal Gazette this past week where you said, let's stop talking repeal unless we have a plan to replace... You know, there are stunt con-

gressmen and stunt senators who spew rhetoric and take votes that are meaningless, like the 50 votes to repeal Obamacare that had no chance of passage, with no viable plan to replace. And then there are those who dig down into the details and come up with proposals that make sense. I'm hoping you're not going to be the stunt senator; you're going to be the senator that's going to develop action and make it into law. Describe that process.

Braun: The plan if we want to avoid (high costs) is the plan where the government is the payor of all health care, which is Medicare for all. That will actually lower the costs. The government will say, "This is what I'm paying currently." Medicare and Medicaid pay less for particular procedures; the private health insurance industry, where most people get their health care coverage through, is paying those (higher) bills. The countries that do that, the costs are lower. I don't know how that's going to work in the U.S. because we've been used to a system that is not producing. But we also don't want to do some of the



things that could occur with government-paid-for health coverage which would be like rationing, not getting the quality. Ironically, with most health care we're not ranked in the top 25. I want to create a system that engages individuals to have some skin in the game. Otherwise, the only way it can work is if the government does it for us, because it's the only cudgel with a heavy hand to take on the health care industry. And then it will be the industry bargaining with the government and they will end up getting less because the government will say, "I'm paying you this much and that's it." That sounds simple, but I think there will be trade-offs with it. I'm trying to prod the industry to be welcoming of transparency and competition, starting with drug prices. So they're forced to throw that information out there and then individuals with some skin in the game have incentives to shop around. With everything else, prices come down because consumers shop for lower prices. Just like a lot of drugs, generics are \$10 here or \$35 somewhere else. It wouldn't happen like that in other transparent markets. My idea is to start the process before it gets into business with the federal government only, which will happen.

HPI: So, are you having talks with the health care industry?

Braun: I'm putting bills out there. Hey, you've got to start publishing your prices so we can see what they are.

HPI: The reaction has been ...?

Braun: It has to make it thr

They know that's probably better than being in business with government only through Medicare for all. But I'm not sure they think ... maybe it's not urgent enough for them. They have been straddling, knowing that the day of reckoning is probably coming, but haven't had government,

through bills like this, force them to do something.

HPI: So, are you forming alliances with Rick Scott and Mitt Romney and Sen. Cassidy who have been there and done that? Talk about your relationships both within the industry, and also with this new group of senators you came in with.

Braun:

I.

You know this can't keep going. The Brian Howes are complaining too much, as everyone else is. I can't expect them to do what we did (at Meyer Industries) where we found a method. I just had the nerve to do it and I got my employees to buy into it. All that was is that on any minor health care, there are no co-payments. You use your deductible to shop around for whatever you need. I forced them to have skin in the game and then I gave them tools. There are transparency tools out there: You can make a phone call like I did when I had a generic prescription renewed. That's when I found out it was \$35 one place and \$10 at one of six or seven other places in Jasper. You know why? I at least made the effort to shop. That's what I'm trying to do, convince the industry to start some of these things through introducing my bills. Hopefully, I'll get some Democratic buy-in along with the senators who are already working on it – Barasso, Cassidy, Mitt Romney will pay attention to it. And Rick Scott.

HPI: So you're forming a bond with those guys?

Braun: Yeah. We're talking. Hopefully, we'll get some of that through the legislative line and get a Democrat in the House to vote for it. Because they're going to try and lower costs in the meantime knowing they are not going to get "Medicare for All" across the line. That's not going to pass in the Senate.

HPI: Have you had chance to talk about these ideas with President Trump since you got to Washington?

Braun: Sure.

HPI: Since the campaign?

Braun: He was over in the Senate two weeks ago right after the Mueller report. I was happy that came out and we'll see what the full report says when it comes out on Thursday. It doesn't look like there's anything, if you're scrounging through the details, that's going to eat up more time up to this point.

HPI: Do you think President Trump is open if you and Sen. Cassidy or Romney come up with something on the health care front?

Braun: At the tail end he said, "By the way, Republicans are going to lead on health care."

HPI: But that caused a lot of heartburn for people like Mitch McConnell ...

Braun: That's because we weren't ready. You've got guys like me and Rick Scott, who know something about it. Cassidy and some of the others have been working at it as part of the system. We're working at it to disrupt the health care system. So, I don't know if they've been as aggressive as they needed to be. But we're all talking together and hopefully we'll get a plan together

before 2020 that we can talk about, or the Democrats will win the discussion again. Whether it will win the election ... they've got to talk about the Green New Deal, the cost for Medicare for all, free college tuition and getting rid of the electoral process. That's going to occupy a lot of what they're doing. They'd be a lot smarter if they sat on some of those things until after 2020.

HPI: Have you found some Democrats you can work with?

Braun: Sure.

HPI: I've been watching Todd Young churn out all sorts of bills with Democratic co-sponsors.

Braun: Chris Van Hollen on the Budget Committee and Tim Kaine and a few others, we were sitting across the table from one another that day and I was routinely voting against their amendments, and they were routinely voting against our amendments. I turned to Rick Scott and said, "Hey, Chris Van Hollen has got a nice amendment here on prescription drug prices and it looks like it could be ours." I said, "I'm going to vote for it. Why not?" Rick said, "I will, too" and then every other Republican who came after us did, including the committee chair. That was a sign that maybe we shouldn't be saying "no" just because it was the other side's idea.

HPI: I'm sensing the people want to see some action.

Braun: They want to see that. Who wouldn't be for lowering drug prices by making the industry accountable and transparent? Who wouldn't be for that?


HPI: So, that's how you change the dynamic – by building these bonds and also putting the industry on notice?

Braun: You do it by leading, just like I led basically as a lone soldier, taking on the insurance companies. When I tell people that I crafted a plan and, yes, you've got skin in the game, you're going to pay for some stuff, but I pay 100% outside the deductible so there's no co-insurance. Most people don't think about that unless they get



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really sick or have a bad accident. Then they've got to pay up to a stop-loss. I got rid of that. I covered pre-existing conditions, no cap on coverage and your kids get to be on the plan, and it costs only \$75 a month for an individual. You never heard that in the campaign. All they said was we've got a \$5,000 deductible.

HPI: I ignored all of these TV ads.

Braun: If you lead, if you're willing to take on the status quo, you do things differently than most freshmen senators would do... and just sit back and go wi
I'm not going to do that.

HPI: Let's talk about the border situation.

Braun: The border si

And a great thing is Democrats are all on record as saying that a year or two ago until it became Trump's mission. Anybody who has been watching the news can't say that's not a crisis. You have people charging the border, getting across in so many ways. Families now dominating who's coming across, using the system to where they can claim asylum, get in the country and we have no ability to process them on a timely basis. Who knows what has happened.

HPI: President Trump says he's going to cut off aid to Guatemala, Honduras and El Salvador, the triangle countries. Rep. Castro has come out and said we need a Marshall Plan for Central America to stop the reasons for people who want to come her

Braun: Of course, there needs to be something happening at the source of the problem.

HPI: Shouldn't we put together a Marshall Plan to address that?

Braun: We've got to do something to address the issue, otherwise people are going to keep coming. I think they're coming for two reasons. Lives in those three countries are di t. Coming all the way through Mexico says those are real issues. President Trump says we're full.

HPI: I don't know if I believe that. Our rural areas are emptying out.

Braun: I don't know if I believe that either, but I think we're fully occupied with dealing with what's at the border. I don't think we can take more of what's already happening. It all starts with securing the border, getting

the resources to do that, and then putting the resources out there to process the people who want to come here. Ma age them from coming so they don't do that. Find out who is coming with legitimate asylum issues and who's coming just because they think they can come into the country because we've got a porous border.

HPI: Jeff Cardwell has worked diligently in El Salvador on all sorts of humanitarian issues there. Have you talked with him?

Braun: I have not talked to him, but all of these discussions need to be had. Since we have avoided this for years and years, both sides, everybody was willing to spend \$25- or \$30 billion two or three years ago, now it's Trump's main issue. I do think Democrats have calculated i tically, demographically, to have rather loose borders. That's why they've changed their tune. We've got to stem the of the problem in the and then hurry up and start addressing the problem.

HPI: Indiana farmers are really feeling the heat on the tariffs. They are now in their planting season.

Braun: They are feeling the heat because their markets are terrible beyond the tariffs. They are getting hit with everything. I think tariffs are a short term tool. I think everybody agrees with Canada and Mexico, that needs to be resolved. China just exports four times as much here as we do there. I think their economy is starting to struggle. I think we put the Chinese thing to rest in some fashion. Whatever they agree to, I wouldn't trust them. You have to get the USMCA, the old NAFTA, ac r ine, and the steel and aluminum tariffs are still there, and you probably need to do something with it. I think they've agr a way to get around that. I think Trump believes they're necessary to some extent with Canada and Mexico. I say they are not with them. I say they are a long-term stick with China if they don't change their behavior quickly.

HPI: Can the USMCA trade deal pass the Senate?

Braun: I think the USMCA will pass if the aluminum and steel tariffs aren't part of it. ❖





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Peter Hamby, Vanity Fair: Now that Pete Buttigieg is growing more serious by the day. While he netted over \$4 million for the first quarter, \$2.5 million came from large donations, a sum likely to balloon in the coming months. Many L.G.B.T. donors who gave early to multiple candidates are now eyeing Buttigieg's corner or lining up to host big money events for his campaign. Broadway event for Buttigieg in New York in April. This week, Buttigieg traveled to Chicago for an event with Democratic donors Eric Janssen and Marco Zerega. In May, Buttigieg will attend a fundraising event in the Washington area hosted by lobbyist Steve Elmendorf, a top Hillary Clinton bundler who recently told CNBC that he's fully in Buttigieg's corner in the 2020 race. Buttigieg, of course, has attracted plenty of straight bundlers as well, including from well-connected Obama and Clinton donors like Susie Tompkins-Buell, Barry Karas, and Orin Kramer. But in conversation after conversation, it's becoming clear that the high-dollar L.G.B.T. donor community has never been as excited about a presidential candidate as they are right now. "The gay community should speak freely and clearly, and to have someone on the national and international stage is meaningful to us," said Rufus Gifford, the former Ambassador to Denmark who was Obama's National Finance Director in 2012. "As a public member of the gay community, it's an inspiring voice without a doubt. I have maxed out to Pete because of what you are seeing." Put simply, Buttigieg's identity is helping him tap into a deep reservoir of politically-engaged wealth that has, until recently, been watching the Democratic race somewhat tepidly. If Buttigieg manages to post a monster fundraising number in the second quarter of this year, it won't just be because small-donor millennials were hooked up about his CNN Town Hall appearances or his viral piano covers of Spoon songs. It will be thanks to a growing set of major fundraisers, many of them gay and lesbian, who are coalescing behind him early and fast, delivering substantial checks that other Democratic candidates are choosing to leave on the big money table. ♦

Alan Greenblatt, Governing: Gov. Eric Holcomb's success is only surprising when you realize how unlikely it was for him to become governor. At 6'5", Holcomb makes for an unlikely Cinderella – he habitually wears cowboy boots, cowboy boots, not glass slippers – but his rise to the top included as many twists and turns as a fairy tale. Holcomb has been in and around politics and government for his entire post-Navy career, serving as a state Republican Party chair and working as a top aide to Gov. Mitch Daniels, to a member of Congress and to a senator. But he'd never held elective office, failing at his one bid for the state House in

2000. Fate intervened. While he was driving home from a campaign event in February 2016 to catch the Super Bowl, Holcomb got a call from Gov. Pence, informing him that the incumbent lieutenant governor was leaving to run the state's community college system. Holcomb accepted the job and thrust from an understudy role to the top of the state ticket after Donald Trump tapped Pence that July as his running mate. Pence had already won the GOP nomination for a second term, so it was up to a party committee to choose a new nominee. To win the nomination, Holcomb had to overcome considerable sentiment in favor of two sitting members of Congress. But Pence pushed hard for him, and he prevailed on the second committee ballot. With the Trump-Pence ticket carrying Indiana by 19 points, Holcomb ended up winning election easily. "We had 105 days to raise \$14 million and spend it and land safely, which we did," Holcomb says. Now that he's midway through his third year, the Indiana political class seems almost to have forgotten how many unlikely dominoes had to fall in order for Holcomb to end up as governor. At the time of his election, plenty of people, including some GOP stalwarts, wondered whether this relatively unknown governor had enough experience to do the job. No one is saying that now. His trajectory toward the governorship was so unusual that no one wants to say his reelection next year is a slam-dunk certainty, but it's hard to come up with a realistic scenario in which he doesn't win a second term. "He's a great governor," says longtime Republican House Speaker Brian Bosma. "I don't want to suggest my expectations were low, but he's certainly exceeded, greatly, what I expected. I've seen each of our previous governors really mad. I've never seen Holcomb mad. I've honestly never seen him in a bad mood or worked up about something." ♦

Juan Williams, South Bend Tribune: Is Pete Buttigieg the Jesse Jackson of his time? Or is Buttigieg the Barack Obama of his time? Jackson took the black rights movement of the 1960s and 1970s "from the streets to the suites" when he campaigned to be the Democratic party's presidential nominee in the 1980s. Twenty years later, Obama blasted his way into the stratosphere of American and global political power when he won the presidency and sealed the reality of black people as full participants in American politics. In the last 25 years, public acceptance of gay people has changed so much that Buttigieg is on track to skip the Jackson-like struggle and go straight to Obama's winner's circle. He currently trails only former Vice President Joe Biden and Sen. Bernie Sanders (I-Vt.) among Iowa Democratic primary voters in a Monmouth poll. And Buttigieg claims to have more than 65,000 donors to his campaign. That number qualifies him for the caucus and caucus primary debate. Keep in mind that Buttigieg is not hiding his homosexuality as he rises in the polls. ♦



Holcomb signs abortion bills

INDIANAPOLIS — Gov. Eric Holcomb has signed into law two measures approved by the Republican-controlled General Assembly that further restrict the availability of abortion in Indiana. The Republican chief executive did not issue any statement in connection with his enactment of House Enrolled Act 1211 and Senate Enrolled Act 201 (Carden, [NWI Times](#)). The governor' announced Wednesday evening that Holcomb had signed the legislation, along with more than two dozen other proposals recently advanced to his desk by the Indiana House and Senate. House Enrolled Act 1211, which takes effect July 1, prohibits dilation and evacuation abortions, which the law calls "dismemberment abortion," except when a woman otherwise would suffer "substantial and irreversible physical impairment of a major bodily function."

The procedure is considered by the American College of Obstetricians and Gynecologists to be the safest method for completing an abortion after 13 weeks of pregnancy. But anti-abortion lawmakers claim the procedure is "barbaric" because it requires a doctor to use forceps, tongs, scissors or similar instruments to remove a fetus from a woman's uterus. State records show just 27 women obtained an abortion in Indiana using the procedure in 2017, out of 7,778 total abortions. The second new law, which also takes effect July 1, expands the state's conscience-protection statute for medical professionals who do not want to perform an abortion or participate in any procedure that results in an abortion, including prescribing, administering or dispensing an abortion-inducing drug. The Indiana Code already authorizes physicians, hospital employees and health clinic staffers to opt out of providing abortion care.



The new statute gives the same right to nurses, pharmacists and physician assistants who are not directly employed by a hospital or health clinic.

IURC rejects Vectren plant

EVANSVILLE — The Indiana Utility Regulatory Commission Wednesday rejected a Vectren proposal to build an 850-megawatt natural gas-fueled power plant to replace its aging coal-burning A.B. Brown Generating Station (Wilson, [Evansville Courier & Press](#)). The IURC order took Vectren to task for not adequately considering various combinations of other less expensive alternatives, especially renewable energy sources, of which it said there was a lack of evidence that Vectren "...made a serious effort to determine the price and availability of renewables." In denying Vectren preapproval for the new power plant — which was projected to cost \$781 million — the commission cited a "financial risk to customers who would be stuck paying for it over a 30-year period in a time when the energy industry is rapidly evolving. According to the 38-page order posted on the IURC website: "The proposed large scale single resource investment for a utility of Vectren South's size does not present an outcome which reasonably minimizes the potential risk that customers could sometime in the future be saddled with an uneconomic investment or serve to foster utility and reliability in an environment of rapid technological innovation."

NRA facing internal discord

INDIANAPOLIS — The National Rifle Association is battling forces that criticize its and unbending efforts to protect gun rights. But as the group gathers in Indianapolis this week for its annual convention, the NRA may be facing its toughest foe in decades: its own

members (AP). NRA insiders and longtime observers describe an organization at war with itself over a central question: Has it strayed too far from its original mission of gun safety and outdoor shooting sports and become too political? It is rare for the NRA to betray any hint of internal turmoil. But it erupted very publicly recently when the NRA sued its longtime public relations man McQueen, accusing it of refusing to hand over records to account for its billings. In

million. "The battle in the NRA board that must have occurred with this breakup of a decades-long relationship must have been something," said Adam Winkler, a professor at the University of California Los Angeles School of Law and gun rights expert.

Floyd County coroner dies

NEW ALBANY — Floyd County Coroner David Moore, who also served 20 years as the Greenville Town Marshal and as a volunteer for the department, died Monday. He was 72 ([News & Tribune](#)). Moore, a Republican, was elected coroner in 2016. Prior to being elected coroner he was president of the Greenville Town Board.

Bicknell police chief arrested

BICKNELL, Ind. — Authorities say a southwestern Indiana police chief has been arrested for allegedly trying to interfere in a misconduct investigation (AP). Indiana State Police say a Bicknell police the Knox County prosecutor' Monday and turned over a laptop that possibly contained evidence in the misconduct investigation involving an . State police say Bicknell police Chief Terry Stremming went to Tuesday, demanded the return of the laptop and tried to remove it. State police say Stremming allegedly put his hands on an investigator from the prosecutor's he tried unsuccessfully to take the laptop.

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To: [#All Governor's Office](#)
Subject: News Clips 4/26
Date: Friday, April 26, 2019 11:29:39 AM
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Pillar 3- Strengthen our workforce

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HB 1001

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NWI Times- [South Shore welcomes state budget](#)
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2019 Legislative Session

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Tristate Homepage- [Gaming bill passes General Assembly, Vigo County voters now decide](#)
Tristate Homepage- [Indiana gambling bill: What will happen if it becomes law?](#)
Local 12- [Southeast Indiana casinos left out of gaming expansion bill](#)
Tribune- [State Rep. Lucas hopes governor will sign gun bill at NRA convention](#)
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Journal Gazette- [Armed-teacher training bill dies](#)
Indy Star- [Statehouse Democrats in 2019 often dwelled in 'superminority'](#)
Journal Gazette- [Democrats lament lost opportunities](#)
Indy Politics- [Democrats on sine die](#)
Tribune Star- [Pre-K program nears statewide availability](#)
Chalkbeat- [Looking to reach children statewide, Indiana expands its pre-K voucher program](#)
NWI Times- [U.S. citizenship test ordered to be given in Indiana high school government classes](#)
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Sincerely,

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MYERS NEARING 2020 GUBERNATORIAL RACE DECISION: Former Indiana and New York City health commissioner Woody Myers is nearing a decision on whether to challenge Gov. Eric Holcomb in 2020 ([Howey Politics Indiana](#)). "I'm thinking about it very seriously," Dr. Myers told HPI Thursday morning. "I haven't made an irrevocable decision, but I'm leaning in that direction. I'm doing all the preliminary stuff, but I'm not quite there." In an email to supporters, Myers added, "Today I was interviewed by Brian Howey (a senior political reporter, [Howey Politics Indiana](#)), and I confirmed to him that I am strongly considering, and close to making the decision, to become a candidate for Governor in 2020 in Indiana, my home. As most of you know, I've been encouraged by many Hoosiers (and a surprising number of "non-Hoosiers") to rejoin the Public Sector and to fight daily and directly to bring better public education, better jobs, and of course better healthcare (with better "health") to the wonderful people of our state. I appreciate your words of encouragement and your expert counsel. This is a big decision and I am making it as thoughtfully as I can." Myers disputes Holcomb's assessment that "Indiana is on a roll," saying, "Indiana has been lagging in so many areas," Myers said. "There's an illusion that things are going great for us, but we are losing ground quickly." He cites public education, "integrity in office" and keeping talent in the state as top priorities. HPI reached out to 2012 and 2016 nominee John Gregg, who did not return the call.

SESSION DESCRIBED AS 'QUIET': A lot of Indiana lawmakers described the 2019 session the same way – it was a quiet one, with no big blowups or major controversies that typically characterize the General Assembly's annual term (Smith, [Indiana Public Media](#)). Heading into 2019, most agreed on what would be the biggest issues of the session: funding for teacher pay and the Department of Child Services, major changes to the gambling industry, and a hate crimes law. Yet those issues didn't generate much furor over the session's four months. House Speaker Brian Bosma (R-Indianapolis) summed it up: "This has not been a pulling-teeth session, as some are," he says. Take DCS. A year ago, controversy at the child welfare agency was highly charged. The former director said the governor's policies would lead to children dying. Democrats wanted investigations. This year, Rep. Ed DeLaney (D-Indianapolis) says the rhetoric settled down. "I think there's an unspoken hope that the new management of DCS will be able to turn that ship around," DeLaney says. Gov. Eric Holcomb said he hopes teachers are happy. "This is a historic increase to K-12 investment," Holcomb says.

INDIANA KEEPS \$2B SURPLUS: Indiana's newly approved state budget anticipates the state keeping \$2 billion in cash reserves, which Republican leaders maintain keeps the state protected in case of an economic recession. The budget plan approved Wednesday night in votes along party lines projects that the reserves will amount to at least 11.5 percent of state spending. Democrats argue those figures are unnecessarily high and were reached by ignoring important needs (Davies, [AP](#)). Republicans rejected that contention, saying careful spending will allow Indiana to maintain a top-level AAA credit rating and business growth to continue to be encouraged. "When the downturn in our economy happens, and it will, Indiana will be prepared for it," GOP House Speaker Brian Bosma said. "This was very purposeful." The GOP spending plan increases base school funding by 2.5% each of the next two years, which Gov. Eric Holcomb and other Republicans say makes strides toward their stated goal of improving the state's lagging teacher salaries. But their funding proposals never came close to the 9% increase that education advocacy groups estimated was needed to boost Indiana's average teacher pay to the midpoint of neighboring states. Senate Democratic Leader Tim Lanane of Anderson said Thursday more money could've been directed to schools and programs such as child welfare services and health screenings rather than just banking so much extra cash. "We worship at this altar of a \$2 billion surplus," Lanane said. "My gosh, we're talking about real people's lives."

RV SHIPMENTS TUMBLE IN MARCH: The RV Industry Association's March survey of manufacturers found that total RV shipments ended the month with 38,015 wholesale shipments, a decrease of 26.3 percent from the 51,607 units shipped last March ([Elkhart Truth](#)). Towable RVs, led by conventional travel trailers, totaled 33,754 units for the month, a decrease of 25.8 percent compared to last March's total of 45,490 units. Motorhomes finished the month with 4,261 units, down 30.3 percent compared to the March 2018 total of 6,117 units.

HOLCOMB ORDERS CIVICS TEST: Gov. Eric Holcomb is directing all Indiana high schools to administer to students, as part of the mandatory U.S. government course, the naturalization test that's typically taken by immigrants hoping to become American citizens. The Republican chief executive on Thursday signed into law Senate Enrolled Act 132, obligating schools to include the U.S. Citizenship and Immigration Services exam in their government classes (Carden, [NWI Times](#)). The new statute does not set a mandatory minimum score for students to achieve on the 100-question test, which covers basic details about the function and organization of the federal government as well as U.S. history facts. The new law, which takes effect for the 2019-20 school year, also mandates Indiana high schools provide an "enhanced" study of the Holocaust in their U.S. history courses, without defining what is meant by "enhanced." It was approved 93-3 by the House, and 40-8 in the Senate.

BIDEN LEADS TRUMP BY 8%: As former Vice President Joe Biden enters the race for the Democratic presidential nomination, he's doing so as the front-runner, polling ahead of both fellow Democrats and President Donald Trump. A

new *Morning Consult/Politico* poll conducted April 19-21 among 1,992 registered voters found Biden leading the president by 8 percentage points in a hypothetical matchup, 42 percent to 34 percent. Biden has a significant edge over Trump among women (17 points), millennials (22 points) and independents (10 points). The national, online survey has a 2-point margin of error.

BUTTIGIEG DRAWING SCRUTINY: Pete Buttigieg's early success in the Democratic primary has prompted scrutiny and rougher treatment from his rivals and the news media, creating new challenges for the rising star and his campaign. National media outlets are flooding the phone lines of local activists and politicians in South Bend, Ind., to churn out investigative pieces on Buttigieg's years as the city's mayor ([The Hill](#)). Competing Democratic campaigns have taken aim, engaging with Buttigieg over perceived slights on the campaign trail. After Buttigieg praised Sen. Bernie Sanders (I-Vt.) this week for tapping into the anti-establishment sentiment that swept the country in 2016, the Sanders camp ripped the mayor for drawing a comparison between supporters of Sanders and President Trump. "Come one Pete Buttigieg," tweeted Rep. Ro Khanna (D-Calif.), who is Sanders's national co-chairman. "It is intellectually dishonest to compare Bernie to Trump. Bernie is for giving people healthcare, education, childcare, and more pay. He wants to blow up credentialed elitism — those who reject tuition free college for all." Some in Buttigieg's camp view the flap as evidence they're on Sanders's radar. Instead of ducking the fight, the mayor upped the ante on Wednesday by telling *The New York Times* that he doesn't believe Sanders can defeat Trump in the general election. "I have a hard time seeing the coalition ultimately coming together there," he said.

REV. GRAHAM CALLS ON BUTTIGIEG TO 'REPENT': One of the country's most well-known evangelical Christians, Franklin Graham, said Pete Buttigieg, an openly gay 2020 presidential candidate, should "repent" ([Charlotte Observers](#)). Graham called homosexuality a "sin" and "something to be repentant of, not something to be flaunted, praised or politicized," in a tweet Wednesday. In a CNN town hall Tuesday, Buttigieg said, "I get that one of the things about Scripture is different people see different things in it." "At the very least we should be able to establish that God does not have a political party," the South Bend, Indiana, mayor said at the town hall.

NRA CONFAB IN INDY WITH 42 HOMICIDES: More than 800 exhibitors continued putting final touches on their displays Thursday in the halls of the Indiana Convention Center in anticipation of Friday's opening of the NRA's 148th Annual Meeting ([Fox59](#)). The NRA's return to Indianapolis after five years is equal parts business meeting, trade show and fundraising extravaganza with a presidential visit and all-star country concert thrown in. Last year, there were 890,730 active firearms licenses in Indiana with 109,157 of them, approximately one out of eight, in Marion County. So far this year, 35 of Indianapolis' 42 homicide victims have died of gunshot wounds. Mayor Joe Hogsett told reporters Wednesday that he has not been invited to attend the conference. In 2014 then-Mayor Greg Ballard was also denied an official invitation. After that conference, Governor Mike Pence, who left the Indiana Statehouse to become Vice President, helped convince the NRA to sign contracts to return two more times, in 2019 and 2023, to Indianapolis for an unprecedented three visits in ten years. Pence and President Trump will address the NRA membership Friday at Lucas Oil Stadium.

TRUMP VISIT COULD SNARL TRAFFIC: President Trump is scheduled to arrive at Lucas Oil Stadium at 11:15 this morning and will speak shortly thereafter. As you can expect, with President Trump and Vice President Pence in town on Friday, there will be traffic delays ([WTHR-TV](#)). I-70 will be closed between I-465 and downtown at times. Delays will most likely happen between 10:00 and 11:30 in the morning for drivers heading east on I-70. Drivers going west on I-70 should expect delays from 11:30 to 2:00 p.m. And there will also be delays and closures around downtown until 6:30 Friday night.

WHITE HOUSE REJECTED ELECTION THREAT MEETINGS: In recent months before resigning from her position, Department of Homeland Security Secretary Kirstjen Nielsen was prevented from convening senior cabinet meetings at the White House on potential future Russian interference in the upcoming 2020 U.S. elections, two senior administration officials familiar with the matter told [ABC News](#). Nielsen, whose department is charged with defending U.S. infrastructure including elections against cyber attacks, had been sounding the alarm publicly before the 2018 midterms. After the midterms, she pushed for the White House to convene a cabinet meeting to address the issue head-on, but the White House "refused," according to one of the officials, forcing DHS to start convening meetings with principals on its own. Nielsen was also told by White House staff the issue did not need to be brought to Trump's attention, according to the official. "The White House didn't want to focus on the issue at a principals level, period," the official told ABC News.

HPI DAILY ANALYSIS: The notion that North Korea would bill the United States \$2 million for the care of Otto Warmbier is absurd. The American student was beaten, then sent to the U.S. in a coma to die. Did the U.S. pay this bill? - *Brian A. Howey*

BRAINARD, FADNESS POST STRONG NUMBERS: Incumbent mayors Jim Brainard and Scott Fadness are outraising and outspending their opponents in an effort to win their primary races, and some of their big donors include companies with projects in Carmel and Fishers (Quinn, [IBJ](#)). Brainard, who is running for a seventh term against Hamilton County Councilor Fred Glynn, has raised \$167,000 since Jan. 1. He spent even more—\$251,000—leaving him with about \$58,800 cash on hand, according to a recent campaign finance report, which covers the period between Jan. 1 and April 12. Brainard's biggest donor was DPBG Political Action Committee, which lists engineering firm American Structurepoint as its address. The PAC has donated \$21,000 to Friends of Jim Brainard since Jan. 1, campaign finance reports show. Pedcor Cos. donated \$10,000 to Friends of Jim Brainard, with Pedcor CEO Bruce Cordingley donating an additional \$5,000. Pedcor is the lead developer of City Center, a project that's the result of a public-private partnership between Pedcor and the city of Carmel. Other notable donors giving at least \$5,000 include Fishers-based RQAW Chief Financial Officer Troy Woodruff, United Consulting President Dave Richter and Trent Newport, president of CrossRoad Engineers. As of April 12, the end of the filing period for pre-primary campaign finance reports, Fadness had spent about \$187,000, leaving him with about \$356,800 on hand. Fadness received several donations of \$5,000 from well-known executives, firms and PACs.

CHALLENGERS POST MODEST NUMBERS IN CARMEL, FISHERS: While the incumbents have brought in large sums of money, their opponents' campaigns have been more modest. In Carmel, Glynn has raised about \$94,800, with notable donations from the Todd Rokita Election Campaign, which gave \$3,000, and Seidensticker for Council, the committee of former Carmel City Councilor Eric Seidensticker, which gave Glynn \$500 ([IBJ](#)). He also received \$5,000 from Huntington-based The Fund for American Exceptionalism. Glynn loaned his campaign about \$50,000. In Fishers, Day has raised \$9,694 and has spent all but \$20.

BIDEN KICKS OFF CAMPAIGN WITH CHARLOTTESVILLE: Former Vice President Joe Biden says the events in Charlottesville were an "epiphany" to him because he had never seen anything like it in his lifetime ([AP](#)). Video of Biden's remarks on Thursday evening at a fundraiser in Philadelphia were obtained by The Associated Press from attendees. Biden announced earlier in the day that he was running for president and said President Donald Trump's "moral equivalence" between white supremacists and counter protesters was a major motivating factor. The former vice president made frequent mention of Trump at the fundraiser, saying, "Every nation is held up by an invisible moral fabric, and it's being shredded, and our kids are listening." He says he hopes in a few years people will realize that the Trump era was "an aberration in American history" "because this is not who we are."

BUTTIGIEG SOCIAL MEDIA RISING: Sen. Bernie Sanders (I-Vt.) is dominating the Democratic presidential primary on social media, but South Bend, Ind., Mayor Pete Buttigieg is on the rise, an analysis of Facebook, Instagram and Twitter data by The Hill shows. The data, gathered using an online tracking tool called CrowdTangle, offers a glimpse into how the 2020 Democratic primary is playing out on social media. Taken together, the data paints a picture of who's rising and who's falling in the race for digital dominance. The data shows Buttigieg's online popularity surging in recent weeks, while that of another 2020 contender, former Rep. Beto O'Rourke (D-Texas), has largely stalled. At the same time, Sanders has maintained a massive lead when it comes to his total interactions on Facebook and Instagram. In the wake of a March 10 town hall on [CNN](#), Buttigieg's profile soared. That ascent is evident in his social media following. In the month following his CNN appearance, the number of "likes" on Buttigieg's campaign Facebook page grew by more than 140,000, or about 420 percent. His mayoral page gained some 45,000 followers. On Twitter, Buttigieg's follower growth was almost as fast-paced. He picked up 584,521 followers between March 10 and April 10, an increase of about 367 percent. And on Instagram, which is most popular with young people, Buttigieg's following saw a massive 588 percent increase – about 171,500 followers, according to CrowdTangle data.

BIDEN EMBRACES OBAMA ON DAY ONE: When Joe Biden entered the 2020 race on Thursday, he made no mention of Barack Obama in his launch video. But his former boss loomed large throughout the day ([The Hill](#)). In an Instagram post announcing his candidacy, Team Biden posted a photo of the former vice president with his arm around Obama. On Biden's website, the campaign highlighted how close their relationship was: "A running mate becomes a friend for life." Allies also noted that Biden had brought on board his campaign a former Obama hand in Anita Dunn to help steer his communications shop. "The band is back together," one ally said.

BIDEN CALLED ANITA HILL: Former Vice President Joseph R. Biden Jr. called Anita Hill earlier this month to express his regret over "what she endured" testifying against Justice Clarence Thomas at the 1991 Supreme Court hearings that put a spotlight on sexual harassment of women, according to a spokeswoman for Mr. Biden ([New York Times](#)). But Ms. Hill, in an interview Wednesday, said she left the conversation feeling deeply unsatisfied and declined to characterize his words to her as an apology. She said she is not convinced that Mr. Biden truly accepts the harm he caused her and other women who suffered sexual harassment and gender violence. "I cannot be satisfied by simply saying I'm sorry for what happened to you. I will be satisfied when I know there is real change and real accountability and real purpose," she said.

WASHINGTON MAYORAL DEBATE: More than 150 people attended the Washington Mayoral Debate sponsored by the Washington Times Herald and WAMW Tuesday night in the Washington High School auditorium to learn more about the vision of the four candidates who hope to become the next mayor of Washington (Owens, [Washington Times Herald](#)). "I

have had the pleasure of knowing all the candidates since they were kids and have seen them in the performance of their duties for the city of Washington over the past eight years, and I can vouch that all four are conscientious and dedicated public servants," said Don Spillman who served as the moderator for the debate that lasted just over an hour and featured questions submitted by community members as well as from Washington High School government classes. Democrat Dave Rhoads and Republicans Jerry Sidebottom, Diana Snyder and Don Williams were each asked the same slate of questions by Spillman.

General Assembly

BRAY PRAISES MISHLER: Republican state lawmakers are touting the legislative session as a success, while Democrats say their opponents missed opportunities to move Indiana forward (Erdody, [IBJ](#)). The Indiana General Assembly ended the 2019 session on Wednesday night after passing a \$34.6 billion two-year budget with an emphasis on K-12 school funding. Lawmakers weighed in on this year's legislative session Thursday morning during a wrap-up press conference. Republican leaders pointed to the additional \$763 million that will be spent on education over the next two years as evidence that they fulfilled their commitment from the beginning of the session to prioritizing school funding. And they expressed pride that the state will still end each year with \$2 billion in reserves. bray Senate President Pro Tem Rodric Bray (photo to the right) praised Senate Appropriations Chairman Ryan Mishler for his work on the budget and for keeping spending at a responsible level. "In that job, you've gotta be able to say, 'No,' and he did so," Bray said.

LANANE COMMENTS ON VETERANS MISSPENDING: Senate Democratic Leader Tim Lanane (D-Anderson) had the following comments after state auditors discovered that the Indiana Department of Veterans' Affairs (IDVA) misspent over three quarters of a million dollars of federal funds (*Howey Politics Indiana*): "The money that IDVA misused includes \$20,000 for couple retreats at high-end casinos, \$56,000 in child care benefits, and \$683,000 for contract employees. Due to actions of the department, the state's federal welfare dollars are now at risk because the Department of Health and Human Services can require Indiana to repay any misspent funding. The state currently receives over \$200 million every year from Health and Human Services through the TANF program. Now, our relationship with this federal department is at risk, and our most vulnerable Hoosiers could be left out to dry. I want to know what the governor thinks about his department's mistakes. The budget he supports ignores foster children, expecting mothers and our public school teachers. Then, in a department which he oversees, employees are misusing funds meant for our veterans and disadvantaged Hoosiers. To top it all off, necessary federal funds are now at risk of disappearing."

GIAQUINTA CITES LOST OPPORTUNITIES: Statehouse Democrats on Thursday called this year's legislative session a missed opportunity on several fronts (Kelly, [Fort Wayne Journal Gazette](#)). "The budget was a missed opportunity to put Hoosier families first," said House Democratic leader Phil GiaQuinta of Fort Wayne. He added that the hate crimes law passed didn't go far enough while the budget didn't fully fund the Indiana Department of Child Services. "We can't afford to go backward and I'm afraid that's going to happen," he said. Senate Democratic leader Tim Lanane of Anderson said the Republicans "worship at the altar of the \$2 billion surplus" instead of putting money to critical needs. He noted that funding for colon and rectal screenings was cut, as well as for childhood immunizations.

LUCAS HOPES HOLCOMB SIGNS BILL AT NRA CONVENTION: For state Rep. Jim Lucas, a perfect start to the National Rifle Association's convention here would be for Gov. Eric Holcomb to sign one of Lucas' bills on stage in front of President Donald Trump, Vice President Mike Pence and a crowd of 70,000 (Miley, [CNHI](#)). Lucas' House Bill 1284 would allow licensed gun owners to carry firearms during religious services at church-schools. Currently, firearms are barred at schools unless school boards determine otherwise. The bill also would require state police, county sheriffs and other law enforcement officers to serve at voter registration sites. "It's one of those wishful-thinking things," Lucas, R-Seymour, a staunch supporter of Second Amendment rights, said of the possibility that the governor would sign the bill on stage. "That would be a dream come true for me."

HOLCOMB SIGNS NATURAL DISASTER BILL: Senate Enrolled Act (SEA) 513 was signed into law. State Senator David Niezgodski (D-South Bend) drafted this bill in an effort to maximize relief to Indiana families in times of disasters. Sen. Niezgodski had the following comments on the law's signing (*Howey Politics Indiana*): I'm glad the legislature and the governor agreed that Hoosier victims of natural disasters needed additional support. This proposal doubles the maximum compensation amount to individuals for property damages from the Disaster Relief Fund from \$5,000 to \$10,000. "The massive floods in recent years left many Indiana families devastated from the destruction that wrecked their homes. This is an important proposal that will help aid our Hoosier families when they need it most." SEA 513 goes into effect immediately.

SOUTH SHORE GETS FUNDING BOOST: Revisions to the budget bill in the eleventh hour of the Indiana General Assembly session will mean a cash infusion for improvements to the South Shore Line, but also substantial changes to the body that regulates it (Bauer, [South Bend Tribune](#)). That concerns some who say the measure diminishes local control of the commuter railway, which runs through four northern Indiana counties as it connects Chicago with South Bend. A conference committee on Tuesday inserted language in the bill that shrinks the size of the Northern Indiana Commuter Transportation District (NICTD) board from 11 members to five, allowing Indiana Gov. Eric Holcomb to appoint all members of the board. And with the budget bill's passage Wednesday, Holcomb's signature is all that's left for it to become law. The move includes \$185 million, as well as up to \$20 million more, that was freed up in the state's transportation budget after Holcomb's amending of the Indiana Toll Road lease last year. That money is planned to leverage federal matching money for major railway improvements, including double-tracking between Gary and Michigan City and extending lines through Lake County as a part of the West Lake Corridor Project. The proposal for double-tracking has yet to be submitted, but is expected to be turned in to the Federal Transit Administration (FTA) by mid-summer.

VAPE TAX DIES: Indiana will not have a vaping tax this year. Legislation that would have imposed a tax on the liquids used in e-cigarettes died without a vote on the last night of the 2019 Indiana General Assembly. The original bill, authored by Rep. Tim Brown, R-Crawfordsville, would have set a 4-cents-per-milliliter vaping liquid tax (Erdody, [IBJ](#)). The tax, in part at least, was meant to discourage vaping, especially among teenagers, but lawmakers couldn't agree on how much the tax should be. The Indiana Senate increased the tax to 20% of the price to make it comparable to the total tax charged on a pack of cigarettes and to make it easier to calculate since it wouldn't be based on the volume of vaping liquid sold. But before the bill passed out of the Senate, it changed to only suggest creating a summer study committee to research the issue rather than imposing the tax this year. On Wednesday—the last day of the legislative session—Brown floated two other options to lawmakers that either would have been a 5% retail tax on the liquid or a 10% retail tax. House Speaker Brian Bosma said the House Republican caucus was split between those wanting to tax it at 10%, those wanting a 5% tax and those wanting to do nothing with it this year.

HEMP BILL HEADS TO HOLCOMB: Lawmakers in both chambers passed legislation Wednesday that would allow Indiana to regulate the growth and sale of hemp (Horton, [Indiana Public Media](#)). After months of deliberating, lawmakers took the final step in bringing the hemp market to Indiana and are now sending it to the governor for final approval. The final version of the bill creates a hemp advisory committee, consisting of regulators and industry leaders, and a regulatory structure. Sen. Randall Head (R-Logansport), one of the bill's authors, says the legislation gives a deadline for the committee so that its only purpose is to help set up the state's hemp laws. "[The committee] sunsets after two years," says Head. "So we're emphasizing it only has one purpose, which is to advise the governor and what our plan ought to be and no other rule making authority." Rep. Jim Lucas (R-Seymour) expressed concern about one element in the bill that he interpreted would turn the legal sale of hemp flowers to all but hemp processors into a criminal offense.

JUVENILE MURDER BILL FAILS: An effort to change Indiana law so that children as young as 12 could face attempted murder charges in adult court has failed in the state Legislature ([Indiana Public Media](#)). The push came after prosecutors couldn't seek adult charges against the 13-year-old boy who wounded a classmate and teacher at a suburban Indianapolis middle school because no one died in the May 25 shooting. Fourteen is the current minimum age for possible adult charges in attempted murder cases. The state Senate had supported moving such cases involving 12- and 13-year-olds from juvenile court, but that provision was removed from the bill's final version approved Tuesday.

ADULT EDUCATION BILL PASSES: The Indiana General Assembly passed a bill Wednesday that would give money to adult high school programs to reward student achievement. If signed by Gov. Eric Holcomb, it would create the Workforce Diploma Reimbursement Program ([Indiana Public Media](#)). The Workforce Diploma Reimbursement Program would give adult education programs up to \$6,750 per graduate. To be eligible, education providers must have been established at least two years, grant high school diplomas to adults 22 or older and maintain a graduation rate of at least 50 percent, among other requirements. The Governor's Workforce Cabinet and the Office of Workforce Development will oversee the program.

PRE-K PROGRAM GOING STATEWIDE: On My Way pre-K, an early education program benefiting low-income families, could soon be available statewide, based on legislation authored by State Rep. Bob Behning, R-Indianapolis (Loughlin, [Terre Haute Tribune-Star](#)). The program gives 4-year-olds access to a high-quality pre-K program the year before they begin kindergarten. Currently, the state's early education pilot program serves fewer than 3,000 students in 20 counties. House Enrolled Act 1628, which is now eligible to be signed into law by the governor, would make the program available statewide. The goal "was to make it available to more kids," Behning said Thursday. "Obviously, we didn't spend all the appropriation [in the prior biennium]. I think there's probably a number of reasons why that may have occurred." More than \$15 million dedicated to the program was not used during the last budget cycle. That money can now be used to expand it, Behning said. In addition, the new state budget appropriates just over \$22 million each year for On My Way pre-K, the same level of funding as in the last biennial session.

ERRINGTON SAYS MUNCIE SCHOOLS WILL STRUGGLE UNDER BUDGET: The state budget adopted by the Legislature this week calls for a slight increase in per-student state appropriations to area schools, but projected declining

enrollment means that Muncie Community Schools will face budget shortfalls in both the 2019-20 and the 2020-21 school years (Slabaugh, [Muncie Star Press](#)). "Under the funding formula, Muncie is still going to struggle," said state Rep. Sue Errington, D-Muncie, whose party is in the minority. "Schools that have a lot of poverty and are also losing population, it's hard for them." The funding formula for Muncie is based in part on estimates that Muncie will lose 200 students, Errington said. "I called (interim Superintendent) Steve Edwards, and he said we probably will lose students but they are doing things to keep that at a minimum," Errington told The Star Press. "Here they are having to pay for advertising to keep students in their district, and the biggest problem for Muncie schools is transfers to the county schools."

BILL TO CREATE NEW CLARK COUNTY COURTS DIES: An Indiana House bill that would have provided two new Clark County courts has died after the Senate and House failed to reach an agreement on an amendment that was added to the legislation (Rickert, [News & Tribune](#)). HB 1155, introduced in January by Ind. Rep. Terry Goodin, D-Austin, would have added two new courts to Clark County starting in 2021, increasing the number of circuit courts to six from four. The bill called for the two new judges to be elected in 2020 and take office the following January for their six-year terms. The bill had garnered large bipartisan support but stalled after an amendment introduced by Sen. Chris Garten, R-Scottsburg, in March, called for substantial changes to the original bill. Garten's amendment stated that the judges would not be elected in 2020, but be appointed by Gov. Eric Holcomb in July for their initial term, and serve five-and-a-half years before the seats would be up for election. After the amendment went back to the House, Goodin and Garten met for negotiations, but could not come to an agreement on the length of the appointments.

BERMAN CALLS SESSION 'SMOOTH': Indiana legislators are taking a break after what WIBC/Network Indiana Statehouse Bureau Chief Eric Berman calls a "smooth" legislative session. The Indiana General Assembly adjourned for the year Wednesday evening five days before the session's deadline, a stark contrast to last year when the legislature went to the wire (Brown, [Inside Indiana Business](#)). Berman says the most controversial piece of legislation was the hate crimes bill, but legislators were still able to pass it relatively quickly. In an interview with Inside INdiana Business, Berman said the gambling bill turned out to be the most difficult piece of legislation to get passed, but overall, there weren't any major surprises in the legislative session. "There wasn't anything terribly unusual, which is why it went so smoothly. Often, there is some surprise that explodes. It didn't really happen this time," said Berman. "It might have been a little bit of a surprise (with) gambling. This debate started as a sports betting debate. It became clear pretty quickly that sports betting was not going to be controversial. There was a little bit of a surprise when that turned into a big gambling bill (and) they rolled it up with the Terre Haute casino and the Gary casino and the live dealers at the racinos. That was a little bit surprising followed by the surprise that even that wasn't terribly controversial."

Congress

PENCE OPENS MUNCIE OFFICE: U.S. Rep. Greg Pence greeted constituents and The Star Press — for the first time — during an open house at his new Muncie office on Thursday (Slabaugh, [Muncie Star Press](#)). During an interview, the Republican congressman said constituents are tired of hearing about the Mueller Report; talked about getting things done with bipartisan support, and disclosed plans to file his first bill. So far, the freshman representative has co-sponsored 19 bills, of which 10 of the authors are Democrats, according to ProPublica, a non-profit producer of investigative journalism. "A lot of bills get passed but you don't hear about them on TV, the drama," Pence said. "A lot of bills are bipartisan. As an example, we now have a national park, Indiana Dunes. All of the delegation did that ... That is one of the things I share with people. 'Does anything get done?' Yeah, things get done every day."

REP. PENCE VISITS WINCHESTER: U.S. Rep. Greg Pence made multiple stops in Winchester Thursday, visiting The Journey Home veterans facility and hosting a roundtable discussion with constituents (*Howey Politics Indiana*). "It was great to update folks on what we're doing in Washington, as well as to get feedback from folks on their priorities," Rep. Pence said. "I want folks to know that we are doing what we can, despite our position at the minority party in the House, to get things done for Hoosiers in the 6th District." During the discussion held at Mrs. Wick's Pies, topics ranged from border security to infrastructure priorities. Healthcare and the need to address the opioid crisis was also discussed. Before the roundtable, Pence visited The Journey Home, a transitional home for homeless veterans in Winchester founded in 2013.

CARSON SHRUGS OFF SOCIALISM: Wednesday on "CNN Newsroom," Rep. Andre Carson (D-IN) shrugged off concern about Democrats embracing socialism. Carson voiced his support for "comprehensive and inclusive" health care, adding America is the "greatest country in recorded history" and should not "stifle innovation." "When you look historically, America is the wealthiest nation in recorded history. Our citizens should have some kind of health care system that is comprehensive and inclusive," Carson told host Poppy Harlow. "America being the wealthiest nation in the country should have other things that other countries have done phenomenally well."

REPUBLICANS NOT ACTING ON MUELLER REPORT: Senate Republicans see the special counsel's report — with its stark evidence that President Trump repeatedly impeded the investigation into Russian election interference — as a summons for collective inaction ([New York Times](#)). Republicans in the upper chamber, who would serve as Mr. Trump's jury if House Democrats were to impeach him, reacted to the report's release with a range of tsk-tsk adjectives like "brash," "inappropriate" or "unflattering." Only Senator Mitt Romney, Republican of Utah, called out the president's behavior as "sickening." Yet no Republican, not even Mr. Romney, a political brand-name who does not face his state's voters until 2022, has pressed for even a cursory inquiry into the findings by the special counsel, Robert S. Mueller III, that the president pressured senior officials, including the former White House counsel Donald F. McGahn II and the former attorney general Jeff Sessions, to scuttle his investigation. Where Democrats see a road map to impeachment, Republicans see a dead end. "I consider this to be, basically, the end of the road," said Senator Mike Lee, Republican of Utah, who once tried to thwart Mr. Trump's presidential nomination and now serves on the Senate Judiciary Committee, which has the authority to investigate Mr. Mueller's findings.

State

GOVERNOR: HOLCOMB SIGNS 13 BILLS - The governor signed 13 bills today. You can view more details at the 2019 Bill Watch webpage or by [clicking here](#).

GOVERNOR: HOLCOMB SCHEDULE - Below find Gov. Eric J. Holcomb's public schedule for today: NRA-ILA Leadership Forum, the governor will give remarks. Event begins at 11:30 a.m. Lucas Oil Stadium, Indianapolis.

ABORTION: ACLU TO CHALLENGE NEW LAW - The American Civil Liberties Union of Indiana filed a lawsuit Thursday challenging the state's attempt to ban a second-trimester abortion procedure, a day after the governor signed the measure into law ([AP](#)). The bill passed by the Republican-dominated Legislature would prohibit dilation and evacuation abortions, which the legislation calls "dismemberment abortion." Federal courts have blocked similar laws in others states, but Indiana anti-abortion groups hope Justice Brett Kavanaugh's addition to the U.S. Supreme Court has pushed it further to the right on abortion questions. The ACLU of Indiana said it filed the lawsuit on behalf of two doctors who perform the procedure because the law would put a "substantial and unwarranted burden on women's ability to obtain second-trimester, pre-viability, abortions." Indiana's new law, set to take effect July 1, would make it illegal for doctors to use instruments such as clamps, forceps and scissors to remove a fetus from the womb unless to save the pregnant woman's life or prevent serious health risk to the woman. The law specifically excludes "psychological or emotional conditions" as acceptable considerations. The person performing such an abortion could face a felony charge punishable by one to six years in prison.

DNR: PUSH TO MAKE FRANCES SLOCUM A STATE PARK - A conservation group is spearheading a campaign to turn Frances Slocum State Forest into a state park as part of an effort to stop a logging project there and improve road access and trails at the site (Gerber, [Kokomo Tribune](#)). Members of the Friends of Salamonie Forest on Thursday joined residents who live near the forest to drop off a petition calling for the area to be designated a state park to the Indiana Natural Resources Commission, located in downtown Indianapolis. The petition had signatures from more than 870 residents who live mostly in north central Indiana, including people from Kokomo, Russiaville, Greentown and Tipton. The appeal also calls for Salamonie River State Forest in Wabash County to be designated a state park. The petition comes after the Indiana Department of Natural Resources continues to move forward with logging projects at both forests. At Frances Slocum State Forest, a 91-acre tract that runs between the Mississinewa River and the forest's access road has been pegged for the project, which aims to restore native hardwood trees.

BUSINESS: CELADON HIT WITH \$42M FINE - Indianapolis-based trucking company Celadon Group Inc. has agreed to pay \$42.2 million in restitution to settle securities fraud charges announced Thursday by the U.S. Department of Justice ([IBJ](#)). Under the settlement, the company acknowledged "filing materially false and misleading statements to investors and falsifying books, records and accounts," federal prosecutors said. The restitution will go to "shareholder victims," according to the agreement. In addition, Danny Williams, former president of Quality Cos.—a Celadon subsidiary that owned trucks and leased them to drivers—has reached a plea agreement with prosecutors after being charged with one count of conspiracy to commit securities fraud, making false statements to a public company's accountants, and falsifying books, records and accounts of a public company.

MEDIA: NEW FILM ON FATHER HESBURGH - A new documentary film about the Rev. Theodore M. Hesburgh, the late longtime president of the University of Notre Dame, will open Friday at AMC Movies 16 in South Bend ([South Bend Tribune](#)). Advance tickets are available at [amctheatres.com](#). After the 7:15 p.m. Friday showing, there will be a free post-film Q&A with director Patrick Creadon and producer Jerry Barca. The film also will be shown May 2 to 11 at the DeBartolo Performing Arts Center at Notre Dame. Advance tickets are available at: [performingarts.nd.edu](#). "Hesburgh," directed by Patrick Creadon and produced by Jerry Barca, details than 50 years of American history as seen through the eyes of Hesburgh, who died in 2015 at age 97. Hesburgh led Notre Dame as its president from 1952 to 1987. He is remembered as a Catholic priest, educator, civil rights activist, and an adviser to presidents and popes.

SPORTS: COLTS STOCK UP 2ND ROUND PICKS - The Colts traded the 26th pick in the first round of the NFL Draft to Washington ([CBS4](#)). They will get the Redskins second round pick this year (46th overall) and their second round pick next year. "I kind of had a feeling," said Colts general manager Chris Ballard. "I don't know why. Sometimes you have a feeling that this is going to be the best. We had kind of counted in the first round guys that we thought were worth the first round pick. I had a feeling we were going to have a chance to get out and I thought it was going to be the best thing for us long-term." The Colts will have four picks on day two of the draft. They have the 34th, 46th and 59th overall in the second round and the 89th overall in the third round. "I think there's still a lot of good players, not only at wide out and corner, but I think it's still good at safety," Ballard said. "I still think there's some d-linemen that are good. I still think there are a couple of 'backers that are good. I still think there's good players in the second, third, fourth and fifth rounds that we're going to have a chance to get our hands on."

Nation

WHITE HOUSE: TRUMP HEADS TO SIMMERING NRA - President Trump will address the National Rifle Association's annual convention here Friday, where he is likely to receive a rousing reception despite some dissatisfaction with his gun-control record ([Wall Street Journal](#)). The only major action Mr. Trump has taken on gun control since being elected was to ban bump stocks, devices that make semiautomatic rifles fire like machine guns and which were used in the Las Vegas massacre. It was the first time in more than 50 years that the federal government has required a gun or gun accessory to be turned over or destroyed en masse, according to gun historians. Meanwhile, Mr. Trump hasn't signed into law any major pro-gun legislation. Some people associated with other, more strident gun-rights groups have criticized Mr. Trump over the bump-stock ban and some NRA members canceled their booths at this year's convention because the organization didn't fight against it. But with Democrats now in control of the House and many of the party's presidential candidates advocating more gun restrictions, most of the expected 80,000 attendees at the NRA convention will likely be on the president's side, experts said. "There will be a group that will be mad at the bump-stock ban and they may be vocal about it, but overall he will receive a very enthusiastic greeting," said Richard Feldman, a former NRA official and author of "Ricochet: Confessions of a Gun Lobbyist."

WHITE HOUSE: TRUMP DESCRIBES FAILED 'COUP' - President Donald Trump on Thursday called the FBI probe into his 2016 campaign and subsequent investigations into Russian election meddling "an attempted overthrow" of his administration ([Politico](#)). "This was a coup," Trump told host Sean Hannity on Fox News' "Hannity" in his first interview since the Mueller report's release. "This was an attempted overthrow of the United States government." Trump insisted that special counsel Robert Mueller's team investigating Russian interference in the 2016 election had gone "hog wild to find something about the administration which obviously wasn't there."

WHITE HOUSE: TRUMP SIGNS ORDER ON SECURITY CLEARANCES - President Donald Trump signed an executive order late Wednesday officially making the U.S. military responsible for virtually all security background checks for millions of federal workers, the latest step by the administration to tackle a daunting backlog of security clearance cases ([ABC News](#)). The order calls for the National Background Investigations Bureau, currently under the civilian Office of Personnel Management, to be absorbed by the Department of Defense under a reorganized, and renamed, Defense Counterintelligence and Security Agency.

WHITE HOUSE: TRUMP DENIES ORDERING MCGAHN TO FIRE MUELLER - President Trump said in a tweet Thursday that he never asked then-White House counsel Don McGahn to fire special counsel Robert Mueller, directly contradicting a detailed account in Mr. Mueller's report ([Wall Street Journal](#)). "As has been incorrectly reported by the Fake News Media, I never told then White House Counsel Don McGahn to fire Robert Mueller, even though I had the legal right to do so," Mr. Trump wrote on Twitter. "If I wanted to fire Mueller, I didn't need McGahn to do it, I could have done it myself."

WHITE HOUSE: PENCE SAYS TRADE PACT ESSENTIAL FOR AUTO INDUSTRY - Vice President Mike Pence said a new North American trade treaty is "absolutely essential" to keep Michigan automotive manufacturers competitive ([AutoBody News](#)). Pence visited Michigan April 24 as part of an effort to convince Congress to ratify the United States-Mexico-Canada Agreement, which Pence said would "level the playing field" for American workers and manufacturers and bring billions of dollars in new investment. Pence made several stops in Southeast Michigan April 24, fundraising for the president's re-election campaign and addressing auto industry stakeholders at a public event in Taylor. Michigan was Pence's first stop on a nationwide tour to gather support for the USMCA, which would replace the 1994 North American Free Trade Agreement. The vice president said Trump is delivering on his promises to support Michigan workers and asked attendees in Taylor to contact their representatives in Congress. "The truth is, we need to hear from Michigan," Pence said. "We need to hear from the Motor City. We need to hear from the backbone of the American auto industry."

WHITE HOUSE: PENCE TO SPEAK AT EVANSVILLE RIGHT TO LIFE DINNER - Vice President Mike Pence has accepted a verbal invitation to headline Right to Life of Southwest Indiana's 2020 fundraising banquet, according to the Evansville-based anti-abortion group ([Evansville Courier & Press](#)). Pence, a former Indiana governor, would be the organization's highest-ranking keynote speaker yet. Past speakers have included 2009's powerhouse tandem of Sarah Palin, then governor of Alaska, and Republican National Committee Chairman Michael Steele. Right to Life of Southwest Indiana describes its spring banquet, which annually attracts some 2,000 people, as "the largest pro-life banquet in the country."

WHITE HOUSE: MULVANEY IMPLORES GOP TO RAISE DEBT CEILING - Top White House officials are imploring key Republicans to move quickly and raise the debt ceiling, four people briefed on the discussions said, concerned that a prolonged impasse could raise the chances of a misstep that damages the economy later this year ([Washington Post](#)). The requests have taken on new urgency because other budget discussions with Capitol Hill have broken down, leaving policymakers at a loss for ways to avoid a pileup of dangerous deadlines in September that could affect the stock market, labor market and economic growth. Acting chief of staff Mick Mulvaney has played a major role in communicating the desire, and it's shared broadly by many Republicans on Capitol Hill, according to the people briefed on the discussions, who spoke on the condition of anonymity to describe private deliberations.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 9 a.m. en route to Indianapolis. He will arrive at Lucas Oil Stadium at 11:15 a.m. and deliver remarks at the National Rifle Association's annual meeting. Trump will then return to Washington. At 4:15 p.m., the president will participate in the arrival of Japanese Prime Minister Shinzo Abe. The two will meet and then participate in a bilateral meeting in the Oval Office. At 7:15 p.m., Trump and Melania Trump will have dinner with Abe and his wife Akie Abe. Today is Melania's birthday.

STATE: NORTH KOREA CHARGES \$2M FOR WARMBIER CARE - North Korea issued a \$2 million bill for the hospital care of comatose American Otto Warmbier, insisting that a U.S. official sign a pledge to pay it before being allowed to fly the University of Virginia student from Pyongyang in 2017 ([Washington Post](#)). The presentation of the invoice – not previously disclosed by U.S. or North Korean officials – was extraordinarily brazen even for a regime known for its aggressive tactics. But the main U.S. envoy sent to retrieve Warmbier signed an agreement to pay the medical bill on instructions passed down from President Donald Trump, according to two people familiar with the situation. They spoke on the condition of anonymity because they were not authorized to discuss the matter publicly.

PENTAGON: UNFILLED CIVILIAN PETITIONS A PROBLEM - A quarter of the Pentagon's most senior civilian posts remain filled by temporary personnel who are unconfirmed by the Senate – a high number that has slowed decisions, handicapped the department in policy disputes and shifted more power to the White House, according to recently departed Pentagon officials ([Politico](#)). Including acting Defense Secretary Pat Shanahan, who has served in a temporary capacity for an unprecedented 115 days, nine of the Pentagon's 45 secretaries, deputy secretaries, undersecretaries, deputy undersecretaries, and assistant secretaries are serving in an acting capacity or fall into a related category of officials who are "performing the duties of" the position, according to a POLITICO review.

AGRICULTURE: U.S./CHINA TALKS TO RESUME NEXT WEEK - The U.S. and China will resume trade talks next week. U.S. Trade Representative Robert Lighthizer will travel to China to meet with trade officials along with Treasury Secretary Steve Mnuchin ([Hoosier Ag Today](#)). China is also expected to return to the U.S. for negotiations on May 8th. Next week's discussions will cover intellectual property, forced technology transfer, non-tariff barriers, agriculture, services, purchases, and enforcement, according to a White House statement. Both sides appear hopeful to reach a draft agreement by the end of May. The negotiations, which stem from the tit-for-tat trade war last year, bring hope that tariffs will come to an end for U.S. agriculture.

MEDIA: SUNDAY TALK - CNN "State of the Union": Panel: Andrew Gillum, Mia Love, David Urban and Kirsten Powers. **"Fox News Sunday":** Iranian Foreign Minister Mohammad Javad Zarif. Panel: Karl Rove, Donna Brazile, Jason Chaffetz, Juan Williams. Power Player: Paul Reed Smith. **CBS "Face the Nation":** Javad Zarif, Brad Parscale. Political panel: Lanhee Chen, Jamal Simmons, Amy Walter and Mark Landler. **NBC "Meet The Press":** Panel: Helene Cooper, Bob Costa, Carlos Curbelo and Peggy Noonan. **CNN "Inside Politics":** Lisa Lerer, Perry Bacon, Jeff Zeleny and Karoun Demirjian.

MICHIGAN: COURT ORDER STATE TO REDISTRICT - A panel of three federal judges ruled on Thursday that 34 congressional and state legislative districts in Michigan are extreme partisan gerrymanders and unconstitutional. The judges ordered state lawmakers to redraw maps in time for elections in 2020 ([New York Times](#)). The panel wrote that it was joining "the growing chorus of federal courts" that have held that drawing districts to unfairly favor the party in power is unconstitutional. The judges said the maps violated Democratic voters' constitutional rights. But the impact of the ruling ultimately will turn on an opinion by the Supreme Court, which is weighing decisions in two other partisan gerrymander cases involving congressional districts in North Carolina and Maryland. The justices' decision in those cases, expected by the end of June, could reinforce the Michigan ruling, force alterations to it, or even overrule it entirely.

CITIES: POLICE PROBE ST. JOHN COUNCIL THREATS - State police are investigating threats allegedly made by a frequent town critic against St. John Town Council members (Kirkman, [NWI Times](#)). Several reports have been made to police regarding the "reckless and threatening behavior" of a St. John resident toward members of the Town Council, according to a letter addressed to the St. John Republican Committee from Chairman Christian Jorgensen. In the letter, which was posted on the committee's Facebook page, Jorgensen claims Edward Conn, previously known as Edward Moldenhauer, is "a potential threat to the Republican Party" in St. John. Jorgensen, who openly has endorsed Mark Barenie, Libby Popovic and Rose Hejl, referenced a recent Town Council meeting where Conn questioned Hejl's business, Superior Snacks, during public comment. "This is not an isolated incident. I have been informed that several reports have been made against this man with the St. John police department as well as the State Police and FBI, all regarding his behavior during this primary election," Jorgensen wrote. "Reckless and threatening behavior cannot be tolerated and is not part of civilized political discourse."

CITIES: FORT WAYNE CIB GIVES ELECTRIC WORKS MORE TIME - The Allen County Fort Wayne Capital Improvement Board this morning voted to give the developers of Electric Works more time before closing on the final financing for the project ([Fort Wayne Journal Gazette](#)). The date was extended to Nov. 30, a delay needed "in part because of the (federal) government shutdown," Peter Mallers, the developers' attorney, told the board. The 35-day shutdown affected the National Park Service, which is providing a sizable portion of funding through New Market Tax Credits, the board learned. The credits provide a federal tax break to those who invest private money in projects in distressed communities. Several other benchmarks for aspects of Electric Works also were pushed back. But developers expressed confidence that they would be met.

CITIES: 4TH SCOOTER COMPANY COMING TO INDY - A fourth scooter company is setting up shop in Indianapolis ([Fox59](#)). Thursday, the City said its Department of Business and Neighborhood Services (BNS) gave final approval for Lyft to join Bird, Lime and Spin. Additionally, a meeting of the BNS Board is scheduled for May 10 to introduce and adopt several regulations regarding mobility operations in Indy. The regulations are expected to include caps on the number of companies allowed to operate in the city, caps on the number of scooters permitted, and restrictions regarding where companies are allowed to set out the scooters.

COUNTIES: NEW TRIAL DATE FOR LANDSKE - A special judge granted a request Thursday from William "Bill" Landske to postpone his trial until August on charges alleging he fatally shot a prominent local attorney who had served his family for decades (Reese, [NWI Times](#)). Landske, 84, had been scheduled to stand trial starting May 28 on one count of murder in the Aug. 15 shooting death of T. Edward Page, a local attorney and former magistrate judge. Judge Rex Kepner rescheduled Landske's trial for Aug. 26. A pretrial hearing is set for Aug. 1. Kepner, who has now granted two requests from Landske to postpone trial, warned defense attorney Scott King and Deputy Prosecutor Michael Toth he likely will refuse to grant any further continuances. "This is our last go-round with moving the trial date, so we need to sort that out by Aug. 1, or not sort it out," Kepner said.

COUNTIES: WYMAN SAYS HOWARD IS STRONG - Howard County Commissioner Paul Wyman gave his annual State of the County address Wednesday, painting a picture of a community that has recovered from the depths of the Great Recession and made crucial strides in areas ranging from economic development to rural internet access (Myers, [Kokomo Tribune](#)). Wyman, updating a room filled mostly with public and business officials, acknowledged county government handles many services "you just don't want to talk about at your dinner table" but used the platform to highlight contributions to an area that has in recent years revamped its image. To prove his point, Wyman pulled out a copy of Travel Indiana magazine that recommended a four-day "staycation" in Kokomo and Howard County, an idea that a decade ago would have been unimaginable. "My report to you today is, look, we're in excellent condition," said Wyman. "We're never going to be perfect, no community ever is perfect, but when you put it together in its totality, how we're performing as a community, I just couldn't be more proud. "County government, we're debt free, we're in very strong financial position, we lead many ways around the state. We get lots of phone calls from other counties asking how we're doing things."

COUNTIES: ELKHART TO RECOVER MONEY FROM EMPLOYEES - Two more former sheriff's office employees accused of wage theft have pleaded guilty and agreed to repay the county ([Elkhart Truth](#)). Susan Graves, 59, and Steven Mock, 65, each admitted Thursday to criminal conversion, a Class A misdemeanor, in an agreement that sets a punishment of one year in jail. The sentence is suspended on good behavior.



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INDIANA EDUCATION INSIGHT

Lessons learned

Will budget's big education bucks trickle down to teachers?

Six education associations stood side-by-side with the Governor and Republican legislative leaders on the penultimate day of the 2019 legislative session to declare victory for public education in the state budget. Teachers weren't invited, a stark reversal from January, when teachers seemed to hold all the cards and Republicans were blaming administrative bloat for why teacher pay had stagnated despite the hundreds of millions of dollars in new state funding allocated to education over the past decade.

After seeing ISTA flex its newfound political clout with Republican leadership as session got underway, "we said need to be at the table, too," explains Indiana School Boards Association Executive Director Terry Spradlin, who convened the six associations. "We got together and talked about goals and objectives. Everyone contributed." All six groups reached an agreement to support a set of common conditions for success. Even the rural and suburban school associations were on the same page regarding the best way to handle the complexity index – no small feat. The groups submitted Version 3.0 of their budget goals to Republican leadership on April 15, and on April 22, the groups received a phone call that all 10 points would be met. "We asked for a four percent per-year increase overall, and they got to 4.5%. So they found the dollars," says Denny Costerison, executive director of the Indiana Association of School Business Officials.

House Speaker Brian Bosma (R) of Indianapolis says the groups that made "reasonable" requests were represented at the April 23 budget reveal on the floor of the House. In addition to IASBO's Costerison and ISBA's Spradlin, the group of six consisted of Chris Lagoni, executive director of the Indiana Small and Rural Schools Association; David Marcotte, executive director of the Indiana Urban Schools Association; Jim Snapp, president of the Coalition of Growing and Suburban Schools (and superintendent of the Brownsburg Community School Corporation); and Robert Taylor of the Indiana Association of Public School Superintendents.

If you think back to when the December revenue forecast was released, fiscal experts were predicting that after meeting obligations to the Department of Child Services and Medicaid, there would be less than \$50 million left to spend on everything else. And yet the final budget deal increases K-12 education by \$763 million, more money than either of the versions that initially passed the House or Senate, and the most new money for K-12 education in at least a decade. The Governor deserves credit for his response to the December forecast, says Spradlin. The ISBA executive director points out that the Gov submitted a budget with tuition support increases of 2.0% per year, and a week later in the State of the State, unveiled his teacher pension paydown plan that added the equivalent of another one percent.

State budget highlights include:

- \$539 million increase in formula funding over the biennium, or 2.5% per year
- \$763 million increase in terms of all K-12 funding inside and outside the formula, or about 4.5% per year
- Increase to the foundation amount from \$5,352 in FY 2019 to \$5,548 (3.7%) in FY 2020 and \$5,703 (2.8%) in FY 2021

For more, please see the following page . . .

Dual credit de-valued

Solons pull back on free college program

Per-dual-credit student reimbursement for colleges and universities was cut from \$50 to \$40.36 in the new biennial state budget that was approved Wednesday night.

With 562,092 dual credit student enrollments eligible for state funding, the nearly \$10 per-pupil reduction translates into a loss of \$5.4 million.

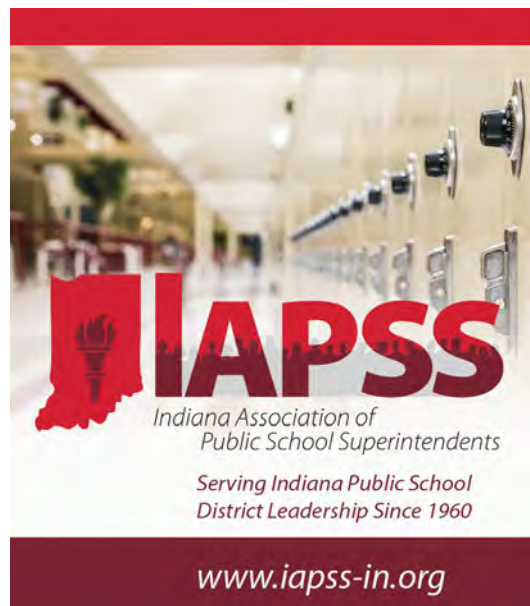
Looking at the state's three largest dual credit providers, the change results in a cut of:

- \$3,229,545 for Ivy Tech Community College
- \$644,501 for the Indiana University system
- \$508,751 for the Purdue University system

The total dual credit appropriation in the new budget is \$22.7 million.

The number of dual credit students receiving state funding will have surged by 92% between the FY 2016-2017 and FY 2020-2021 budgets.

In terms of base dollars, Indiana colleges and universities will see a 1.0% increase in new money in the first year of the biennium and then 2.5% new money during the second year.



- \$22.5 million per year for English Language Learners, up from \$17.5 million per year
- \$19 million per year for the Secured School Grant program, up from \$9 million per year
- \$37.5 million for the Teacher Achievement Grant, up from \$30 million per year
- Move the August 1 kindergarten ADM cut-off date to September 1 for 2019 and October 1 for 2020
- \$150 million directed to the Post-1996 Teachers' Retirement Fund, resulting in a combined savings for all school districts of \$70 million per year
- More "winners" than either of the versions that initially passed the House and Senate
- Floor to cap the Complexity losses
- A second Complexity tier for districts with the most English Language Learners
- A Summer study committee to look at the Complexity Index

The budget also retains more than \$2 billion in reserve. "When the downturn in our economy happens, and it will, Indiana will be prepared for it," said Speaker Bosma. "This is prudent for Hoosier taxpayers, prudent for schools. Schools took a haircut, a small one, but a haircut, in 2008. We're trying to avoid that happening again in the future."

Hoosier teachers did not go on strike - instead, ISTA coordinated local "walk-ins" where teachers wearing "Red for Ed" met 30-45 minutes before the start of the school day, typically at the flagpole, and held a demonstration before walking into the building in unison.

Teachers will now turn their focus to local negotiations.

State lawmakers will also be tracking via House Enrolled Act 1003 how much of the "historic" funding increase ends up in teacher salaries, says Speaker Bosma.

The only guaranteed money for teachers in the state budget is through the Teacher Appreciation Grant, which increases by 25% to \$37.5 million per year.

As the elder statesman speaking on behalf of the six education associations during the press conference on the House floor, Costerison noted that the group of six and their respective members are committed to increasing teacher salaries with the new money.

Speaker Bosma confirmed that when he met with the school groups in his office, they told him, "Hey, we get the message. We've got to focus on teacher salaries, and we're going to do that."

House Enrolled Act 1002

House Bill 1404 revising the high school accountability standards to comport with graduation pathways was never called down for a Third Reading vote in the Senate, after opponents of the language allowing the State Board of Education to hold high schools accountable for post-graduation student outcomes succeeded in having the

language removed via a Second Reading amendment offered by Sen. Jean Leising (R) of Oldenburg . . . but after some conference committee surgery, House Bill 1002 now provides for the appointment of a 15-person school accountability panel to review and recommend new indicators for high school accountability. The panel "shall consider" metrics of post-graduation success. The panel would be co-chaired by two members of the State Board of Education, and recommendations would be due back by October 30.

For those who believe it's unreasonable to judge high schools based on what happens to students after they graduate, the fight moves to a new arena. The Indiana School Boards Association has written that "higher education institutions, the branches of the U.S. military, and employers should own the further development, training, and advancement of young adults in their respective systems," while the Indiana State Teachers Association sent out an Action Alert opposing the proposal to "grade a school, and hold it accountable, for the life circumstances and choices of its former students, months after they graduate."

House Enrolled Act 1003

House Bill 1003 establishing the goal that school districts transfer no more than 15% of their education fund revenue to the operations fund is on its way to the Governor's desk.

There are no penalties for non-compliance, although observers are wary that teeth may be added in future legislative sessions. Republicans are hopeful that the measure will help nudge districts toward maximizing the amount of money they devote to teacher compensation. Districts that do not meet the target will be required to submit and publish "explanatory documentation" with "a corrective action plan to make progress in meeting the education fund transfer target percentage for the next calendar year." The fiscal and qualitative indicators committee of the Distressed Unit Appeal Board "may issue an official recommendation to the school corporation to perform a review and improve its budgeting procedures in consultation with any state agencies" and the "state agencies specified by the fiscal and qualitative indicators committee shall assist the school corporation before and during its next collective bargaining period with the goal of meeting or making progress toward the education fund transfer target percentage."

Conference committee negotiators considered moving the transfer target to 20% but decided the bill wouldn't accomplish much in that case since 98% of districts already com in under 20 percent. "This (15%) gives them at least a level to try and attain," said Sen. Jeff Raatz (R) of Richmond. The Indiana State Teachers Association had suggested that the target be moved in the other direction to 10 percent. House Education Committee Chair Rep. Bob Behning (R) of Indianapolis indicated that, "We picked a benchmark. We didn't know if this is the right place to be, but over time we will find out," he said, pointing out the bill's transparency and reporting provisions.

The Democratic conferees were removed from the bill. Sen. Mark Stoops (D) of Bloomington and Rep. Ed DeLaney (D) of Indianapolis wanted a guarantee that there would not be punitive consequences for districts that do not attain the transfer target and sought a similar framework to monitor how charter schools spend their money.

House Enrolled Act 1004

The annual *Indicators of School Crime and Safety* report from the National Center for Education Statistics and the Bureau of Justice Statistics is missing Indiana data on student drug and alcohol use, bullying at school and via electronic means, gangs at school, physical fights on school property, students carrying weapons, and students threatened or injured with a weapon on school grounds. Why? Not enough Indiana schools participated in the 2017 administration of the Centers for Disease Control and Prevention's biannual Youth Risk Behavior assessment.

Drawing on the recommendations of the Governor's 2018 school safety working group, House Bill 1004, the session's comprehensive school safety measure, attempted to address the substandard participation rates in a way that avoided mandating participation by schools or students, but as the bill moved to conference committee, opposition to the survey was heating up from Advance America and the American Family Association of Indiana.

The House version required that parents be given multiple opportunities to opt-out of the youth risk assessment, yet the version that passed the Senate raised the bar by requiring schools to obtain prior written informed parental consent. "Unfortunately, too many kids whose parents are not engaged are not going to get a sign off, and those may be the ones who need services the most," lamented Rep. Kevin Mahan (R) of Hartford City. The CDC survey will help us understand what is going on in our schools, said Rep. Wendy McNamara (R) of Evansville. If your school has a suicide problem, maybe that's because there's a drug problem that you don't know about yet that the anonymous survey would bring to the fore, she said. "What it comes right down to is the mental health of our kids. Our kids today are growing up in such a complex world - nothing like anything we have ever imagined." She explained that she had a student whose anxiety was so bad that he was curled up in a ball in the hallway. If you're having a problem with a kid, the first thing you do is call a parent, she said. She called the parents, but they too busy to come help the child, so she called the sister, but she too was too busy that day. "Imagine having to call 911 to get a parent to respond. That's the reality that too many of our teachers face." She lamented that policymakers and schools "still have along way to go on the mental health piece." The final version of HB 1004 that emerged from conference committee contained zero mention of either the Youth Risk Behavior Survey or mental health funding.

House Republicans tried to open the doors to expanding mental health services in schools, explained Speaker Bosma. "We had a very strong provision I felt in House Bill 1004. Rep. Tony Cook (R) had another bill that also adequately addressed it. I was very comfortable with the language that had been in the budget. But some of the senators were not. So we agreed to take it out," which they accomplished through HB 1629. "We'll keep working on it," assures the Speaker. "Just couldn't solve all the issues here in the closing days."

Language in HB 1004 making it to the finish line reduces Secured School Fund matching grant requirements to benefit small school districts with fewer than 1,000 students. The bill also requires all schools to conduct at least one active shooter drill each year.

House Bill 1253

State funding for firearms training for school employees perished on the last day of session when the bill's author, Rep. Jim Lucas (R) of Seymour, stood his ground in opposition to making the training mandatory ("I think he stuck to his guns," quipped the Speaker of the House).

Putting a school resource officer in one school costs \$70,000, but for that same amount of money, we can train 45 teachers and staff, said Rep. Lucas. Against his wishes, the bill had been amended in the Senate on Second Reading to provide that school employees who have been authorized by their

local school board to carry a firearm must complete a 40-hour training course and a psychological assessment. Moms Demand Action for Gun Sense in America warned, "There's no evidence to support the idea that arming teachers makes kids and schools safer. In fact, the evidence that we do have is quite to the contrary - it raises the risk."

The bill also would have prohibited school drills that involve shooting a projectile at an employee without the employee's written consent. "We don't set schools on fire to simulate a fire drill," bemoaned Sen. Eddie Melton (D) of Gary. "We don't tear a school apart for a tornado drill. We should not be shooting our teachers with projectiles to simulate a school shooting during training."

Senate Enrolled Act 325

As it left the Senate, Senate Bill 325 created a new grant program to support student-led public service announcements about school safety. But in the House Education Committee, the old language was stripped out and new language was inserted allowing the Indiana Secured School Fund to cover the provision of mental health services through agreements with mental health providers, the provision of social emotional wellness services, and the implementation of mental health and substance use disorder identification and parent support plans.

"We need to enhance the opportunity for mental health providers to come into our schools," says Rep. Tony Cook (R) of Cicero. "School counselors are overloaded and aren't trained in some of the critical mental health aspects," he notes. The amended bill passed unanimously out of committee, although Rep. Jim Lucas (R) of Seymour questioned the fiscal wisdom of asking taxpayers to pay for a trained professional for every child who needs coping skills that aren't taught at home. He also noted that the Parkland shooter had been receiving mental health treatment for eight years and that the shooter at Sandy Hook Elementary had received mental health treatment from Ivy League professionals.



But on Second Reading, all references to mental health were deleted from the bill. On Thirds, the bill unanimously passed the House, and the Senate unanimously consented to the House changes. So after so many permutations, what does Senate Bill 225 in its final form do? The measure allows the Secured School Fund to be used to provide vaguely defined “student and parent support services” that address instances where a “student demonstrates a repeated pattern of aberrant or abnormal behavior.” Seven days after the Senate concurrence, the bill had still not been signed by the Senate President, and no one should be surprised if it never is.

Senate Enrolled Act 390

The Indiana House and Senate passed Senate Bill 390, legislation that the House sponsor, Rep. Chuck Goodrich (R) of Noblesville, described as bringing transparency to the collective bargaining process.

The bill continues to allow contract negotiations to occur in private. However, before the formal bargaining period begins, the parties must hold a public hearing and take public testimony. Once a tentative agreement has been reached, the school district must post the contract on its website and must hold a public meeting to discuss the tentative agreement at least 72 hours before it is ratified. The bill also allows civil penalties for unfair labor practices.

While Democrats protested that the transparency aspects would disrupt the process, Rep. Tony Cook (R) of Cicero rose to support the measure, indicating his belief that the two sides still have enough time to get together for private negotiating sessions, and moreover, he said, the new public sessions bookending the private negotiations will hopefully help the community become better acquainted with the school finance issues that go into teacher compensation.

IN Elementary & Secondary Ed

IN Administration . . .

- Dozens of drinking water fixtures in the School City of Hammond have been taken out of service after environmental testing identified unacceptable levels of lead, but only buildings built before 1986 have been tested to date, and local print and TV coverage indicated that some folks in schools that were constructed more recently remain uneasy.

- The Goshen Community Schools receives school board approval to contract with Villing & Company for a fourth year for marketing, advertising, and brand awareness consulting services. The cost of the campaign extension will be \$49,700. Objectives for the marketing plan are to increase enrollment, demonstrate the unique features and benefits of a GCS education, target populations who may be dissatisfied with other schools, and reinforce positive perceptions among existing GCS consumers, reports the *Goshen News*. The plan also calls for discontinuing television spots, expanding digital and social media advertising, continuing outdoor billboards, maximizing media exposure during Summer months, and highlighting construction and renovation milestones.

- The Marion Community Schools is considering creation of the Marion Community Schools Corporation Police Department. Current officers deployed in each MCS school are typically off-duty Marion Police Department officers.

- The Clark-Pleasant Community School Corporation Board of Trustees votes to create an in-house police department consisting of a police chief, two full-time police officers, and 14 part-time school resource officers. The district expects to spend about \$650,000 of referendum proceeds annually on police salaries. CPCSC also approved spending just over \$2 million for more than 500 security cameras and secure door locks.

IN Budgets & Finance . . .

- Deficit-reduction measures approved by the Lake Ridge Schools include the closure of Hosford Park Elementary School at the end of the 2019-2020 school year and pink slips for 13 teachers, four administrators, one counselor, three library aides, a nurse, and custodians.

- Seeking to cope with the budget impact from the loss of some 30 students, the Oak Hill United School Corporation is considering a reduction in force as well as decreasing hours for instructional assistants, perhaps limiting the hours for aides to a total combined 70 hours per day across the entire school corporation, and even filling some teaching posts with aides.

- Look for the Gary Community School Corporation to test the bond market waters with a \$5 million bond refunding deal to see just how receptive the market might be to the troubled district, under the direction of a state-appointed emergency manager, perhaps leading to a bigger deal to address its current overall debt portfolio.

- Some recent and upcoming bond offerings include: April 25 - Jennings County School Building Corporation First Mortgage Bonds, Series 2019A; \$5,000,000 Maturity 2020 - 2032; Baker Tilly Municipal Advisors . . . Jennings County School Building Corporation First Mortgage Bonds, Series 2019B; \$5,000,000 Maturity 2020 - 2032; Baker Tilly Municipal Advisors . . . April 30 - Seymour Community Schools General Obligation Bonds of 2019; \$5,170,000; Maturity 2020 - 2023; Thurber & Brock . . . May 1 - Hamilton Southeastern Schools General Obligation Bonds of 2019; \$17,400,000; Maturity 2020 - 2023; Stifel, Nicolaus & Co., Inc.

IN Compensation . . .

- The Rochester Community School Corporation Board of Trustees adopted a resolution supporting “our educators as they participate in legally permitted activities, including RedforEd” and “engage in legal activities that clearly make their demands known concerning necessary funding for meaningful teacher and support staff raises and increased education funding.”

IN Charter Schools . . .

- Phalen High School on the far east side of Indianapolis launches a Go Fund Me page seeking to raise \$3.5 million to construct a gymnasium.

- The application submitted to the Indiana Charter School Board seeking to convert Emmerich Manual and Howe high schools in the Indianapolis Public Schools to charter schools operated by Charter Schools USA was withdrawn. Both schools are currently operating under state intervention.

IN Programs & Curriculum . . .

- During a pitch to the School City of Hammond on starting a virtual academy, Edmentum revealed that it already had 30 prospective students in the queue who participate in Total Package Hockey and needed a virtual program. The student-athletes train in Fishers but travel all over the country to play in tournaments. The addition of the 30 Total Package Hockey students to the virtual academy deal would cost the district \$1,500 per student, said the Edmentum representative, who explained that the \$45,000 add-on fee would actually go to Total Package Hockey “to manage what they do.”

IN Policy . . .

- The Clark-Pleasant Community School Corporation will again offer families a choice of which elementary school they want their children to attend for the upcoming school year.

- The Franklin Community Schools launches STOPit, an online reporting tool for bullying, cyber abuse, and other inappropriate behaviors. Students received an access code to download the STOPit mobile app on their smartphone or tablet. Not only does the app allow students to report incidents anonymously, but it also comes with a messenger feature allowing students to engage in anonymous two-way communication with school contacts.

- Quickly attracting considerable local – and some national – attention was a controversial Wednesday decision by the Hamilton Southeastern Schools school board to turn down a strong nondiscrimination policy that included a list of protected classes that included sexual orientation and gender identity. The meeting provoked strong emotions from assorted participants and board members.

□ Defeated on a 4-3 vote was this language: “The school corporation does not discriminate in its educational or employment activities on the basis of race, color, national origin, sex (including transgender status, sexual orientation, gender identity and expression), disability, age, religion, military status, ancestry or genetic information, nor on any basis prohibited by applicable federal or state laws.”

□ Approved instead on what amounts to a first reading (also via a 4-3 vote) was this language: “The school corporation will not discriminate in its educational and employment activities on any basis prohibited by applicable federal or state laws, including but not limited to a real or perceived characteristic, trait, belief, practice, association or other attribute described in those laws.”

IN Construction & Facilities . . .

- The Clark-Pleasant Community School Corporation authorizes up to \$35 million in Bond Anticipation Notes in connection with the construction of a new elementary school. The project is to be financed through a lease rental agreement with the building corporation.

- Garmong Construction of Evansville is the successful bidder for a South Gibson School Corporation Fort Branch Community School office and HVAC project.

- The Huntington County Community School Corporation retains the Hagerman Group as construction manager for a potential project at Huntington North High School.

- The School City of Hammond Board of Trustees tables a vote on a proposal to study the closure of Lafayette, Columbia and Miller elementary schools.

- The Lakeland School Corporation Board of Trustees votes to close Lima-Brighton Elementary School located in Howe and Wolcott Mills Elementary School in Wolcottville at the end of the school year. The board also approved converting Parkside Elementary School into a K-2 building, Lakeland Middle School into a 3-6 building, and Lakeland High School into a junior/senior high.

- The Vincennes Community School Corporation buys back the former Washington Elementary building from First Christian Church in a sale in which VCSC held a right of first refusal. The district sold the building to the church in 2012 to raise cash, and it will buy the facility back for \$30,000, the original sale price. The building – which had been rented from the church in the last few years to house students during other facility renovations – is itself expected to undergo repainting and be outfitted with new energy-efficient LED lighting before being used for assorted school programs.

IN Transition . . .

- Wayne Barker, superintendent of the M.S.D. of Bluffton-Harrison Schools, will become the next chief of the School City of Mishawaka under a three-year contract that runs from July 1, 2019 through June 30, 2022. He’s set to earn a first-year annual salary of \$170,000 with performance incentive pay of \$10,000 based upon his evaluation (45%); the district’s Indiana Department of Education grade (10%) and mutually agreed Board of School Trustees goals and metrics (45%).

- Governor Eric Holcomb (R) appoints his senior education advisor, Dr. Lee Ann Kwiatkowski of Greenwood, to the Education Commission of the States.

- Aleesia Johnson, interim superintendent of the Indianapolis Public Schools, confirms she will apply to superintend the state’s largest school district on a permanent basis.

- Dexter Suggs has been named assistant superintendent of teaching, learning, and academic programming for the School City of Merrillville. He has held administrative positions with the M.S.D. of Wayne Township and the Indianapolis Public Schools.

- With the retirement of Chief Financial Officer Theo Boone, the School City of Hammond enters into a two-days per week consultancy agreement with Matt Ruess, a former CFO for the Crown Point Community School Corporation.

- The Richmond Community Schools promotes chief human resources officer Jennifer O’Brien to assistant superintendent.

- The White River Valley School District taps Eastern Greene High School Principal Doug Lewis as the next principal of White River Valley High School, effective June 1. Current WRV High School Principal LeAnne Kelley is retiring after 33 years in education.



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- Marcus Wagner, currently principal at McKenney-Harrison Elementary School, has been named the new principal of DeKalb High School.

IN Government . . .

- School groups (and mayors) were delighted that House Bill 1034 died on the last day of session, but we wouldn't be surprised to see the bill revisited during the 2020 short session. The bill's sponsor, Senate Tax and Fiscal Policy Chair Sen. Travis Holdman (R) of Markle, said he simply ran out of time this year. In relevant part for education, Sen. Holdman had added language in the Senate Tax and Fiscal Policy Committee during the second half of session to address a problem that he sees of school districts artificially splitting construction projects in order to avoid triggering a referendum.

- House Bill 1628, a measure allowing all Indiana counties to participate in the On My Way Pre-K program is on its way to the Governor. The bill, which does not include any additional money, grandfathered in the current number of grants awarded to four-year-olds within the 20 pilot counties and the Indy Preschool Program, which was 3,638 as of January 2019. The bill also allows up to 20% of pre-K grants to be awarded to four-year-olds from households with annual income of up to 185% of the federal poverty level. Until now, eligibility has been limited to households of up to 127% of the federal poverty line.

□ The National Institute for Early Education Research just released its annual preschool yearbook, and the bad news is that Indiana has been taken off the list of states with a state-funded preschool program. Indiana's pilot program dropped off the list, according to the report, because state lawmakers, beginning with the 2017-2018 school year, added a parent work requirement to the eligibility rules. We're not one of six states without a state-funded pre-K program, according to the NIEER definition.

- Sen. John Ruckelshaus (R) of Indianapolis authored a resolution (SR 64) urging the Legislative Services Agency to conduct a "comprehensive, data-focused study examining factors that have led to school shooting and violence in Indiana and the U.S."

- The House and Senate approved the conference committee report for Senate Bill 560, an omnibus elections bill that popped up on the education radar late in the game when the House Committee on Elections and Apportionment chaired by Rep. Tim Wesco (R) of Osceola snuck in, as part of a 35-page amendment, a small section that restricted when units of government can hold a referendum. Recall during the first half of session that school lobbyists already managed to defeated a similar effort from Sen. Blake Doriot (R) of Syracuse to limit school referenda to the general election. The Doriot bill had advanced in a convoluted manner without public testimony on the provision in committee but was not called down on Third Reading in the Senate after a straw poll conducted in the Senate Republican caucus showed that the votes weren't there.

□ During conference committee deliberations on the elections bill, education lobbyists succeeded in removing the referendum restrictions.

- At a Saturday morning Cracker Barrel session in his district, Sen. Eric Bassler (R) of Washington, chair of the Senate Committee on Appropriations K-12 Funding Subcommittee, delicately broached the topic of consolidation during a question about state support for rural school districts. "It's not popular to talk about these things," he said, "but, at some point, as we see school corporations have fewer and fewer students in rural Indiana, I think, at some point, we need to talk about consolidation of administration," he said, according to the *Sullivan Times*. "One of the challenges - and we want to leave it up to local schools - is, does it make sense for two school corporations that are adjacent to each other to merge their administration costs," continued Sen. Bassler, who earned a master's degree in economics from Indiana University. "That would be one school corporation but multiple high schools."

- Language allowing the possession of firearms at private schools connected to a house of worship was stricken from Senate Bill 119 during conference committee debate . . . only to reemerge in House Bill 1284. The Indiana chapter of Moms Demand Action for Gun Sense in America is now calling on the Governor to veto HB 1284, which the group says would "open a broad loophole in the state law that currently keeps guns out of elementary, middle, and high schools" . . . but don't be surprised if the Governor signs the bill while the National Rifle Association convention is in town (he's scheduled to speak at the event).

- The Senate concurred to House amendments on the virtual education bill, Senate Bill 567, which defines a virtual education program offered by a traditional school corporation as one in which more than 50% of instruction to participating students occurs virtually; requires a school corporation to establish a separate virtual education school if the lesser of: (1) 100 students; or (2) 30% of students receive at least 50% of instruction through a school corporation's virtual program; requires a student to be withdrawn from a school corporation's virtual program after accumulating enough unexcused absences to be classified as a habitual truant; prohibits a school corporation that operates a virtual education program from enrolling a student who does not reside in Indiana; and authorizes the State Board of Education to promulgate rules to regulate virtual education programs offered by traditional school corporations, including the minimum requirements of mandatory annual onboarding and orientation.

□ As we indicated in our last issue, the bill was amended in the House to tighten up the home-school loophole in the high school graduation calculation. The language aims to narrowly target high schools that have an unusually high incidence of students who exit for homeschooling who are not on track to graduate. The language is based on the conventional wisdom that students are most likely to be home-schooled in their younger years and as they grow older and the curriculum becomes more demanding, they may enter the public school system; it's rare for the reverse to occur where students start out in the public system only to decide at some point during their high school career to become home-schooled. The language is designed to address the suspicion that some school administrators are gaming the system and artificially lowering their dropout rates by directing students would otherwise be classified as dropouts to indicate during the state-mandated exit interview that they are leaving in order to pursue a home-school education.

□ The House Republican caucus requested and obtained data from the Indiana Department of Education for each high school showing the number of students in the cohort who left for home school during their senior year; the average number of credits they had accumulated at the time they left; and whether they left before or after count date. The data also shows the number of students in the cohort who left for home school at any point during their high school career. The spreadsheet reveals that 12 Indiana high schools in 2018 and 10 Indiana high schools in 2017 had at least 10% of their respective cohorts leave to home-school during their senior year. One school exceeded the 10% threshold in both years: Indianapolis Public Schools' Emmerich Manual High School, a state turnaround academy that received the blessing of the State Board of Education to convert to a charter school. Emmerich Manual had 30 seniors from its 2018 cohort exit to home school, representing 28.30% of its cohort – the highest rate of any Indiana school. The senior students were not on track to receive a diploma, as they had earned an average of only 23.75 credits at the time they left. Overall, 56.60% of students in the 2018 cohort left Manual for home school at some point in their high school career – which also led all Indiana schools in this category. For the 2017 cohort, Emmerich Manual had 12.12% of students exit to home school during their senior year – the sixth-highest rate in Indiana that year. These students had earned an average of only 21.38 credits. Across all four years of high school, 35.61% of the 2017 cohort left Manual at some point for home school – the third-highest rate in the state.

□ Muncie Central High School reported that 11.81% of students in the 2018 cohort left for home school during their senior year and that they had earned an average of only 26.21 credits at the time they left. That was the seventh-highest rate in Indiana. The data shows that 65% of these seniors exited after the second count date in February. Of the 2017 cohort, 8.47% left for home school during their senior year with an average of 25.68 credits. That was the 20th highest rate among high schools in 2017. About 55% of these seniors exited after the second count date. When considering students who left for home school at any point, 37.50% of the 2018 cohort left Muncie Central for home school at any point during their high school career – the third-highest rate in Indiana, and in the 2017 cohort, 20.22% left Muncie Central for home school during high school, ranking 18th among all schools.

□ At Greensburg Community High School, 11.56% of the 2018 cohort (17 out of 147 students) left for home school during their senior year – the eighth highest rate in the state – and at the time they left, they had earned on average only 24.29 credits. About 53% of these seniors left after the second count date. Overall, 23.81% of the 2018 cohort left Greensburg High for home school at any point during high school. In 2017, 9.26% of the cohort left during their senior year for home school, the 15th highest rate in the state – although these students had earned an average of 32.20 credits, which suggests they may in fact have been on track to graduate. The IDOE data revealed that 67% of these seniors exited after the second count day in February.

□ At Anderson High School, 8.55% of the 2018 cohort left for home school as seniors; they had earned an average of 24.49 credits and 64% exited after the second count date. For the 2017 cohort, 10.08% left Anderson High School during their senior year to enter home school; they left with an average of 25.00 credits, and 59% left after the second count day.

□ The new law could be assumed to entangle right around 100 high schools, based on the 2017 and 2018 data. The law singles out small high schools that had 10% of their cohort leave for home school and large high schools that had five percent of their cohort leave for home school – with the added condition that these students must not have been on track to graduate at the time they exited. Schools that meet the criteria will be required to submit a request to the State Board of Education requesting that these students not be counted as dropouts. After reviewing the request, the State Board is required to deny the request unless the high school demonstrates justifiable cause.

- The comprehensive school bus safety measure, Senate Bill 2, authored by Sen. Randy Head (R) of Logansport in response to the October 30 tragedy in Fulton County when three siblings from the Tippecanoe Valley School Corporation were struck by a car and killed while crossing the street to board the school bus, heads to the Governor. The bill increases penalties for school bus stop arm violations and provides that, with certain exceptions, when a school bus is operated on a U.S. or state route, a school bus may not load or unload a student at a location that requires the student to cross the roadway unless no other safe alternatives are available. For streets or highways other than a U.S. or state route, a school bus must load and unload a student as close to the right-hand curb or edge of the roadway as practicable. The bill also allows schools to petition county governments to pay for the cost of cameras that are installed on school buses to enforce stop arm laws.

- The Epilepsy Foundation of Indiana achieved part of its goals when the Indiana House and Senate approved House Bill 1089 requiring applicants for school employment to undergo seizure recognition training and ensuring that school nurses are able to respond appropriately to a student experiencing a seizure. The bill was authored by Rep. Jeff Thompson (R) of Lizton.

- On the final day of session, the House and Senate voted to approve the House Bill 1630 conference committee report with another random hodgepodge of education matters. The bill, authored by House Committee on Education Chair Bob Behning (R) of Indianapolis, directs the State Board of Education to adopt rules that establish criteria for assigning a school with a new identification number; prohibits the State Board of Education from assigning growth-only letter grades; provides that the formative assessment grant program may only support formative assessments that show alignment, verified by a third party, to Indiana's academic standards; and requires formative assessments approved for the grant program to provide predictive study results on the statewide assessment.

- House Bill 1640 – legislation authored by Rep. Bob Behning (R) of Indianapolis, chair of the House Committee on Education to rewrite the school accreditation standards – died on the last day of session, despite having passed out of the House unanimously at the first deadline. When the bill was heard by the Senate Committee on Education and Career Development, Sen. Jean Leising (R) of Oldenburg notched a personal victory by inserting mandatory cursive writing instruction. She then saw the full Senate pass the bill with her cursive language by a vote of 31-18. During conference committee deliberations, the cursive standard was one of the first items removed, but neither the House nor Senate ever voted on a final conference committee report.

- A cornucopia of random education matters were added in conference committee negotiations to House Bill 1629, which was subsequently approved by the House and Senate late Thursday night. The bill, authored by House Committee on Education Chair **Bob Behning** (R) of Indianapolis, includes language allowing schools to charge a public records fee (language which has twice passed the General Assembly only to be vetoed by the Governor); requires the State Board of Education to establish a dispute resolution working group to examine options for reducing the costs to parents and schools of special education complaints and investigations; requires school corporations to annually distribute FAFSA information to all high school seniors beginning with the 2020-2021 school year; requires the Indiana Commission for Higher Education to develop a model FAFSA notice; allows charter school students to participate in career centers on the same basis as traditional public school students; ensures that students who have an IEP can access voice-to-text accommodations on the statewide test and requires the State Board of Education to prepare a report on whether the scores of students who take advantage of the accommodation are valid; gives flexibility to the State Board of Education to develop alternative A-F accountability procedures for schools that focus “primarily” on students with behavioral challenges (existing law limits alternative models to schools that “exclusively” focus on students with behavioral challenges); voids the authority in the just-passed state budget to use money appropriated for Secured School Safety grants for mental health and social emotional wellness services; and expands the EARN Indiana program to high school students beginning with the cohort that graduates in 2022-2023.

- The House and Senate unanimously approved the conference committee report for Senate Bill 607 establishing the “Workforce Diploma Reimbursement Program” to assist adults who are older than 22 years of age with obtaining a high school diploma. “A very new concept that I’m excited about,” says Sen. **Jeff Raatz** (R) of Centerville, the bill’s author and chair of the senate Committee on Education and Career Development. State funding will only be paid to service providers based on outcomes, including credit completion, attainment of industry-recognized credentials, and completion of a high school diploma, adds Sen. Raatz. The program will be overseen by the Governor’s Workforce Cabinet and funded at \$1 million per year. Look for the Graduation Alliance to bring its online curriculum to Indiana as a result.

- The House concurred with Senate amendments to House Bill 1641, which shortens from two years to 90 days the duration that a school corporation must make a closed building available to a charter school for lease or purchase for \$1. If no charter school indicates interest in the building, an accredited nonpublic school or postsecondary institution will have the right of first refusal to purchase the property. Section 8 of the bill addresses the disposal by the Indianapolis Public Schools of Broad Ripple High School by providing that in the event of the sale to a developer of a school building with more than 200,000 gross square feet, a school board must ensure that a charter school located within one mile be given the opportunity to lease adequate facilities on the redeveloped site. If a school corporation fails to comply, proceeds from the sale of the building must be remitted to the State Board of Education to distribute via the charter school and innovation grant program. The bill is slated to take effect immediately upon the governor’s signature.

- Senate Bill 566, which authorizes a redevelopment commission to establish a Tax Increment Financing (TIF) district for residential housing, gained an amendment offered by Rep. **Ed Clere** (R) of New Albany providing that a new TIF may not take effect until the governing body of each school corporation affected by the TIF district passes a resolution in support. The bill is now on its way to the Governor.

- U.S. Rep. **Jackie Walorski** (R) introduces the “Stop for School Buses Act,” legislation directing the U.S. Department of Transportation and the National Transportation Safety Board to conduct a comprehensive review of existing laws on illegal passing of school buses, make recommendations for best practices on preventing illegal passes, evaluate the effectiveness of various stop-arm technologies, and create a nationwide public safety campaign to promote safe driving practices when children are present. “The tragic loss of young Hoosiers in bus-related crashes last year, including in Fulton County, was a reminder that life is precious and that we all need to work together to keep children safe,” Rep. Walorski said. “Every driver has a responsibility to exercise caution when students are present, and that includes never passing a school bus that is stopped with red lights flashing or its stop arm extended. The Stop for School Buses Act will help our states and local communities take the most effective actions to prevent illegal passing of school buses and ensure students are safe when traveling to and from school.” The filing of H.R. 2218 was announced at the Rochester School Corporation, where Rep. Walorski, a champion of state’s rights, said, “There’s a hodge podge of laws, there’s a hodge podge of things that every state has created but let’s once and for all just settle this and come up with a federal standard and all Americans comply.”

IN Courts & Conduct . . .

- Since we were last with you, the locus of the felony bribery case involving former Vigo County School Corporation superintendent **Danny Tanoos**, *State v. Tanoos*, No. 49G04-1809-FC-032385, shifts from Marion County Superior Court, Criminal Division 4, to the Indiana Court of Appeals as the trial court judge grants leave for Tanoos’ attorneys to file an interlocutory appeal denying his motion to dismiss.

- On Wednesday in Chicago, the U.S. Court of Appeals for the Seventh Circuit held oral argument in a related case, *U.S. v. Fennell*, No. 18-1969. This is the appeal of an April 2018 restitution order. Former Vigo County Schools facilities director **Franklin V. Fennell**, who was convicted of kickback charges in federal court, had been ordered to pay VCSC restitution in the amount of \$110,600.

- Two 14-year-old students at Discovery Middle School in Granger were arrested last week and charged with battery resulting in bodily injury in connection with an April 8 videotaped beating incident in a school bathroom during a passing period that left the victim with a concussion, and possibly facing surgery to recover from his head and facial injuries. The video was posted to social media.

- At a Thursday news conference, St. Joseph County Prosecutor **Kenneth P. Cotter** (D) announced that both the attacker and the student recording the incident, who allegedly egged on the attacker, would be charged in juvenile court. “It’s not acceptable to encourage another person by videotaping it, by yelling encouragement, or inducements another person to commit a crime,” said Prosecutor Cotter.

- The *Richmond Palladium-Item* reviewed 911 calls from the December 13 school shooting at Dennis Intermediate School in the Richmond community Schools and reported that Principal Nicole VanDervort “proved invaluable” to responding officers as she “monitored the teen’s movements through the building via security footage in her office and relayed the details to 911 dispatch, which passed the information to the officers at the scene. The teen, who was armed with five or six guns he took from his parent’s gun cabinet, took his own life on the second floor in a stairwell after being cornered by police.”

IN Higher Education

IN General . . .

- Purdue University Fort Wayne has an \$8.9 billion total economic impact on Northeast Indiana annually and fuels 82,450 jobs in the region, according to a new assessment of the university’s operations and workforce enhancement effects on business activity by The Perryman Group. The university also has an \$11 billion total annual economic impact on the state and drives 101,999 jobs per year.

- One month after President Donald Trump (R) signed an executive order encouraging institutions to avoid creating environments that stifle competing perspectives – a decree widely understood as providing a bulwark against liberal bias in higher education – LGBT+ students at Marian University in Indianapolis held a protest to decry the campus administration’s alleged refusal to no longer allow the gay-straight student alliance to host public events, reported WRTV-TV *rtv6* in Indianapolis . . . even as Marian gets slammed from the other side, as ChurchMilitant.com publishes a multi-part series of lengthy blog posts that purport to document the “pro-homosexual and pro-transgender ideologies” of “at least 17 faculty and administrative staff members”; the “pro-homosexual, Marian University-sanctioned activities”; and the role of the campus Multicultural Center in promoting tolerance for the LGBT community.

- Taylor University received pushback from students, alumni, and faculty after tapping Vice President Mike Pence (R) as commencement speaker. A change.org petition has garnered more than 5,000 signatures, and more than half of faculty voted in favor of a “motion to dissent” expressing opposition to the choice of Pence as speaker.

□ The Vice President was announced as the commencement speaker for 2019 barely one year after four members of the Taylor faculty and staff caused an uproar on campus by distributing a newsletter that railed against campus leadership for its alleged “uncritical endorsement of liberal-progressive ideas”; permissive views on human sexuality; tolerance of social justice; and a general abandonment of traditional conservative Christian values as evidenced by the growing number of liberal speakers who had been invited to campus in recent years.

IN Enrollments . . .

- Applications to Ball State University for Fall 2019 rocketed to an all-time high of 26,800, a year-over-year increase of 14 percent. Approximately 31% of applicants opted against submitting college entrance exam scores.

IN Administration . . .

- Ball State University will implement a data analytics system in Fall 2019 to provide student advisors, staff, and faculty with tools to understand a student’s likelihood of completing a course and persisting to the next semester, and facilitate personalized communications designed to help students succeed.

IN Programs & Policy . . .

- Marian University’s Klipsch Educators College receives a \$900,000 grant from the Walton Family Foundation to support the establishment of a loan forgiveness program for teacher candidates of color. Students’ loans are completely forgiven after successfully completing their studies and teaching in a high-poverty Indianapolis school for two years post-graduation. Over just two years, the loan forgiveness program has allowed the school of education to increase new student diversity from 7.5% to 25%.

□ Dan Holub, executive director of the Indiana State Teachers Association, said in a statement, “Inadequate college preparation is one of the primary reasons so many early career teachers leave the profession within just a few years. Yet we know from research and experience, that the best way to ensure that every teacher is ‘profession-ready’ from their first day as teacher-of-record is for college preparation programs to incorporate teacher residencies.”

- As we were headed to press with this issue, the University of Notre Dame and the South Bend-Elkhart Regional Partnership were preparing to unveil a major regional economic development initiative.

IN Gifts and Fundraising . . .

- In its sixth year, the social media-based Purdue Day of Giving raised \$41.6 million, the fifth consecutive record for a 24-hour higher education fundraising campaign. This has resulted in a cumulative total of \$146.9 million in gifts for Purdue University.

□ Gifts ranged in size from \$10 to a \$7 million anonymous gift made to the West Lafayette campus’s School of Mechanical Engineering, and targeted an array of initiatives and programs, funding scholarships and student enrichment opportunities, cancer research, Indiana 4-H programs, Military Family Research Institute initiatives and more. Approximately 90% of all donations were made online.

- The Purdue University Board of Trustees approved the naming of the Nils K. Nelson Bioscience Innovation Building that’s under construction and set to open on the Hammond campus of Purdue Northwest in Fall 2020. The late Dr. Nelson, a longtime professor of chemistry at Purdue Northwest, left a nearly \$8 million estate gift to the institution.

- The second annual Trine Day celebration on April 11 topped the 2018 total and achieved its fundraising goal, bringing in \$90,471 from 226 donors.

IN Construction & Facilities . . .

- The Ball State University Board of Trustees approves a bond issue to finance construction of the Foundational Sciences Building, an \$87.5 million, 205,000-square-foot facility to be located in the East Quad for the biology and chemistry departments.

- Improvements are slated for the famous Grotto and the Basilica of The Sacred Heart at Notre Dame this Summer. Expect paths and entryways to undergo renovation after commencement, replete with new stone and brick as well as new memorial benches at the Grotto, a small driveway at the Basilica, and handicapped-accessibility improvements.

IN Government . . .

- The House defeated a Second Reading amendment proposed by Rep. Earl Harris, Jr. (D) of East Chicago during floor debate on Senate Bill 216 that would have locked in tuition rates for students attending a public college or university at the level they pay during their freshman year.

- The House and Senate adopted the conference committee report on Senate Bill 438 on the last day of session. Authored by Sen. Andy Zay (R) of Huntington, the bill sets out requirements for a workplace specialist license and directs the Indiana Commission for Higher Education to restart the dual credit advisory council to review and make recommendations on ensuring that dual credit teachers are properly credentialed.

IN Transition . . .

- John Applegate, Indiana University's executive vice president for academic affairs, is one of four finalists to be president of the University of South Carolina, where some on campus are upset that the finalists are all males, and three of them are white.

- Ivy Tech Community College announces two finalists for the chancellor position at its South Bend-Elkhart campus.

□ Gaby Hawat currently serves as principal with Catalyst Partners in Washington, D.C. and is the former senior vice president for operations and global initiatives at the Florida Institute of Technology.

□ Lori Handy is vice chancellor and campus operating officer at Ivy Tech's Indianapolis campus. She has 17 years of experience in higher education and also previously spent almost a decade working for Cummins as a supervisor and quality engineer.

- The Connecticut Board of Regents for Higher Education names Thomas G. Coley, the outgoing chancellor of the South Bend-Elkhart campus of Ivy Tech Community College, as the next president of the Shoreline-West Region, which encompasses Gateway Community College in New Haven, Housatonic Community College in Bridgeport, and Norwalk Community College.

- Jann L. Joseph, interim chancellor of Indiana University South Bend, has been named president of Georgia Gwinnett College.

- Purdue University Northwest names Lawrence Hamer as dean of the College of Business. Hamer was previously with DePaul University in Chicago, where he joined the faculty in 1996, received tenure in 2003 and was appointed professor of marketing in 2012.

- Ethan Heicher, dean of the School of Arts, Sciences, and Education for Ivy Tech Community College Kokomo, is serving as interim vice chancellor of student success. Heicher replaces Kim King, who was recently passed over in the Kokomo chancellor search.

- IUPUI appoints Rafael Bahamonde as founding dean of the School of Health & Human Sciences. Bahamonde has served as interim dean of the school since it was officially established in July 2018 through the merger of the School of Health and Rehabilitation Sciences and the School of Physical Education and Tourism Management.

- Marsha McGriff joins Ball State University on May 1 as associate vice president for inclusive excellence. A director in the Office of the Vice President for Diversity, Equity, and Multicultural Affairs at Indiana University, she will lead the new President's Advisory Council on Inclusive Excellence.

- A change in family circumstances brings a familiar and well-liked face back to Indiana State University and the State House – for a second time. Greg Goode rejoins the leadership team at ISU on May 1 as executive director of government relations, and add oversight of university communications to his portfolio. Goode, the 2008 CD 08 Republican nominee, had left Terre Haute at the end of 2018 to become president and CEO of The Historic Trust in Vancouver, Washington. He had spent five years in the pacific Northwest in between his previous stints at ISU, returning in 2012, and he and his family will settle back in the Wabash Valley in time for him to start working again at ISU on May 1.

□ ISU alum Dennis Faulkenberg and his APPIAN Advisors had been handling legislative representation for the university during the 2019 session.

- Saint Martin's University in Washington names Kathleen "Kate" Boyle, Ph.D., as its new provost and vice president of academic affairs. Since July 2018, Boyle has served as interim provost and vice president for academic affairs. Previously, she was the dean of the College of Education and Counseling. Dr. Boyle earned her doctorate in higher education administration (educational leadership and policy studies) from Indiana University - Bloomington.

- Baylor University taps Nancy W. Brickhouse, Ph.D., as provost effective next month. Dr. Brickhouse previously served as provost at Saint Louis University in St. Louis. A tenured professor of education, Dr. Brickhouse earned both her master's degree in chemistry and her doctorate in science education from Purdue University.

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INDIANA LEGISLATIVE INSIGHT

The education budget (and more)

GOP lauds education opportunities; Demos lament lost opportunities

While the session didn't seem to be quite linear in nature, leaders will insist that their pre-session goals of increasing education spending (and thus theoretically allowing for teacher salary increases) within the context of a structurally balanced budget and enacting a bias crimes measure were accomplished.

There are lots of quarrels at the margins (or more) on both counts, but leaders are effectively controlling the narrative, and that's the immediate message that Hoosiers will take away from the 2019 session as business leaders drop their fight for a more detailed bias crimes measure and teachers will have to turn their Red for Ed "walk-in" strategy into local battles for pay raises after trying to work within the state system that provided the cash – but not mandates – for salary increases.

And while he'll not concede the point, the Governor didn't have a great session. He may claim victory for education funding increases (and his pension payoff plan), but he set the bar low in his legislative agenda and still didn't get "the list" he sought in the hate crimes law, backing down quicker than the business community would have preferred (and expected from their pre-session ally), and saw the legislature seize effective control of the Toll Road lease amendment cash cache, moving the revenue into the budget, and while generally signing on to what he had outlined as spending priorities for the \$1 billion, lawmakers established a Toll Road Lease Amendment Proceeds Fund for projects in Toll Road counties, and capped the Gov's proposed spending on rural broadband service, trail projects, and direct-flight subsidies. The full funding sought by the Department of Child Services that had sailed through the House was trimmed in the final version of the budget, as was the ability of DCS to dip into the gas tax contingency fund for shortfalls (supplemental funding, if needed, would come via surplus dollars).

While it was separate from the budget, the big-bucks bill providing for Indiana Convention Center expansion, \$360 million renovation of the Bankers Life Fieldhouse, and Indianapolis Capital Improvement Board finances – as well as getting the ball rolling on a \$150 million Indy Eleven soccer stadium multi-use complex at a location to be announced – passed easily at all levels as part of a coordinated city-county-state push that was negotiated without local public input and which amazingly proved largely noncontroversial despite a lack of assorted financial, policy, and practical details (and, perhaps understanding – ask lawmakers what it means for the convention hotel deal on Pan Am Plaza and you'll get assorted answers or just blanks stares).

Before we get to the big-ticket items, you should know about a few policy items that were in the budget – and that the energy generation facility moratorium sought by former Trump Administration EPA administrator Scott Pruitt was most decidedly not included. The budget commits to retain protections for preexisting conditions for Hoosiers "regardless of the legal status of the Patient Protection and Affordable Care Act." Under last-minute language, the State and state agencies are authorized to enter into "cooperative agreements with federally recognized Indian tribes," paving the way for a compact with the operator of the Four Winds Casino South Bend, in spite of attempts dating back to the mid-1990s (largely in the Senate) to bar such deals. And there are several provisions barring dollars from the state highway fund from being used to fund any toll road or toll bridge project not already specifically authorized.

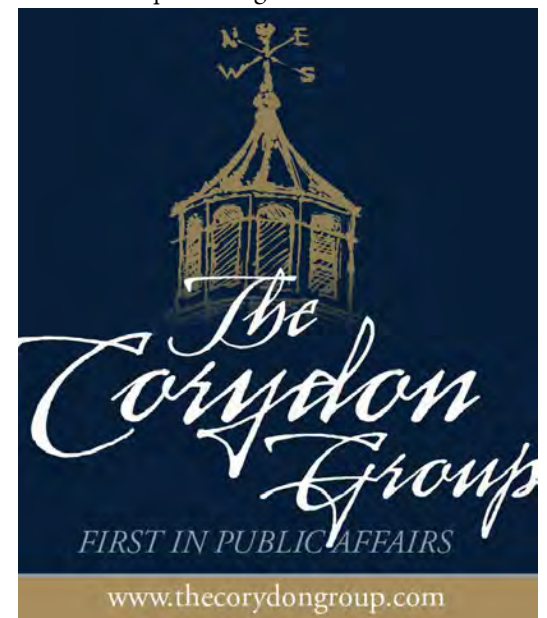
For more, please see the following page . . .

Right to Farm Act upheld

Unanimous COA ruling backs its purpose

The Indiana Court of Appeals upholds the constitutionality of Indiana's Right to Farm Act (RTFA) in *Himself, et al. v. Himself, et al.*, No. 18A-PL-645, a Monday ruling which denied a nuisance claim filed by property owners adjacent to an expanding livestock operation.

They had challenged the law on the premise that their residential properties lost market value as a result of the increased agricultural activities, contending that "their use and enjoyment of their homes, as well as their homes' values, were ruined by noxious odors and airborne emissions coming from the CAFO. "The RTFA, however, limits the circumstances under which agricultural operations may be subject to," observed the court, and the substantive law is not required to provide a remedy to their vested right to use and enjoy their properties. A regulatory takings claim similarly failed as the odor was not a "taking" and the properties retained significant economic value. Also, "RTFA's preferential treatment is uniformly and equally available to all agricultural operations and although agricultural operations are treated differently under the RTFA than industrial operations, the two are not similarly situated and the express intent of RTFA is to protect agricultural land."



Moved from another bill is language requiring a “marketplace facilitator” to collect and remit state sales tax as a retail merchant when it facilitates a retail transaction for sellers on the marketplace facilitator’s marketplace – seemingly finally closing a long-litigated online sales and hotel tax collection loophole we’ve followed for you over the last decade or so. The revenue collection now becomes more relevant because the CIB relies on some of the innkeeper’s taxes for its big package deal.

As for specific projects and programs, the South Shore Line is a big (\$200 million) winner at the expense of some I-69 and U.S. 31 dollars that will now seemingly be found elsewhere; the Amtrak Hoosier Line is a big loser (no subsidy for the subsidy-dependent services), and funding for the well-received Pence Administration Regional Cities program is excised (it had been funded in the last budget with \$85 million in tax amnesty dollars but while the Guv and leaders were on board, Senate Committee on Tax and Fiscal Policy Chair Travis Holdman (R) says there just wasn’t sufficient money available).

The House had backed the child services request for \$286 million in each year of the biennium, and the Senate had initially sought to trim things back a bit, citing increased placements and decreased caseload trends, but offering a safety net. In the end, DCS wins an additional \$256 million in FY 2020 and \$246 million in FY 2021, with the ability to tap into as much as \$25 million more if needed, but those bucks would come from the surplus, and not from the Special Transportation Flexibility Fund (seeded with gas tax dollars), as the Senate had proposed.

Query when the last time an agency saw a \$500 million biennial budget bump (after getting an interim supplemental infusion) – outside of perhaps a required Medicaid lift Back in th Day, and that might even be high – and some appropriators in both parties still thought the budgeted amount was too low.

Of the new budget funding not diverted to DCS or Medicaid, 72.6% was directed to K-12 education, according to House Committee on Ways and Means Co-Chair Todd Huston (R).

The education funding is clearly the featured aspect of the budget, with the Governor and GOP legislative leaders doing their big budget reveal on the Third Floor with representatives from key education groups joining them on short notice. But illustrating the dichotomy in perception of the education funding provisions was the absence of Democrats, the Indiana State Teachers Association, and Superintendent of Public Instruction Jennifer McCormick (R) from the lovefest.

House Speaker Brian Bosma (R) says that those entities that made “reasonable” requests were represented at the reveal. Dr. McCormick had fought for raises in a statewide barnstorming tour of sorts, and ISTA had sought specific teacher raises – not just freeing up dollars to allow them and relying upon each district to pass along the savings or largesse.

While we do a Marianas Trench-like deep dive into education funding in our sister Hannah newsletter, INDIANA EDUCATION INSIGHT, this week, there are a few basic numbers we’ll cover here, sans nuance.

The budget contains \$14.8 billion for education across the biennium, an overall \$763 million increase for K-12 education, including a 2.5% increase in formula funding in each year of the biennium (a larger total increase than either the initial House or Senate versions).

The figure includes increases in different forms for charter schools and vouchers, but Speaker Bosma refers to the “historic” increases as “a tremendous success for public school education in Indiana.” Senate President Pro Tem Rodric Bray (R) also points to “an increase in per-student funding.”

House Democratic Leader Phil GiaQuinta (D) says that despite the overall improvements in funding, “it’s clear that our traditional public schools will not receive the resources they need.” The voucher program was funded at a level sought by the House, but initially dissed by the Senate, while charter school grants grow by 50% to \$750 per student (below the \$1,000 sought by the House).

Back Home in their respective districts, majority caucus members touted the ability to drive more dollars back into the classrooms . . . and additional “categoricals” for school safety.

Included in the package: \$539 million more in biennial tuition support; \$150 million added to pay down teacher pension liability; and a 25% increase for teacher appreciation grants – the stipends will see a change in qualification for broader eligibility – to \$37.5 million annually. There is also new money for the Secured School Safety Grant program. Add it all up, and you get about a 4.5% increase each year.

The budget doesn’t rely upon any money from HB 1015 (formerly SB 552), the omnibus gaming bill which also passed in the final hours of session Wednesday night. That measure would potentially add \$25 million in new one-time fees for moving a Gary casino inland off the current footprint and licensing a new casino in Terre Haute and millions more annually from taxes on what are expected to be additional incremental revenues from those two casinos; earlier implementation of live dealers at racino table games; and fees and a 9.5% tax on the adjusted gross revenues of sports wagering operators, whether generated from in-person or mobile bets. Rep. Todd Huston (R), the House sponsor, estimated \$20 million to \$25 million in net new annual tax revenues after other gaming-related tax restructuring.

And there won’t be any bucks from a vaping liquids tax, one of the few bills to die in the final hours sans agreement – and that just may have been one where there was no middle ground. Speaker Bosma said Thursday, “I’m sure this will not be our last conversation. I personally believe we should have regulated vaping. It has become a near epidemic for young people, and we saw statistics where 50% or 60% of those who are vaping are smoking cigarettes in short order.”

Senate Resident Pro Tem Rodric Bray (R) said he learned one big thing from the final night meltdown in 2018, and made it clear to his caucus members and negotiators: “You have to compromise and can’t wait until the last minute to do it.” As for the bills that made it, Speaker Bosma believes the fact that many priorities “coincided” helped, noting that there were “very common goals this session.”

Not included in the conference committee report: four Democratic Senate amendments which had been hailed as a minor display of bipartisanship as the HB 1001 initially passed the Senate.

The budget continues to set aside a hefty reserve. The surplus is projected to be some \$2 billion in each year, about 11.6% to 11.8% of overall spending.

IN Politics

Federal Office Races . . .

● The first quarter federal campaign fundraising reports are in, and while there might be some surprises in some bottom-line amounts at both the top and bottom of the ranks, you probably could have pretty fairly forecasted the rank order of January through March fundraising and cash-on-hand back around New Year's Day.

□ House incumbents with campaign debt: U.S. Reps. **Jim Banks** (R), who carries \$29,981.23; **Jim Baird** (R) is burdened with \$180,000 from his loan to his primary effort (although he paid off \$40,000 during Q1, which made his real expenditures less than \$4,000); and **Trey Hollingsworth** (R) owes himself \$585,628.35. Former Sen. **Brent Waltz** (R) continues to show a debt of \$120,844 that he owes himself from his unsuccessful 2014 primary bid in CD 08 . . . U.S. Rep. **Jackie Walorski** (R) continues to benefit from her House Committee on Ways and Means membership, a great post from which to raise campaign cash. She leads the delegation by about \$100,000 in first quarter take . . . U.S. Rep. **Greg Pence** (R) posts a seemingly impressive \$225,770 in contributions, but spent more than 90% of it during the quarter, a dangerous burn rate (and Rep. Banks is at the opposite end of the burn rate spectrum). His \$156,194 in individual contributions is also about triple that of the next closest Hoosier colleague, which we'll attribute to all those email solicitations to his fundraising lists. He is also low on the PAC end of the fundraising totem pole . . . both Hoosier Democrats seemed to have raised little compared to their respective expenditures during the first quarter . . . when you look at how much of a members overall cash on hand was raised during the first quarter, Rep. Hollingsworth leads with 93% of his cash on hand being harvested during the first quarter, followed closely by Rep. Banks with 91%, while Rep. Pence raised only eight percent of his current kitty during Q1, and Reps. **Susan Brooks** (R) (nine percent) and **Larry Bucshon** (R) (10%) close behind.

First Quarter 2016 Federal Campaign Finance

	Receipts	Expends	PAC \$	Indiv. \$	Cash
Visclosky (D)	\$ 160,520	\$ 129,804	\$ 106,500	\$ 51,520	\$ 409,270
Walorski (R)	\$ 324,648	\$ 81,104	\$ 161,200	\$ 13,632	\$ 361,575
Banks (R)	\$ 154,686	\$ 43,862	\$ 68,500	\$ 85,586	\$ 122,333
Baird (R)	\$ 15,750	\$ 43,478	\$ 15,500	\$ 250	\$ 82,073
Brooks (R)	\$ 161,245	\$ 81,030	\$ 105,505	\$ 54,108	\$ 945,141
Pence (R)	\$ 225,770	\$ 207,635	\$ 9,000	\$ 156,194	\$ 218,661
Carson (D)	\$ 60,890	\$ 65,562	\$ 34,500	\$ 21,006	\$ 845,825
Bucshon (R)	\$ 81,800	\$ 61,175	\$ 51,300	\$ 30,500	\$ 254,856
Hollingsworth (R)	\$ 200,594	\$ 92,332	\$ 171,900	\$ 14,550	\$ 115,589
Young (R)	\$ 197,016	\$ 79,395	\$ 27,000	\$ 94,322	\$ 408,757
Braun (R)	\$ 145,885	\$ 92,439	\$ 85,677	\$ 26,819	\$ 125,030

IN Mayoral Races . . .

● Some miscellaneous mayoral campaign finance numbers: Indianapolis Mayor **Joe Hogsett** (D) finished the pre-primary reporting period (which ended April 12) having raised \$769,022, and reports starting April with \$3,886,458 in cash-on-hand. Sen. **Jim Merritt** (R), his Republican challenger, reports a \$223,960 cash balance. The Hogsett campaign asserts that the mayor's balance represents a record cash-on-hand figure for any mayoral campaign pre-primary filing in the history of Indianapolis (and thus likely statewide as well). The Hogsett campaign counts 333 individual contributions at amounts less than \$200, representing more than 67% of all individual contributions received during the filing period. More than 82% of individual contributors were Indianapolis residents . . . in Anderson, Mayor **Tom Broderick** (D) far outpaces his primary and general election opponents, raising \$53,172 during the reporting period, spending only \$11,765, and looking toward the primary with \$222,234 in his campaign treasury . . . in South Bend, **James Mueller** (D) - endorsed by outgoing Mayor **Pete Buttigieg** (D) - leads the primary field with almost \$245,000 in contributions from January 1 - April 12, followed by \$139,000 for **Jason Critchlow** (D), and each campaign spent more than \$90,000. Mueller is well ahead of the big field with cash-on-hand of some \$153,000 to \$40,000 for Critchlow. The 2016 CD 02 nominee, **Lynn Coleman** (D) showed less than \$20,000 in receipts, with more than one-half of that amount transfers-in from that congressional campaign. A pair of other Demos barely top \$15,000 each in 2019 contributions . . . Carmel mayor **Jim Brainard** (R), though under siege - most recently over "toxic" work environment claims - raised \$167,050 during the reporting period, spent \$251,011, and ended the period with cash on hand of \$58,803, before lending his own campaign \$60,000 on April 19. Allied Solutions matriarch **Missy Eldredge** of Plano, Texas, contributed \$15,000 to the incumbent.

His primary challenger, **Fred Glynn** (R), raised \$94,813, spent \$40,7089, and had cash-on-hand of \$54,104 after a personal \$50,000 loan he made to his campaign. The **Todd Rokita** Election Committee made a \$3,000 contribution to Glynn in January, while the Fund for American Exceptionalism at the same address, added \$5,000 more. Sen. **Jack Sandlin** (R) also kicked in \$200 . . . with no real campaign facing him, Fishers Mayor **Scott Fadness** (R) brings in \$87,100 during the period, spent \$187,067, and has \$356,801 left for November - or 2020 . . . in Noblesville, the gubernatorially-endorsed open seat candidate, **Chris Jensen** (R) raised \$85,587, spent \$185,389, and had \$74,071 remaining. **Julia Church Kozicki** (R) raised \$31,740, spent \$30,895, has less than \$2,000 left, and owes herself \$10,000. A third candidate raised less than \$15,000, spent less than \$9,000, and has just under \$7,000 left . . . open-seat Valparaiso candidate **Matt Murphy** (R), a city council member who does not have a primary opponent, raised \$23,530 during the period, spent \$28,467, and has \$65,518 in cash left, far more than any of his potential November opponents . . . the two leading Demo candidates for the open-seat Portage mayoral office each raised just north of \$30,000 in

the four-candidate primary, far outpacing their other well-known opponents and the sole GOP hopeful . . . Terre Haute Mayor **Duke Bennett** (R) raises \$2,700 and spent less than \$1,000 during the period, but has a \$141,057 balance, while his likely Fall opponent reports cash on hand of just \$4,213 . . . all three GOP mayoral candidates in Lebanon report outstanding loans from themselves to their respective campaigns.

IN the Presidential Race . . .

● South Bend Mayor **Pete Buttigieg** (D) was the subject of his second CNN Town Hall (Monday); his first thrust him into the national spotlight . . . the latest Morning Consult Political Intelligence report, based on more than 14,000 interviews with registered voters over the week before Easter finds that Mayor Buttigieg moves up to third place among 2020 Democratic primary voters with nine percent of the vote. Almost two-thirds (64%) of likely Democratic primary voters have now heard of Buttigieg . . . in the University of New Hampshire Granite State poll (04/10-18; 241 likely 2020 Democratic Primary voters; margin of error \pm 6.3%) of likely Democratic voters in NH, they are asked an open-ended question about for whom they will vote in the 2020 primary. While 40% cannot name a candidate, Mayor Pete polls third at 11 percent. When provided a list of major likely Democratic candidates likely to do so, he still runs third, the choice of 15%, up from just one percent in the most recent (late February) survey . . . expect Buttigieg paid campaign staff to jump by some two-thirds by the end of the month to about 50 . . . “Caught off guard by his sudden surge, Pete Buttigieg’s rivals are scrambling to find vulnerabilities and lines of attack that can be used against him,” Democratic rival campaigns and GOP political groups tell **Josh Lederman** of NBC News (and some stories are starting to be written about the police department wiretapping and personnel issues we told you a few weeks go to expect). Virtually nothing has been written about his Chrysler bailout defense and its economic grounding (remember his 2010 campaign opposition to then-state treasurer **Richard Mourdock** (R) and his court crusade against Chrysler cash?). The Indiana Republican Party has largely been the oppo research machine, and last week state party Chair **Kyle Hupfer** called on Mayor Buttigieg to immediately release five hidden tapes at the center of the seven-year court battle over the firing of the city’s first-ever African American police chief, following a new court ruling that the case can now proceed to trial. We’ve been telling you to expect national attention to this matter. “Mayor Buttigieg has wasted millions of taxpayer dollars in a seven-year effort to keep these tapes secret and hidden from the public,” said Hupfer. “This court battle has gone on long enough and cost far too much. Mayor Buttigieg should release the tapes immediately before it costs the city even a penny more.” The Hupfer hit came just as the *Washington Post* headlined a story, “Pete Buttigieg will need to win over black voters if his bump in polls is to continue” . . . none among the list of 23 bundlers released by Team Pete to the Center for Public Integrity hails from Indiana . . . look for a May 19 (Pole Day and Bump Day!) Chris Wallace-moderated Fox News Buttigieg town hall event from New Hampshire (Wallace, who cut his political teeth covering Chicago’s first Mayor Daley in the early 1970s, has already interviewed Mayor Pete on *Fox News Sunday*) . . . NiemanLab marvels that “Pete Buttigieg is on every podcast, and 2020’s retail politics is increasingly happening in earbuds,” explaining “you can find Buttigieg up and down the Apple Podcasts charts, mostly in the corners of podcast-land that you’d pretty much expect” as well as “some quirkier venues . . . Buttigieg’s podcast push is so discernible it kicked off a recent piece by Vox’s **Matt Yglesias** that sought to place the Team Pete “go everywhere” media strategy in the context of 2019.

IN Political News . . .

● Morning Consult discloses its 2019 first quarter approval ratings for senators and governors (based on interviews from January 1 - March 31), and you will note a dip for Indiana’s senior senator and governor over the year. Governor **Eric Holcomb** (R) now has 22 other governors nationally ranking above him in approval, though he’s more popular than our guys in Washington, D.C.

Incumbent	Favorable	Never Heard of	Unfavorable
Sen. Todd Young (R)	39%	37%	25%
Sen. Mike Braun (R)	40%	33%	27%
Gov. Eric Holcomb (R)	49%	29%	22%

● GOPAC’s 2019 Class of Emerging Leaders, comprised of “promising legislators selected for their potential and ability to impact their state,” includes Sen. **Victoria Spartz** (R). She’ll participate in a June 10 - 12 “Emerging Leaders Summit” in Charleston, South Carolina, as part of GOPAC’s mission to educate and elect a new generation of Republican leaders.

● The Vectren Corporation Employees Federal PAC makes a \$5,000 March contribution to the Indiana Democratic Party.

● A new political action committee registering with the Indiana Election Division: DLCC Indiana, affiliated with the Democratic Legislative Campaign Committee, whose purpose is “To support Democratic Candidates for state legislative office.”

● Axios scoops that former U.S. Sens. **Joe Donnelly** (D) and **Heidi Heitkamp** (D-ND), two 2018 election victims, “are launching the One Country Project to help Democrats win back rural voters ahead of the 2020 cycle . . . focusing on Democratic Senate races and the presidential election, but eventually [the effort] wants to work down the ballot. Heitkamp and Donnelly will work with campaigns before the election, giving them messaging, data, polling and a strategy to break through with these voters who ‘didn’t feel that we shared their beliefs’ in past elections, Donnelly told Axios. ‘Culturally, they’re focused on faith and family and country, and Donald Trump tells them all the time that we’re not, even though we are.’”

□ Unspoken: Donnelly is from St. Joseph County, and South Bend Mayor **Pete Buttigieg** (D) is trying to emphasize in his presidential bid that Republicans don’t have the monopoly on faith-based voters.

● Remember **Andrew U. D. Straw**? He’s the attorney who has had some run-ins with the disciplinary authorities and who filed the legal ethics complaint against Attorney General **Curtis Hill** (R) pending before the Supreme Court. Straw, who has made bids of a sort for state and congressional office, and seems to live in Illinois now, just opened a congressional campaign committee, **Andrew U. D. Straw for Vermont**, for a run in Vermont’s CD 01.

IN Brief

IN Federal Circles . . .

● U.S. Sens. **Todd Young** (R) and **Mike Braun** (R) cosponsor a resolution designating April as Financial Literacy Month. The resolution aims to highlight the importance of learning and maintaining healthy financial habits.

● The American Conservative Union reveals its 2017 and lifetime vote ratings for federal lawmakers, “based upon their commitment to conservative principles as demonstrated by their voting records.” ACU lost its top two 2017-18 supporters when then-U.S. Reps. **Todd Rokita (R)** and **Luke Messer (R)** were unsuccessful in their primary bids for U.S. Senate in 2018.

CD	Member	2018	2017	Lifetime
01	Visclosky (D)	8	4	9.52
02	Banks (R)	92	93	92.30
03	Walorski (R)	76	93	77.93
04	Rokita (R)	92	100	92.71
05	Brooks (R)	72	78	72.13
06	Messer (R)	95	96	90.53
07	Carson (D)	17	8	5.55
08	Bucshon (R)	72	74	77.13
09	Hollingsworth (R)	76	88	82.23
	Donnelly (D)	23	0	23.86
	Young (R)	91	80	82.61

● There are no Hoosiers serving on the two committees that will have the most ongoing involvement in White House-related investigations this year: the Committee on Judiciary and the Committee on Oversight and Reform.

□ By contrast, several Hoosiers were prominent in previous presidential impeachment proceedings and executive branch oversight investigations, including then-U.S. Reps. **David Dennis (R)**, a member of the House Committee on Judiciary during the 1974 Nixon impeachment vote . . . **Steve Buyer (R)**, a member of the House Committee on Judiciary during the 1998-99 Clinton impeachment proceedings, and as a manager (prosecutor) in the Senate trial . . . and **Dan Burton (R)** as chair of the House Committee on Oversight and Government Reform overseeing the Vince Foster suicide and Democratic Party 1996 presidential election campaign finance investigations.

● U.S. Rep. **Jim Banks (R)** teams with U.S. Reps. **Anthony Brindisi (D-NY)** and **Mike Bost (R-IL)** to introduce the “Support for Suicide Prevention Coordinators Act.” H.R. 2333 is a bipartisan measure that would require the comptroller general of the United States to conduct an assessment of the responsibilities, workload, and vacancy rates of the Department of Veterans Affairs suicide prevention coordinators. These staffers identify high-risk veterans and ensure they receive appropriate care, conduct and outreach, and also promote awareness and suicide prevention best practices within VA, among other responsibilities. Many suicide prevention coordinators report being overworked and unable to keep up with their assorted responsibilities. Says Rep. Banks, “Only about seven percent of Americans have worn our nation’s uniform, yet each day 20 veterans commit suicide. At the forefront of this national epidemic are the caring VA Suicide Prevention Coordinators. I am proud to co-lead this bipartisan legislation that will help those who work tirelessly to save the lives of our beloved warriors. We must do more to prevent veteran suicide and this bill is a great step.”

IN State Circles . . .

● Look for the Gary Community School Corporation to test the bond market waters with a \$5 million bond refunding deal to see just how receptive the market might be to the troubled district, under the direction of a state-appointed emergency manager, perhaps leading to a bigger deal to address its current overall debt portfolio.

● On the day after lawmakers approved legislation eliminating the fee for a five-year firearms license, allowing firearms in churches at their discretion, and approving immunity for those who use firearms in defense against a forcible felony, Everytown for Gun Safety Action Fund released new SurveyUSA polling (04/15-17; 970 RVs; margin of error $\pm 4.3\%$) which finds 56% of Hoosiers believe gun laws should be made stronger, vs. eight percent who prefer weaker gun laws; 90% support requiring a background check on every gun sale; and 86% support a federal “Red Flag” law similar to Indiana’s Red Flag law. Look for the Governor to sign the law while the NRA annual meeting crowd is in town.

● During the final weekend of the session, Hallador Energy Company clarified that **Scott Pruitt**, the former administrator of the U.S. Environmental Protection Agency, had been retained and registered “on behalf of Rail Point Solutions LLC, a subsidiary of Hallador Energy Company, as a lobbyist to attempt to protect the ratepayers of Indiana from Vectren and NIPSCO rate increases.” As permitted by the law’s 15-day grace period, Pruitt had been quietly working his trade around the Mile Square before he registered. The principal focus, apparently, was on the generation-change moratorium won in committee by Rep. **Ed Soliday (R)**, but jettisoned on the House floor in a bipartisan vote on an amendment offered by Rep. **Matt Pierce (D)** – perhaps the only controversial utility amendment he has offered which has been successful. While there was talk early in the week that it might find a home in the budget, leadership made sure that would not happen.

□ Hallador issued a statement in the sessions waning days asserting that Vectren and NIPSCO – which say they were seeking to shift from coal to other generation sources to conform with federal changes, market forces, and consumer preferences – “are proposing policies that will increase their customers’ electricity bills.” Hallador explains, “The Indiana Utility Regulatory Commission (IURC) ultimately will decide the outcome of these policies, but Vectren and NIPSCO are arguing that the IURC should close plants based on Obama era rules that Trump and his EPA are in the process of unwinding. Their argument is that no one knows what the new rules will look like so we should hurry and make permanent decisions today. Who better than Scott Pruitt to aid the Indiana legislature on what Trump energy policy will look like?”



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□ Without delving into the details about cost overruns at expensive plants, abandoned plans, and facility shutdowns to adjust to reduced consumption, Hallador notes that “In the last 10 years, Indiana coal consumption has declined by 26%, at the same time Indiana electricity rates have increased by 26%. Is there a correlation? At the same time, Indiana has slipped from the 6th most competitive state based on electricity rates to 30th. Will this affect job creation?”

□ The coal provider adds, “Ultimately, Governor Holcomb is not allowed to instruct the IURC on energy policy, it is up to the Indiana legislature to create an energy plan for the IURC to follow. We are asking the legislature to add two sentences to the budget bill that prevent the IURC from making decisions based on rules that the EPA is currently reconsidering, and in some instances has already reversed. We are asking the Indiana legislature to act and prevent rates from increasing unnecessarily. A failure to act will most assuredly lead to higher rates on Indiana consumers and businesses. We are reaching out to our friends in the Indiana Chamber of Commerce and Indiana Manufacturer Association to ask them to help us in this effort.”

□ Reuters reported Monday that “The Chamber’s 50-member energy committee unanimously rejected Pruitt’s campaign. ‘Not one person we’ve talked to or heard from - except for Scott Pruitt and Rail Point - thinks the moratorium will benefit ratepayers,’ said Indiana Chamber President and CEO Kevin Brinegar.”

□ Not only did the Hallador effort fall short, but on Wednesday, the IURC issued a huge ruling rejecting Vectren’s proposal for a new 850 MW gas-fired power plant to be built in Posey County at a cost of some \$780 million+ (on the site of its existing A.B. Brown coal-fired plant). The Commission found that Vectren South’s evidence did not convince it that the utility’s proposal would allow it flexibility and “optionality.” We thought this matter was to be decided in late May - but conspiracy theorists think may have been moved up to send a message while lawmakers were still in session (outside observers suggest that the fact that there was no executive session slated for the matter means that commissioners believed it to be a non-controversial matter that was an easy call, so they bumped up the timetable).

□ How big a deal was this? When we called it huge, that may be an understatement. We can’t recall - and practitioners with three decades of IURC experience can’t tell us - of any major plant sought by an investor-owned utility *ever* being rejected by the Commission. While IURC orders frequently impose assorted significant conditions for construction or operation (and some applications have been withdrawn), rejection of a major facility for a major utility may simply be unprecedented.

□ The Commission recognized the requested preapproval would obligate regulated customers for a 30-year period in a time of rapid change, and that prospective reliance on future market conditions brings risk. The Commission stated in its Order, “A metric biased in favor of portfolios with surplus generation is speculation we decline to embrace.” Further, the Commission’s Order states, “We are hard pressed to see how reliance on one facility for so much of the Vectren South system requirements is consistent with maintaining flexibility to respond to changing market conditions and technological change.”

□ The 38-page Commission Order explained that “Outcomes that reasonably minimize [supply side option or demand side opportunity] potential risk and serve to foster utility and customer flexibility in an environment of rapid technological innovation on both the utility and customer side of the meter are, therefore, a lens through which we will review Vectren South’s request.”

□ Commissioners continued, “Vectren South foreclosed consideration of combinations of smaller resources that might have offered greater resource diversity, flexibility and cost efficiencies than reliance on the acquisition of a single large natural-gas facility,” including purchase of power, like NIPSCO did. “[W]e find nothing in Vectren South’s evidence convinces us that its proposal provides any off ramps that would allow Vectren South to react to changing circumstances and make appropriate changes in resources. To the contrary, Vectren South’s proposal seems to close most off ramps for the foreseeable future We are further concerned that Vectren South appears not to have accounted for material risks associated with its preferred portfolio.”

□ The IURC bottom line: “Vectren South’s risk analysis does not adequately consider the relative risk of other methods for providing reliable, efficient, and economical electric service. The proposed large scale single resource investment for a utility of Vectren South’s size does not present an outcome which reasonably minimizes the potential risk that customers could sometime in the future be saddled with an uneconomic investment or serve to foster utility and customer flexibility in an environment of rapid technological innovation. As a result, we find that Vectren South has not demonstrated through the evidence of record that the public convenience and necessity require the building of an 850 MW CCGT.”

□ Consumer group intervenors contended that not only was the proposed plant overbuilt and far exceeded likely customer power demands, but “the plant would lock consumers into a fossil fuel energy infrastructure for the next 40 years, over the life of the plant, and not allow flexibility to employ conservation and clean energy alternatives.” Earthjustice and Citizens Action Coalition of Indiana, representing a broader coalition, said added in a statement that Vectren “can reliably serve its customers without keeping dirty, expensive, and inefficient coal units running, and without maintaining a reliance on fossil fuels and building massive gas plants to replace their dinosaur coal fleets.” Talk on the street is that with the small electric customer base and the uncertainty of how to move forward with a new smaller plant or alternative energy sources, new Vectren owner CenterPoint Energy may look to divest that side of the business (and Duke Energy would be a logical buyer, given adjacent markets) and hod on to the natural gas customer base.

● In House Committee on Rules discussion on the conference committee report for SB 442, the carbon sequestration bill, Rep. Matt Pierce (D) seized upon a “whereas” clause in the measure as the first time that the General Assembly will have recognized the issues associated with climate change and taken affirmative steps to address it.

□ The House sponsor, Rep. Alan Morrison (R), wasn’t quite as prepared as Rep. Pierce to reach the same conclusion, though the legislature’s first 2016 Trump backer praised the Obama Administration for facilitating the change on which the Trump Administration “doubled down.”

□ Rep. Pierce pointed to this language as proving his point: “because the underground storage of carbon dioxide in subsurface strata or formations of the earth can assist efforts to reduce carbon dioxide emissions and thus materially promotes the well-being of citizens of the state, the underground storage of carbon dioxide is declared to be: (1) in the public interest and for the welfare of Indiana and the people of Indiana; and (2) a public use.” Rep. Pierce also referred to it a few hours later on the House floor as “our first climate change bill in the General Assembly.”

□ The conference committee report was being shaped just as a new statewide survey commissioned as part of the Indiana University “Prepared for Environmental Change” Grand Challenge initiative was released. The IU Grand Challenge project polling revealed that four out of five Indiana residents believe climate change is happening, and three out of four support efforts to address the impact of climate change. Two out of three Hoosiers agree that increased flooding poses a threat to Indiana communities, and almost 60% believe that increased drought poses a threat to Indiana agriculture. The online survey was performed by Atomik Research (04/03-10; 1,002 Indiana residents; margin of error $\pm 3.0\%$).

□ The partisan breakdowns might surprise you a tad. A full two-thirds (66%) of Hoosier Republicans believe that climate change is happening – either “somewhat” or to “a great extent” – compared to 87% of independents and 91% of Democrats. Almost two-thirds (65%) of Hoosier Republicans support – at least to some degree – initiatives designed to prepare for the effects of climate change in Indiana communities. A bare majority (52%) of Democrats surveyed said they support – to a great extent – policies that support general initiatives designed to prepare for the effects of climate change on Indiana communities, compared to 23% of Repubs reached by the poll.

□ Just under one-half (48%) of Democrats surveyed said they support – to a great extent – policies that seek to lessen the impact of flooding in Indiana, compared to 30% of Republicans surveyed. While 58% of Democrats surveyed said they support – to a great extent – policies that seek to lessen damage to agriculture and crops in Indiana, only 38% of Republicans responding felt the same.

● The Region should have no complaints about treatment by lawmakers this session after South Shore assistance (but a state board takeover) and authorization to move a Gary casino off-footprint to I-80-I-94, coupled with “hold harmless” casino revenue aid for Hammond, East Chicago, and Michigan City.

● While HB 1211 was sitting on the Governor’s desk awaiting his signature (it happened Wednesday), on April 18, a U.S. District Court judge in Cincinnati, a Bush 43 appointee, enjoined a similar provision in a new Ohio law that bans the dilation & evacuation (D&E) method of abortion in most cases. Indiana’s D&E law passed even as the American Civil Liberties Union of Indiana questioned its constitutionality, and vowed to challenge the measure – which it did on Thursday. *Bernard, M.D., et al., v. Indiv. Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv-1660-SEB-DML. ACLU of Indiana is 6-0 in its recent challenges to Indiana abortion laws (the most recent one in which the law was upheld involved Indiana University suing on behalf of its researchers; IU – which was successful in its lower court challenge to parts of HEA 1337-2016 – has filed a petition for rehearing and a petition for rehearing *en banc* of the mid-March ruling by a divided U.S. Court of Appeals for the Seventh Circuit, which won’t please a big chunk of lawmakers).

□ The Ohio U.S. District Court judge – who had chaired the Hamilton County (Cincinnati) Republican Party from 2001 to 2005 – found that the Ohio D&E law was likely to be declared unconstitutional because it places an undue burden on a “large fraction” of Buckeye State women.

● Attorney General Curtis Hill (R) filed the State’s latest brief last week in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019. This is the State of Indiana’s appeal, from the U.S. Court of Appeals for the Seventh Circuit, that asks the Court to determine whether a state, consistent with the 14th Amendment, may require an ultrasound as part of informed consent at least 18 hours before an abortion.

□ *Amicus* briefs have already been filed by the American Association of Pro-Life Obstetricians & Gynecologists, *et al.*; Institute for Faith and Family; Focus on the Family; Operation Outcry; Women Injured by Abortion; The Justice Foundation, and Melinda Thybault; Pro Life Action League; Prolife Center at the University of St. Thomas; Louisiana, *et al.*; Trinity Legal Center; and CatholicVote.org Education Fund.

□ “For women considering abortions, ultrasounds are an important part of informed-consent counseling,” General Hill said. “Anyone interested in protecting women’s health, including their mental health, should support giving them as much information as possible to aid their decision-making. Empowering women with knowledge is fully consistent with the U.S. Constitution.”

□ Meanwhile, the justices of the Supreme Court of the United States slated their next conference for Friday, April 26, and one of the two big Indiana cases should return for a 12th time – more than any other case on the conference calendar.

□ Through 12 conferences, the high Court has already postponed a decision on whether to review the State of Indiana’s October petition for a *writ of certiorari* in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. This is the challenge to provisions of HEA 1337-2016 that would (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition. We’ve recited for you too many times the assorted theories why the Supremes have avoided making a decision – on making a decision. with the State’s filing last week in other HEA 1337-2016 case, the Court may be closer to a *cert* ruling.

● In a late Wednesday afternoon point of personal privilege, Senate Committee on Tax and Fiscal Policy Chair Travis Holdman (R) apologized to colleagues for not being able to comfortably tweak formulae in HB 1034, legislation closely watched by mayors in particular, that would exclude certain infrastructure from the definition of a “controlled project.” He promised to work with everyone over the interim to arrive at an appropriate set of numbers to plug in for the 2020 session.

● Mark your calendars (in pencil) for Technical Corrections Day on June 4.

● A State Board of Accounts audit of the Indiana Department of Veterans’ Affairs questions spending of \$718,260.59 in federal Temporary Assistance to Needy Families (TANF) funds under a memorandum of understanding with the Family and Social Services Administration to provide counseling and employment/training assistance to veterans and their families.

● Democrats got in a few gratuitous shots at social conservatives in the final hours of floor debate Wednesday night. Sen. Mark Stoops (D) called out – by name – Advance America and the American Family Association of Indiana for killing mental health funding for schools. He asked his Senate colleagues rhetorically, “Isn’t suicide a sin?” and suggested they will have to explain to Jesus. A few minutes later on the House floor, Rep. Ed DeLaney (D) marveled over an amendment stripping mental health funding from the budget bill that they hadn’t yet passed, labeling it a “craven act by some fanatics.”

● Based on what it describes as “extensive work and discussion during the design and development stages of the project, including input from providers and other stakeholders,” the Family and Social Services Administration has decided to take a phased approach with the implementation of EnCred, the enrollment and credentialing solution for Indiana Health Coverage Program (IHCP) providers. EnCred is intended to streamline IHCP provider enrollment and managed care entity credentialing into a single process – resulting in fewer transactions, less redundancy, and faster turnaround times for providers.

□ FSSA believes that a phased approach will facilitate a smoother transition to the new solution, limiting the possible adverse issues that might arise with each implementation phase, and allowing providers, stakeholders, and IHCP to focus efforts and resources to make certain each phase is successful before proceeding with the next phase.

● In a case we followed for you as it worked its way through the LaPorte County Superior Court, *Ctr. for Wildlife Ethics, Inc. v. Clark*, No. 18A-PL-2500, a unanimous Court of Appeals panel affirms the dismissal of a complaint filed by the Center for Wildlife Ethics challenging a Department of Natural Resources emergency rule that permitted rifle hunting of deer in certain state parks. As you may recall, DNR promulgated that emergency rule to circumvent a legislative oversight that barred use of rifles to hunt deer on public land. The Center alleged in one of its early filings that “Despite the clear legislative mandate [DNR] used the emergency rule process to circumvent the legislature and defy its mandate to allow [DNR] to permit the use of rifle deer-hunting on public land.” The appellate panel ruled that the trial court did not err in dismissing the complaint because DNR acted within its emergency rulemaking powers.

□ In a news release last week making no reference to the legislative error – which could not be corrected in time for the planned hunts – the Office of the Attorney General frames the dispute this way: “Among other things, the organization claimed in its lawsuit that DNR violated state law by temporarily closing parks to most visitors during the controlled hunts.” Attorney General Curtis Hill (R) is quoted saying that “Indiana law gives DNR the authority to control admission to its state properties and to conduct appropriate management of wildlife resources both within and outside the boundaries of public lands. I am pleased the court has rightly recognized DNR’s prerogatives in this regard.” DNR Director Cameron Clark described the court decision as a victory for DNR’s ability to effectively mitigate the adverse effects of deer overpopulation. “We are pleased the Court of Appeals upheld the trial court ruling and years of rule-making by the DNR,” Director Clark added.

● We told you earlier this year that the Carmel-based Midcontinent Independent System Operator Inc. (MISO) was asking the Federal Energy Regulatory Commission (FERC) to revise a standard to which it was subject to make it easier for MISO to schedule planned outages, things such as the scheduled removal of a generator from service for inspection, maintenance, or repair. MISO had previously managed generator planned outages through voluntary rescheduling, but was concerned that the transition from a generation portfolio relying principally upon coal and nuclear sources to one in which intermittent and emergency-only resources become more important, decreasing capacity margins and making MISO more vulnerable in extreme weather events and in times of natural gas availability issues. MISO told FERC that this portfolio change was responsible for an increase in emergency situations during such outages, forcing the grid operator to tap some sources at maximum output to manage or alleviate the emergency.

□ FERC signed off on a plan under which MISO was authorized to impose penalties for outages scheduled during low-capacity margin, high-risk periods, and assist generators in scheduling planned outages by improving the transparency and quality of generator outage information through MISO’s internal maintenance margin tools. FERC determined that the proposed changes would appropriately address the concerns, and that the tiered penalty rubric acted as an incentive of sorts for the generators, particularly when planned outages and submitted well in advance were eligible for exemptions from penalties if the outage was scheduled entirely within a projected period of low risk with a sufficient resource margin, while planned outages scheduled at least 120 days in advance will generally not be subject to any fee.

□ MISO submitted its new compliance filing on Wednesday.

● Just as budget negotiators were preparing to digest the revenue collection forecast and work out the final details of the budget, Brown County Magistrate Frank Nardi, sitting as a special judge in Monroe County Circuit Court 6, found that anti-annexation language inserted at the last minute into the budget bill in 2017 ran afoul of both constitutional bars on special legislation and the single-subject matter requirements. He ruled that the City of Bloomington situation was not so unique as to mandate the use of special, targeted legislation, and that the language added to the budget was not germane because it was unrelated to the budget. Recall that the 2017 budget language added at the request of the Governor’s Office to protect the confidentiality of suppliers of lethal injection pharmaceutical companies was also challenged.

□ Lest you think that this might simply be a case of a local judge overstepping his authority and that the ruling may be struck down at the appellate level, while that may be the case, his ruling followed an interlocutory appeal by the Holcomb Administration of Magistrate Nardi’s denial of a State motion to dismiss. The Indiana Court of Appeals rejected the State’s appeal and remanded the case to the trial court.

□ Bloomington Mayor John Hamilton (D), an attorney who once was chief of staff to a Democratic lieutenant governor (and whose brother was a gubernatorial general counsel), issued a statement saying, “the ruling vindicates the constitutional principle prohibiting special legislation at the state level singling out municipalities for unfair treatment.”

□ “It doesn’t surprise me that it was ruled unconstitutional,” Sen. Mark Stoops (D) told the *Bedford Times-Mail*. “It was a bizarre move by the Legislature to target Bloomington.”

IN the Economy

● Through the first quarter of 2019, Indiana ranks ninth nationally in total employment growth, a .62% growth rate from December 2018 to March 2019. Indiana’s growth rate outpaces those of all of our neighboring states:

IN (9)	IL (31)	KY (19)	MI (28)	OH (24)
0.62%	0.21%	0.42%	0.25%	0.29%

● The March unemployment rate in Indiana rises by one-tenth of a percentage point to 3.6%, the first increase – or change in any direction in 10 months, since the rate began its stretch of stagnation at the 3.5% level in May 2018. That dip extends the longest stretch of no improvement we had endured on record. The Indiana unemployment rate has not improved for 15 months, now dating back to November to December 2017.

□ March sees a higher unemployment rate than the 3.4% unemployment rate in March 2018 (up by 0.2 percentage points, a higher rate of increase nationally than any state other than only Oregon, Hawaii, or Colorado). Indiana is 23rd nationally in lowest unemployment rates (down from a 21st place tie in February). There were 28 states with higher March unemployment rates than Indiana, down from 29 states (including Washington, D.C.) higher than us in January and February.

□ With the exception of one month when it was equal (in October 2014, at a hefty 5.7%), Indiana’s rate has held below the U.S. rate for 5½ years, a remarkable 66 months. We are one of 26 states with a rate lower than the 3.8% March national average. Indiana’s unemployment rate is 7.0 percentage points lower than the 10.6% rate in July 2009, the high point of unemployment experienced in the state during the national financial crisis.

Monthly Unemployment Rates, Indiana vs. Neighbors

	03/19	03/18	02/19	01/19	12/18	11/18	Monthly	Annual
Indiana	3.6%	3.4%	3.5%	3.5%	3.5%	3.5%	0.1%	0.2%
Illinois	4.4%	4.3%	4.3%	4.3%	4.3%	4.2%	0.1%	0.1%
Kentucky	4.0%	4.3%	4.1%	4.2%	4.3%	4.5%	(- 0.1%)	(- 0.3%)
Michigan	4.0%	4.4%	4.0%	4.0%	4.0%	3.9%	0.0%	(- 0.4%)
Ohio	4.4%	4.5%	4.6%	4.7%	4.5%	4.6%	(- 0.2%)	(- 0.1%)
National	3.8%	4.1%	3.8%	4.0%	3.9%	3.7%	0.0%	(- 0.3%)

□ After none of our neighboring states suffered increases in the unemployment rate from January to February, Indiana and Illinois did so in March, even as Kentucky and Ohio saw a decline from February rates. For a fifth consecutive month, Indiana saw growth in the unemployment rate over the year, up by 0.2 percentage points yet again. After two consecutive months as the sole state in the group to experience an over-the-year increase in the unemployment rate, Indiana was joined by Ohio in January and February in this distinction, while Ohio enjoyed another over-the-year decrease in March and Illinois joined us in the rate gain category.

□ While three of our neighboring states have seen their unemployment rates decline since the beginning of 2018, Indiana has seen a growth of 0.3 percentage points. Since the new administrations respectively took office in Indiana and nationally, our unemployment rate is down by 0.3 percentage points, which continues to be a less impressive decrease than that which any of our neighbors recorded . . . and while we can no longer claim that our rate is at the lowest it had been since 3.1% in December 2000, it does remain lower than that of any of our neighbors for a 31st consecutive month. The gap between Indiana’s March unemployment rate and that of our closest neighbor-state slips to 0.4 percentage points.

Rate of Change in Unemployment Rate

	03/19	01/18	01/17	vs. 01/18	vs. 01/17
Indiana	3.6%	3.3%	3.9%	0.3%	(- 0.3%)
Illinois	4.4%	4.4%	5.2%	0.1%	(- 0.8%)
Kentucky	4.0%	4.3%	5.2%	(- 0.3%)	(- 1.2%)
Michigan	4.0%	4.5%	5.0%	(- 0.5%)	(- 1.0%)
Ohio	4.4%	4.5%	5.2%	(- 0.1%)	(- 0.8%)
National	3.8%	4.1%	4.8%	(- 0.3%)	(- 1.0%)

□ Indiana’s total labor force – the number of people who have a job or are actively looking for one – continues to grow (for a 13th successive month), experiencing a net increase of 6,769, lower than the February gain. The Department of Workforce Development attributes the gains to an increase of 2,634 unemployed residents and an increase of 4,135 employed Hoosiers.

□ Indiana’s seasonally adjusted total labor force now stands at 3,414,389, up slightly from February, and also above levels dating back to the beginning of Q4 2018. Indiana’s labor force has now grown for 26 consecutive months, the longest streak in more than a decade. While the state ended 2018 with record employment numbers for the year, the total number of employed Hoosiers in February preliminarily reached 3,291,068, a new record high, topping the previous peak of 3,284,190 for the state set in February. Total private employment reached a new preliminary record apex of 2,750,640, above the December 2018 peak. An estimated 123,21 Hoosiers are currently unemployed and seeking employment, up from February numbers.

□ The state’s 65.3% labor force participation rate has improved slightly each month this year, and remains above the national rate of 63.0% (which fell slightly). Indiana’s labor force participation rate has now outperformed the national average for 58 consecutive months.

□ Private sector employment has grown by 38,100 over the year (down from the February-over-February improvement) and 5,300 over the previous month (greater than the February over January margin). Total private employment reached a preliminary record highpoint of 2,750,400, which is 18,300 above the December 2018 peak.

□ The monthly increase is primarily due to gains in the Professional and Business Services (1,200), the Leisure and Hospitality (1,100), and the Financial Activities (1,000) sectors. Gains were partially offset by a loss in the Other category (-300), which includes Mining and Logging, IT, and Other Services sectors.

□ Private sector employment within the Hoosier State has now expanded for nine consecutive months, and the state set a preliminary record for private sector employment for the sixth consecutive month. While the Department of Workforce Development had taken pride in Indiana's private sector employment growth vis-à-vis the national growth rate since July 2009's low point in recession-era employment, after Indiana's private sector employment growth was overtaken by the national growth rate for several straight months, DWD changed its measure to the Bureau of Labor Statistics Midwest States' growth rate, which Indiana outpaced. As of the March numbers, however, DWD is back to the national standard, and while Indiana's private sector employment growth rate bumps up to 183 for the period over February's 18.2%, we trail the U.S. growth rate of 18.6% for the time range selected.

□ The online "Electronic Shopping and Mail-Order Houses" employment classification suffered the first over-the-month dip we had seen in some time in January, down by 200 jobs, which we speculated might be due to the end of the holiday retail season in December. The number of jobs ticked up by 100 from January to February and again from February to March, regaining the loss from the one-month beginning-of-the-year decline. The 8.99% over-the-year growth rate (adding 800 jobs) was not back into the double-digits, but the rate of improvement was higher than for any other job category statewide during March, just as it was during February.

□ Lake County topped the state in January unemployment rate, at 6.9%, down from the 7.0% rate with which Vermillion County led the state in February. Vermillion was second at 6.7%, with Newton County's 6.0% rate third, and the only other county to post March unemployment of six percent or greater. Only Vermillion and Crawford counties were at six percent or greater unemployment in February. While only four counties were at or above five percent unemployment in December, 13 counties earned that dubious distinction in January and the same number were in that cohort during February before dropping to 11 in March. While only 12 counties topped the four percent unemployment rate threshold in December, 37 did so in February, down from 50 in January (and four more were also at precisely 4.0% in both January and February), and 38 were in that category for March. Only eight counties were above 4.0% in November, 16 counties had done so in October, and only five counties found themselves in such straits back in September, just one-tenth of January levels. Also notable: Sullivan County's unemployment rate improved by 0.5% in March moving it down to 11th place statewide, and interrupting a 17-month streak in which it had placed in the top 10 statewide - dating back to October 2017.

□ Six counties were below 3.0% unemployment during March, with Boone, Dubois, and Hamilton tied for lowest unemployment honors at 2.8% for the month. Recall that no counties were south of 3.0% unemployment in January, and only two hit that 3.0% mark on the dot. Four counties (including Boone, Dubois, and Hamilton counties) were best in state during February with 3.1% unemployment. (Dubois and Gibson had shared January honors). There were 27 counties under the three percent threshold in December after November had seen just 11 counties that fell below. In October, 17 counties did so - but 41 had been south of that mark in September. A majority of counties (52.17%, or 48 counties) trailed 3.0% as recently as April 2018.

● California Custom Fruits and Flavors Inc., a California-based food processing company that develops and manufactures custom value-added fruit and flavor ingredients for the dairy, bakery, beverage, and food service industries, plans to invest more than \$11 million to construct, equip, and furnish a 65,000 square-foot, state-of-the-art manufacturing facility in Greenwood as the site of its first Midwest manufacturing operations. The new facility is expected to be fully operational by the first quarter of next year, and the company expects to create up to 24 new full-time positions in Indiana by 2023. "After much research, it became evident that Indiana was the best business and tax environment of any Midwest state within the region we were searching," said the company's CFO. "Additionally, Indiana has the most favorable workers' compensation rates and most highways and byways of any state in the Midwest." The Indiana Economic Development Corporation offers California Custom Fruits and Flavors Inc. up to \$160,000 in performance-based tax credits. The City of Greenwood approved additional incentives . . . in Lebanon, U.S. Corrugated, a manufacturer of corrugated cardboard, seeks a seven-year business personal property tax abatement for an investment in new equipment it plans to install after it leases the 470,000 square-foot former ConAgra Foods facility. The company expects to create 140 jobs paying at least \$20 per hour . . . expect the first phase of a \$20 million expansion at the Port of Indiana - Burns Harbor to begin later this year.

IN the Lobby

● Federal lobby terminations are filed by Barnes & Thornburg LLP on behalf of American Medical Response, Inc. and North American Midway Entertainment . . . Faegre Baker Daniels for Protective Life Corporation and Faegre Baker Daniels Consulting for Renova Solar and the Trust for America's Health. . . Ice Miller Strategies LLC in its representation of Vertellus Specialties, Inc. . . . Sextons Creek ends its work for the Institute for Affordable Transportation . . . Hobart Hallaway & Quayle Ventures, LLC completes its assignment on behalf of the American Coalition for Clean Coal Electricity (CACCE) . . . Dan Burton International LLC completes its assignments for Granules USA Inc. as well as Support.Com, Inc.

□ The University of Notre Dame terminates its own self-registration.

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From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 5/3
Date: Friday, May 3, 2019 11:20:25 AM
Attachments: [Howey 5-3-19.pdf](#)
[GamInsight May 3.PDF](#)
[LegInsight May 3.PDF](#)

Pillar 1- Diversify our economy

Indy Star- [Here's how Indianapolis is trying to host the NFL draft.](#)
Inside IN Business- [Beck: We Want to Expand in Indiana](#)
Hoosier Ag Today- [Beck's Expanding Hamilton County HQ](#)
NWI Times- [U.S. Steel to invest \\$1 billion in Mon Valley Works](#)
Times Herald- [Duke throws financial support to area economic development](#)
WSBT- [Elkhart's annual RV show helps the local economy and your wallet](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [Holcomb Names First Next Level Trails Recipients](#)
NWI Times- [Region trails walking away with nearly \\$5 million in state grants for extensions](#)
Republic- [Indiana trail grants include rehab of bridge where 2 killed](#)
RTV6- [Seventeen Indiana communities to receive new trail developments](#)
WIBC- [Governor Dishes Out \\$25 Million To Counties For Trail Improvement](#)
WBIW- [Gov. Holcomb Announces Nearly \\$25 Million Next Level Trails Grant Awards](#)
IN Public Media- [Holcomb Announces First Round Of Trails Grants](#)
WISHTV- [\\$25 million in grants could bring trails near your home](#)
Daily Reporter- [Greenfield awarded close to \\$700K for trails](#)
Journal Gazette- [Pufferbelly Trail gets \\$3.3 million](#)
WIBC- [INDOT: I-65 Project Delayed Due To Weather, No Shutdowns This Weekend](#)

Pillar 3- Strengthen our workforce

FW Business- [GM Fort Wayne Assembly hosts job fair](#)
Herald- ['Unique challenges' come with low unemployment](#)

Pillar 4- Attack the drug epidemic

IN Public Media- [Indiana University Joins National Opioid Epidemic Network](#)
WTHR- [News attorneys: Opioid distribution data should be public](#)
Fox59- [Indiana sheriff's office asks drug dealers to turn in their competition](#)
CBS4- [Southern Indiana sheriff's office offers to eliminate drug dealers' competition](#)

2019 Legislative Session

Indy Star- [Casino company turned to state lawmaker for title work. He voted for massive gaming bill.](#)
NWI Times- [Gov. Holcomb signs school safety bill](#)
RTV6- [New law will limit principal, asst. superintendent payouts](#)
RTV6- [Victims hopeful new law will protect against fertility fraud](#)
Chalkbeat- [After years of debate, some stronger oversight of virtual schools signed into Indiana law](#)
Tribune- [Lucas gets bill signed by governor, receives award at NRA convention](#)
Hoosier Ag Today- [Funding Appropriated for New Vet Teaching Hospital](#)

WISHTV- [Purdue hemp experts talk of what's coming with new state law](#)
WLFI- [Purdue experts talk next steps for Indiana hemp after bill signed by governor](#)
FW Business- [Governor touts 2019 legislative successes](#)
Herald Argus- [Indiana Farm Bureau highlights legislative successes](#)

Misc.

RTV6- [Recycling in Indiana made easier with these new grants available](#)
Journal Gazette- [Recycling grants open to businesses, local gov't, nonprofits](#)
IN Public Media- [Report: Hoosier Food Insecurity Down, Still Higher Than National Average](#)

Sincerely,

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HOLCOMB ANNOUNCES TRAIL FUNDING: Gov. Eric J. Holcomb and Indiana Department of Natural Resources Director Cameron Clark today announced 17 communities and non-profit organizations will receive \$24.9 million for 42 miles of new trail development as a part of the initial round of the Next Level Trails program ([Howey Politics Indiana](#)). "These 17 projects are a tremendous investment in quality of life for Hoosiers as trails create important connections within and between communities across our state," Gov. Holcomb said. "Our growing network of trails is more than a recreational and transportation amenity – it's an important tool for economic development by helping Indiana attract and retain the best workforce in the country." Gov. Holcomb made the announcement at Speedway Indoor Karting, next to the B&O Trail, with Indianapolis Mayor Joe Hogsett, Town of Speedway manager Jacob Blasdel and other leaders. The Speedway Trail Association will receive a grant of nearly \$4.9 million to acquire and develop 2.6 miles of new trail. The new trail will connect residential and commercial districts in Speedway and Indianapolis' west side by extending the existing trail 1.7 miles east to Michigan Street and 0.9 miles west toward Girls School Road. Next Level Trails is the largest infusion of trails funding in state history. The \$90 million grant program is divided into two components: a \$70 million fund for regional projects and a \$20 million fund for local projects. A total of \$25 million was available for the first round, including \$20 million for regional projects and \$5 million for local projects.

LaPORTE COMMISSIONERS OPPOSE STATE TAKEOVER OF SOUTH SHORE: The La Porte County Board of Commissioners plan to take on the state over what one member described as a "hostile takeover" of the South Shore Line. The board passed a resolution on Wednesday that opposed the Indiana General Assembly's recent change to the leadership of the Northern Indiana Commuter Transportation District, which gives Gov. Eric Holcomb sole authority to appoint members to the agency's board of directors (Yoakum, [Michigan City News-Dispatch](#)). The resolution also authorized the commissioners to retain the services of Indianapolis-based law firm Cohen & Malad to explore any legal remedies the county can take to maintain some local control of the NICTD board. The change – which reduces the size of the board from 11 to five members – came as part of the budget the General Assembly passed last week during the waning days of the legislative session. The bill also appropriated an additional \$205 million to the \$360 million the legislature had already committed to spending over the next 30 years for two South Shore Line improvement projects – double-tracking between Michigan City and Gary; and a new West Lake Corridor in Lake County. Under the new scheme, the governor will appoint four NICTD board members, one from each of the four Indiana counties the South Shore Line runs through, with an equal number of Democrats and Republicans. The appointees will serve alongside Indiana Department of Transportation Commissioner Joe McGuinness, the chair of the new board. Before the change, the board's membership consisted of three governor appointees and one commissioner and one council member appointed by their respective board presidents in La Porte, Lake, Porter and St. Joseph counties. County-appointed representatives have served on the board for the past 42 years.

'DEVIL' TRAILS MAYOR BUTTIGIEG: As Pete Buttigieg addressed supporters off a back porch in Marshalltown, Iowa, the Devil was whispering his name. "Pete," the Devil hissed into a microphone. "You're sooo smart, Pete" ([TIME](#)). Buttigieg ignored the heckler, plowing forward with his stump speech about American decency as his husband Chasten looked on. "Pete," the Devil whispered. "I want the heartland, Pete." The man in the devil costume was Randall Terry, an antiabortion activist. He had traveled to Iowa to torment the 37-year-old mayor of South Bend, Ind., the early breakout star of the 2020 Democratic presidential primary. "There's never been a poster boy for homosexuals" before, Terry says. "There's never been a homosexual that you'd go, 'Wow, I'd be proud of him.' He's the guy. That's why he's such a threat." Four years after the U.S. Supreme Court affirmed his right to marry, Buttigieg has become the first openly gay person to make a serious bid for the presidency. And Terry is hardly the only right-winger worried about the rise of "Mayor Pete." Buttigieg's saying that "God doesn't have a political party" prompted evangelical leader Franklin Graham to tweet that being gay is "something to be repentant of, not something to be flaunted, praised or politicized." Concerned by the campaign's rise, right-wing provocateur Jacob Wohl was recently caught trying to fabricate sexual-assault allegations against Buttigieg to slow him down. But to some Americans, Buttigieg may just be the man to vanquish America's demons. In a field of more than 20 candidates—including six Senators, four Congressmen, two governors and a former Vice President—Buttigieg (pronounced Boot-edge-edge) has vaulted from near total obscurity toward the front of the Democratic pack, running ahead of or even with more established candidates and behind only Joe Biden and Bernie Sanders.

INDIANA ELECTION WEBSITE RATES HIGHLY: According to the United States Census Bureau, 85.3 million Americans have some type of disability. Many of these individuals encounter significant challenges accessing websites. Indiana Secretary of State Connie Lawson has upgraded Indiana's election website, [www.IndianaVoters.com](#), with features to ensure all Hoosiers can access election information ([Howey Politics Indiana](#)). [Indianavoters.com](#) was recently relaunched with a user-friendly design, additional voter information features, and live election-night reporting. Now, following an accessibility evaluation, the website has been updated to meet Web Content Accessibility Guidelines (WCAG) 2.0 and has achieved AAA compliance, the highest possible rating. "It is our goal to make sure that all Indiana voters have the opportunity to vote in every election, and that includes easy access to the resources on the IndianaVoters website" said Secretary Lawson.

"Receiving marks of AAA compliance is a sign that we are meeting that goal, and we will continue to safeguard the enfranchisement of all Hoosiers."

SUSAN BAYH GETTING STRONGER: Former Indiana first lady Susan Bayh is continuing treatments nearly a year after being diagnosed with the same type of aggressive brain cancer that killed Arizona Sen. John McCain (Davies, [AP](#)). She sat between her husband, former Gov. Evan Bayh, and their twin sons Wednesday during a memorial service for his father, former Sen. Birch Bayh, at the Indiana Statehouse. The Bayhs say 59-year-old Susan has undergone multiple surgeries and radiation and immunotherapy treatments in fighting the malignant glioblastoma discovered in May 2018. Evan Bayh said they've been told that 17 percent of patients undergoing such advanced treatments survive for at least three years but they are optimistic about his wife's health and progress. "She's doing great," Bayh said. "I can't tell you how much better she looks, how much stronger she's getting." Susan Bayh previously underwent brain surgery in 2015 to remove a benign tumor. "I think I've gotten probably more prayer letters from Indiana than anywhere," she told reporters Wednesday. "It really doesn't matter what religion it is, just as long as people are praying and keeping me up in somebody's thoughts."

TRUMP FINDS HIS SHIELD IN BARR: For a time, President Trump was reluctant to select William P. Barr as his attorney general. The veteran Justice Department official from the George H.W. Bush administration was not a longtime Trump loyalist, and the president wondered whether one of his own political allies might serve better as a shield, people familiar with the matter said ([Washington Post](#)). Trump, who spent a few hours at most with Barr before picking him as attorney general, told people that he was pleased with Barr's pugnacious performance before the Senate Judiciary Committee on Wednesday, though one Trump ally who regularly speaks with the president said his joy was 'shortsighted' because Barr lost credibility with some lawmakers who could be useful later. A White House official said that Barr had 'set the narrative' in a way that was positive for the White House. Trump campaign advisers, who said they had raised more than \$1 million after the Mueller report was released, said the attorney general's comments have generally been helpful — especially his earlier assertion that there was 'spying' during the 2016 presidential race.

PELOSI SAYS BARR LIED TO CONGRESS: House Speaker Nancy Pelosi (D-Calif.) on Thursday accused Attorney General William P. Barr of the crime of lying to Congress, further escalating a bitter feud between House Democratic leaders and the nation's top law enforcement officer ([Washington Post](#)). "He lied to Congress," Pelosi said of Barr during a news conference. "The attorney general of the United States of America was not telling the truth to the Congress of the United States. That's a crime." Pelosi's accusation stemmed from a response from Barr during a congressional hearing last month. At the time, Barr said that he was not aware of any concerns that special counsel Robert S. Mueller III's team might have expressed about a four-page summary he wrote regarding Mueller's findings in his probe of Russian interference in the 2016 campaign. That appeared to contradict a memo that surfaced this week in which Mueller wrote to Barr raising concerns that Barr's summary "did not fully capture the context, nature, and substance" of his investigation. Asked whether Barr should be jailed for lying to Congress, Pelosi replied: "There's a process involved here."

FOOD INSECURITY DOWN IN INDIANA: Food insecurity in Indiana is down slightly according to an annual report from Feeding America, but Hoosiers are still more likely to face hunger than the national average (Sheridan, [Indiana Public Media](#)). Statewide, 13.3 percent of Hoosiers are food insecure, for children that number goes up to 17.4 percent in this year's Map the Meal Gap findings. Every county in Indiana faces the problem. Marion County has the highest overall rate of 17.4 percent. Executive Director of Feeding Indiana's Hungry, Emily Weikert Bryant says the number is down a bit. "It still isn't reflective of what you'd expect with the economy and the unemployment numbers that we have," says Weikert Bryant.

TARIFFS MUST GO BEFORE USMCA PASSES: As agriculture lobbies Congress to introduce and pass the U.S.-Mexico-Canada Trade Agreement, there could be a battle brewing over the ending of U.S. trade tariffs. Iowa Republican Senator Chuck Grassley says there is no way Congress will consider the new North American trade deal until President Trump lifts the tariffs that have caused other countries to implement retaliatory tariffs that have hit U.S. farmers hard ([Hoosier Ag Today](#)). Grassley told reporters this week that Trump has to end the steel and aluminum tariffs in place on our North American trading partners before Congress will take up the USMCA Agreement. Grassley says tariffs could also make it more difficult to get a trade deal done with China. Grassley was expecting to meet Thursday face-to-face with Trump at the White House to talk trade. The long-time Senator says tariffs are "keeping the president on the cusp of a big win" with Canada and Mexico, especially as he's days or weeks away from potentially establishing a trade agreement with China. An Associated Press report says the President is hesitant to remove the tariffs because he feels they've forced other countries to make deals more favorable to the U.S. Indiana Republican Congressman Jim Banks called on Speaker Nancy Pelosi (D-CA) to bring USMCA up for a vote. Rep. Banks said, "Everybody agrees that our leaders should always fight for the best deal possible for American workers, farmers, and families and President Trump has done just that."

FORECLOSURE THREAT LURKS FOR FARMERS: A new, national study shows nearly nine out of ten farmers say the thought of losing their farms impacts their mental health. The study by Morning Consult for the American Farm Bureau also reveals that three in four rural adults say it's important to reduce the stigma about mental health in the agricultural community (Turner, [Indiana Public Media](#)). Michele Clark is a spokesperson for Sagamore Springs Behavioral Health, which operates several facilities across the state. She says she hears regularly about the poor availability of mental health resources

in Indiana. "More often times than not they're traveling outside of their local community to gain those services and that can be a challenge for many," Clark says. She says there is a shortage of both facilities and beds in Indiana.

HPI DAILY ANALYSIS: Attorney General William Barr is supposed to be the people's attorney and top cop. He's acting like President Trump's personal attorney. Congress has a constitutional duty as a check and balance on the executive branch. This means that administration officials should testify and documents should be provided. President Trump appears to be egging on an impeachment inquiry because it will help him with his 2020 reelection campaign since the Senate will never convict. There is little support among the American public for impeachment and we think it's a terrible idea. The verdict on President Trump must come in the November 2020 election from voters. What Hoosiers should be watching is whether the Indiana congressional delegation will continue to cede its constitutional duties to a president who has made a habit of hacking away at American institutions. History will take note as to how this all plays out. - *Brian A. Howey*

Campaigns

SMITH LEADS KOKOMO MAYORAL CANDIDATES IN FUNDS: Democratic mayoral candidate Abbie Smith raised more than triple the amount generated by her primary competitor, Kevin Summers, in the early months of 2019, campaign finance records show (Myers, [Kokomo Tribune](#)). The discrepancy comes in large part from what Smith's campaign said were more than 250 contributions from more than 200 people, including a mix of small- and big-dollar donations from city residents and out-of-town donors. "I worked really hard and people are ready for something new, a fresh perspective. I knew that I'm running against two longtime politicians, so I knew I was going to have to outwork them and out-raise them to be a viable candidate, and so I did," said Smith, referencing Summers and Republican Tyler Moore. Smith's campaign received \$35,763 in contributions from Jan. 1 to April 12, compared to \$10,940 for Summers. Smith, meanwhile, spent \$24,240 during the same time period, leaving her with more than \$11,500 in cash-on-hand for the remaining weeks before Election Day on May 7. Summers, in contrast, spent \$5,435, leaving him with just over \$5,500. The money raised by Smith, in fact, is more than what was raised by the other three mayoral candidates combined.

MOORE LEADS KOKOMO REPUBLICANS IN FUNDS: Tyler Moore raised \$19,589 during the reporting period – his nearly \$2,000 in cash-on-hand at the beginning of the year brought his "contributions and receipts" total to \$21,536 – while the sitting Howard County commissioner spent \$19,166 ([Kokomo Tribune](#)). Moore's campaign, however, ended the reporting period in debt, with \$2,370 in leftover funds and \$5,400 in "debts owed by the committee." That money is owed to Moore himself, who loaned thousands to his political committee, Moore for Kokomo. Moore's primary challenger, Republican Richard Stout, raised no money and spent no money, shows the report Stout submitted to the Howard County Clerk's office.

BANKS ENDORSES McMICHAEL IN NEW HAVEN: New Haven City Councilman Steve McMichael, a Republican candidate for mayor, has been endorsed by Congressman Jim Banks, McMichael announced Thursday ([Fort Wayne Journal Gazette](#)). "Local government needs leaders with vision," Banks said in a statement. "Steve McMichael has the business experience combined with a proven record of public service to bring people together to lead New Haven to the next level. I enthusiastically endorse Steve's candidacy for mayor." McMichael has also been endorsed by the Allen County Right to Life PAC, REALTORS Political Action Committee, Fraternal Order of Police Wayne Lodge #14 and current New Haven Mayor Terry McDonald. The Republican primary election is May 7. McMichael faces East Allen County Schools Board President Bob Nelson and former New Haven Police Chief Steve Poiry.

SOUTH BEND COUNCIL CANDIDATE WAS FIRED: A candidate for South Bend Common Council was fired from his job leading a nonprofit earlier this year after its board discovered problems with the organization's finances, leading the board to seek an audit, according to records obtained by The Tribune ([South Bend Tribune](#)). Community Wellness Partners, also called the St. Joseph County Minority Health Coalition, in January fired its executive director, Karl Nichols, 43, who is challenging incumbent Tim Scott for the council's 1st District seat in Tuesday's Democratic primary.

STATE POLICE PROBE MICHIGAN CITY BALLOT FORMS: At the request of county election officials, the Indiana State Police are investigating a number of potentially fraudulent absentee ballot request forms for next week's Michigan City Primary Election ([Michigan City News-Dispatch](#)). At its meeting on April 15, the La Porte County Election Board voted to forward approximately 10 absentee ballot request forms to the Indiana State Police Election Fraud unit. On Wednesday, ISP Master Trooper Glen Fifield confirmed that state police are investigating the ballots, but would not discuss the investigation further. The Voter's Registration office contacted the Election Board after looking over the "suspicious" forms, which requested the county send the absentee ballot forms to the same address in Michigan City, Election Board member Andrew Voeltz said. Voter's Registration employees later contacted the applicants, who, when asked, said they did not know the

location of the address on the form, he said, citing Indiana Code, which allows the board to turn over matters of potential "election fraud" to state police.

TRUMP, PENCE TO DEFEND GOV. BEVIN: Kentucky Gov. Matt Bevin is a presidential phone-buddy and White House regular who's become one of President Donald Trump's loudest surrogates ([Politico](#)). He's also one of the most unpopular governors in the country, facing a treacherous reelection in November. And the White House, fearing that an embarrassing loss in a deep-red state would stoke doubts about the president's own ability to win another term, is preparing to go all-in to save him. Vice President Mike Pence, who recently flew to Lexington to raise money for the governor, is scheduled to headline a gala dinner hosted by Bevin on Friday evening. On Saturday, Bevin will air his first TV ad during the Kentucky Derby — expected to be a Trump-themed spot packed with footage of the president.

President 2020

SEN. BENNET JUMPS INTO DEMOCRATIC RACE: Sen. Michael Bennet jumped into the 2020 presidential race Thursday morning, becoming the 21st Democratic contender vying for his party's nomination and the second hailing from Colorado ([Politico](#)). Bennet, a moderate senator from the Mountain West, made his bid official on Thursday morning, after promising earlier this month that he would "100 percent" run for president if he were declared cancer-free. Bennet underwent a successful surgery in mid-April to treat prostate cancer. "My plan is to run for president," Bennet said on "CBS This Morning" — the same morning news show on which Sen. Bernie Sanders launched his 2020 run earlier this year. "This country faces two enormous challenges, among others: One is a lack of economic mobility and opportunity for most Americans and the other is the need to restore integrity to our government."

SANDERS STATEMENT ON YEMEN: U.S. Sen. Bernie Sanders issued the following statement following a Senate vote on whether to override the president's veto of S.J. Res. 7 (*Howey Politics Indiana*): "The bad news today: we were unable today to override Trump's veto regarding U.S. intervention in this horrific war in Yemen. The good news: for the first time in 45 years, Congress used the War Powers Act to reassert its constitutional responsibility over the use of armed forces. Let me be clear: this is the beginning of a bipartisan process to take back our responsibility over these most important matters. My likeminded colleagues and I, in a bipartisan fashion, will utilize all of the legislative tools at our disposal—including further use of the War Powers Act."

57% BELIEVE TRUMP COMMITTED CRIMES IN QUINNIPIAC POLL - American voters say 57 - 28 percent that Donald Trump committed crimes before he became president, according to [a Quinnipiac University National Poll](#) released today (*Howey Politics Indiana*). This compares to results of a March 5 survey by the independent Quinnipiac University National Poll, before release of the Mueller Report, in which voters said 64 - 24 percent that President Trump committed crimes before he was elected. In today's survey, 46 percent of voters say Trump committed crimes since he became president and 46 percent say he did not commit crimes. But American voters say 66 - 29 percent that Congress should not begin impeachment of President Trump. Democrats support impeachment 56 - 38 percent. Opposition to impeachment is 95 - 4 percent among Republicans and 70 - 27 percent among independent voters. Investigating Trump distracts Congress from other national issues, 53 percent of voters say, while 43 percent say Congress can investigate Trump and work on other national issues at the same time. Special Counsel Robert Mueller conducted a fair investigation, voters say 72 - 18 percent, including 65 - 25 percent among Republicans.

TRUMP SAYS SANDERS SMARTER THAN BIDEN: President Donald Trump on Wednesday waded once again into the 2020 Democratic primary, telling a Boston radio show that former Vice President Joe Biden is "not as smart as" Sen. Bernie Sanders and slamming the campaign of Sen. Elizabeth Warren ([Politico](#)). In a phone call to Boston Herald Radio that lasted almost 20 minutes, Trump launched his now-familiar attack on "Sleepy Joe's" intelligence and complained Warren (D-Mass.) should resign after she called for Attorney General William Barr to step down earlier Wednesday. Asked which primary candidate posed the greatest threat to his election, Trump was apparently unconcerned. When probed about the former vice president specifically, Trump called Biden a "sleepy man" and proceeded to bash his endorsement from the International Association of Fire Fighters on Monday. "In many ways, I like him," Trump said of Biden. "He's not as smart as Bernie [Sanders]. And he's not as quick."

TRUMP CAMPAIGN TO STOKE UP SPYING STORY: President Trump's re-election campaign is seizing on a front-page story in today's *N.Y. Times*: The FBI sent a woman posing as a research assistant to a London bar in 2016, supposedly to discuss foreign policy with Trump campaign adviser George Papadopoulos. The conversation ... took a strange turn when the woman ... asked [him] a direct question: Was the Trump campaign working with Russia?" Trump campaign manager Brad Parscale said: "There is a word for this in the English language: Spying. ... [I]t is high time to investigate the investigators."

GOP COULD FACE GREEN NEW DEAL BACKLASH: The GOP is seizing on the "Green New Deal" to demonize vulnerable Democrats in 2020 — but some Republicans warn it could do long-term damage to the party ([Politico](#)). Though Republicans have ignored climate change in past elections, it's now a key part of their 2020 strategy, especially in House races. They're hoping to define the Green New Deal as an expensive socialist gambit dreamed up by liberal superstar Alexandria Ocasio-Cortez that will ban cows and planes. Though mostly inaccurate, it's a portrayal they believe will scare independent voters in key districts. But the move could come at a cost: The near- and long-term loss of millennials and Generation Z voters, a growing slice of the electorate that wants federal climate change action to a greater degree than their elders. A recent Harvard Kennedy School Institute of Politics survey found 74 percent of likely general election voters under 30 disapprove of President Donald Trump's climate change performance and 50 percent call climate change "a crisis" that "demands urgent action." Another 25 percent called it "a problem." The data has Republican pollsters and current and former lawmakers warning that relentless mocking of the Green New Deal — but more critically, President Donald Trump's dismissal of climate change as a hoax — could jeopardize the GOP's ability to capture and cement a congressional majority.

Congress

BROOKS AUTHORS OPIOID WORKFORCE ACT: U.S. Reps. Susan W. Brooks (R-IN), Brad Schneider (D-IL), Elise Stefanik (R-NY) and Annie Kuster (D-NH) introduced bipartisan legislation, the Opioid Workforce Act of 2019, to train more doctors equipped to combat the opioid epidemic (*Howey Politics Indiana*). "In order to combat the devastating opioid, heroin and fentanyl epidemic that continues to plague communities across our country, a critically important piece of the puzzle is to ensure we have more trained professionals, particularly physicians, who can prevent and treat addiction and substance abuse disorder," said Brooks. "This bipartisan bill will help provide more residency positions to hospitals that have programs focused on addiction medicine, addiction psychiatry or pain management. The opioid crisis will not stop taking innocent lives overnight, but without more trained doctors ready to help people who are struggling because of substance abuse, drug and opioid related overdose deaths will continue to claim more lives in Indiana and beyond."

PENCE INTRODUCES FIRST BILL: U.S. Rep. Greg Pence (IN-06) introduced his first piece of legislation Thursday, leading H.R. 2460 with House Agriculture Committee Chairman, Rep. Collin Peterson (MN-07). The bill aims to reduce the regulatory burden on the hard-working men and women of America's robust transportation and agricultural communities (*Howey Politics Indiana*). "The current regulatory regime places unnecessary burdens on the hard-working men and women in our agricultural community in Indiana, and across America," Pence said. "I'm proud to introduce legislation that will help ensure our farmers and producers can transport their goods and commodities in a safe, efficient manner." The Modernizing Agricultural Transportation Act of 2019 (H.R. 2460), directs the U.S. Department of Transportation to examine Hours of Service (HOS) regulations and the Electronic Logging Device (ELD) regulations to identify obstacles to the safe, humane, and market-efficient transport of livestock and other perishable agricultural commodities.

BUCHSHON AGAINST CLIMATE TREATY: U.S. Rep. Larry Bucshon, M.D. (IN-08) released the following statement after House Democrats circumvented regular order and forced a political vote on H.R. 9 the Climate Action Now Act (*Howey Politics Indiana*): "Climate change is an issue that needs to be addressed. However, Democrats are using climate change as a political tool to strengthen Washington's control of the economy and consumer choice, without any guarantees of actually reducing emissions, which is why I cannot support this legislation. President Obama hastily entered the United States into the Paris Agreement — which should be a treaty subject to the ratification of the Senate — that would have allowed other nations to force unrealistic regulations on America costing millions of jobs, increasing energy prices for ratepayers, and burdening small businesses with regulations while giving a free pass to the world's largest polluters, such as China, Russia, and India. The right way to tackle climate change policy is by continuing to remove barriers to innovation, incentivizing more clean energy, and putting forth realistic, free-market solutions driven by the American consumer — a proven approach that has already resulted in significant emissions reductions in the United States."

BANKS ACCUSES DEMOCRATS OF 'DERELICTION' ON BUDGET: U.S. Rep. Jim Banks writes for [Fox News](#): "Nearly eight years ago, former Chairman of the Joint Chiefs of Staff Michael Mullen characterized America's national debt as 'the single, biggest threat to our national security.' Since then, the federal government has borrowed an additional \$7 trillion. Yet, despite these headwinds, the U.S. economy is booming, growing at 3.2 percent during just the first quarter of 2019 and providing Congress with a golden opportunity to seriously address our budget woes. Unfortunately, the Democratic Party is unable and unwilling to confront this challenge. They have refused to present a budget resolution because the far-left faction of their party is demanding massive spending increases for programs like the radical Green New Deal and 'Medicare for All.' Democrats have been derelict in their duty to the American people, and this is more than a stunning lack of leadership. It is dangerous."

State

GOVERNOR: HOLCOMB SIGNS DCS, SCHOOL SAFETY BILLS - Governor Eric J. Holcomb offered the following after signing two Next Level Agenda bills designed to protect Hoosier children. HEA 1004 School Safety: "Every student, teacher and staff member deserves a safe school. I convened a group last year to examine school safety, and the recommendations led to this legislation that provides access to more funding for safety equipment, facilitates partnerships with local law enforcement and requires threat assessments in our schools. This new law is key to ensuring our schools are better prepared." HEA 1006 Department of Child Services: "We have a responsibility to each and every child to help them reach their full potential. This legislation both protects children and recognizes the difficult work of those who protect them by reducing caseloads, allowing case managers flexibility in their assessments and extending collaborative care services to age 21." The Governor signed a total of 28 bills today. Visit the [2019 Bill Watch webpage](#) to view these and other bills the Governor has signed into law.

GOVERNOR: NEW OVERSIGHT FOR VIRTUAL SCHOOLS - If online students fail to log into classes as often as required, virtual schools must kick them out, under a new Indiana law signed Wednesday by Gov. Eric Holcomb (Wang, [Chalkbeat](#)). Students who want to go to an online school now also have to complete an orientation session with a guardian to better understand the expectations of a virtual learning environment. These new rules, which leave room for the state and charter authorizers to bring stronger oversight of virtual schools, come in response to years of poor student outcomes at Indiana's online schools and a bubbling scandal at two large virtual charter schools on the brink of closure. Recently released data shows that thousands of students churn through virtual charter schools throughout the year, many leaving with no credits. That high turnover amounted to about \$10 million in state funding last year going to online schools for students who did not complete work or failed classes. Lawmakers' actions this year, paired with a funding cut, represent the biggest steps the state has taken to regulate virtual charter schools since they launched a decade ago. Some lawmakers say the new rules put into place much-needed guardrails on fast-growing virtual schools, which have largely been in favor of the changes. But others lambasted the legislation as not going far enough, with state Sen. Mark Stoops, D-Bloomington, calling virtual schools "a scam." Added Tim Lanane, the Democrat leader in the state Senate, "I think we need to suspend the operations of virtual schools until we know if the taxpayers are being ripped off."

STATEHOUSE: HILL URGES CONGRESS TO REPLACE OBAMACARE - Attorney General Curtis Hill this week joined 17 other states in a brief urging the U.S. Court of Appeals for the 5th Circuit to declare the Affordable Care Act unconstitutional. Such a decision would uphold a U.S. District Court decision from last year regarding the act, which is also known as Obamacare (*Howey Politics Indiana*). "The Affordable Care Act had previously been determined constitutional because of the tax penalty accompanying the individual mandate, which fell under the taxing authority of Congress," Attorney General Hill said. "When Congress eliminated the tax penalty, the individual mandate lost the constitutional leg on which it stood." This brief argues that Obamacare, in its current form, imposes rising costs and gives too much power to the federal government while simultaneously stripping power from the states. Attorney General Hill reiterated that leaders at all levels of government must work to craft sensible and effective health care policies.

INDOT: I-65 PROJECT POSTPONED THIS WEEKEND - There won't be headaches on the roads around downtown Indy this weekend after all. Thanks to Mother Nature ([WIBC](#)). Mallory Duncan of INDOT says because of all of the rain we have had this week, and will continue to get, they have delayed the second part of their I-65 project. INDOT made the announcement Thursday afternoon. "We just wanted to get (the info) out there as fast as we could, because we know the Indy Mini (Marathon) is going on, and other things going on downtown this weekend," Duncan said. INDOT's four-phase I-65 project is scheduled to go until August, with work only being done on the weekends. However, if they continue to be delayed, that could change. "There are provisions in our contract to work during the week if they need to," Duncan says. "If they do need to add days during the week, they'll do that closer to June or July."

ARMY CORPS: PATOKA LAKE NEAR CAPACITY - Southern Indiana officials are closely monitoring Patoka Lake after recent heavy rains filled the sprawling reservoir to near capacity. Representatives from the cities of Jasper and Huntingburg and Dubois County met Wednesday to discuss rising water levels at the 8,800-acre reservoir, which has climbed to nearly 90 percent of capacity. The [Jasper Herald](#) reports local stakeholders voiced support for aggressively releasing water from the lake over the next two weeks. Patoka Lake is managed by the U.S. Army Corps of Engineers, which approved releasing extra water from its dam in March after local government agencies and area farmers expressed concerns about its rising waters.

EDUCATION: FRANKLIN COLLEGE GETS GEESE GRANT - Students and faculty at Franklin College will soon start to study Canada geese in urban landscapes following a record-breaking research grant (Parker, [Inside Indiana Business](#)). The U.S. Fish and Wildlife Service's Federal Aid in Wildlife Restoration Act will fund the investigation to help the researchers from

the Indiana Department of Natural Resources, Ball State University and Franklin College. The four-year, \$250,000 grant is funding Franklin College's contribution to the study. Each partner will study the management of Canada geese populations in urban settings across central Indiana. Associate professor of biology, Ben O'Neal serves as one of the principal investigators for the study and called Canada geese a "profound example of the complexity of our human interactions with nature."

SPORTS: FREENEY TO BE IN COLTS RING OF HONOR - Former Indianapolis Colts defensive end Dwight Freeney will be inducted into the team's Ring of Honor later this year ([AP](#)). A date for the ceremony has not yet been chosen. Team owner Jim Irsay made the announcement during Thursday's town hall with Colts fans. Freeney finished his career in Indy with a franchise-record 107½ sacks — a mark later surpassed by former teammate Robert Mathis. Freeney won a Super Bowl ring with the Colts following the 2006 season and played in two more Super Bowls, one with the Colts and one with Atlanta.

Nation

WHITE HOUSE: TRUMP JOINS STATES TO END OBAMACARE - Taking a harder line on health care, the Trump administration joined a coalition of Republican-led states Wednesday in asking a federal appeals court to entirely overturn former President Barack Obama's signature health care law—a decision that could leave millions uninsured ([AP](#)). Congress rendered the Affordable Care Act completely unconstitutional in 2017 by eliminating an unpopular tax penalty for not having insurance, the administration and GOP states told the court. The Obamacare opponents hope to persuade the 5th U.S. Circuit Court of Appeals in New Orleans to uphold U.S. District Court Judge Reed O'Connor's ruling late last year striking down the law. If the ruling is allowed to stand, more than 20 million Americans would be at risk of losing their health insurance, re-igniting a winning political issue for Democrats heading into the 2020 elections. President Donald Trump, who never produced a health insurance plan to replace "Obamacare," is now promising one after the elections.

WHITE HOUSE: MOORE WITHDRAWS FED NOMINATION - President Trump said conservative commentator Stephen Moore withdrew from consideration for a position on the Federal Reserve board, the second of his would-be nominees to do so after Republican senators expressed concerns about the pick ([Wall Street Journal](#)). Mr. Trump on Thursday tweeted that Mr. Moore "has decided to withdraw from the Fed process." The president didn't say why Mr. Moore changed his mind. The tweet came less than two hours after Mr. Moore told The Wall Street Journal and other news outlets that he would continue to seek the nomination, and after other administration officials and allies had indicated they still backed Mr. Moore.

WHITE HOUSE: TRUMP STRIPS MENTION OF ARCTIC TREATY - The Trump administration sought to remove references to climate change from an international statement on Arctic policy that Secretary of State Mike Pompeo is expected to endorse next week, leading to sometimes testy negotiations over how much to emphasize an issue considered a crisis for the region ([Washington Post](#)). The Arctic Council declaration is an affirmation of goals and principles among the eight Arctic nations, which meet every two years. The Trump administration's position, at least initially, threatened a standoff in which the United States would not sign onto a statement that included climate discussion and other members would not agree to a version that left it out, according to senior diplomats and others familiar with the discussions. The administration objected to language that, while nonbinding, could be read as a collective commitment to address the effects of climate change in the Arctic, diplomats said.

WHITE HOUSE: TRUMP RELIED ON GOD DURING MUELLER PROBE - President Donald Trump said Thursday he leaned on one thing to get through special counsel Robert Mueller's probe of Russian interference in the 2016 election: his faith ([Politico](#)). "People say, 'How do you get through that whole stuff? How do you go through those witch hunts and everything else?'" Trump said at the White House during a National Day of Prayer service. He looked over to Vice President Mike Pence and shrugged. "We just do it, right?" the president continued. "And we think about God."

WHITE HOUSE: SAILORS TOLD TO 'CLAP LIKE YOU'RE AT STRIP CLUB' FOR PENCE - U.S. Navy sailors who were awaiting Vice President Mike Pence's visit Tuesday were told by the ship's command master chief to "clap like we're at a strip club" when the vice president arrived at the USS Harry S. Truman ([Fox News](#)). The U.S. Navy confirmed to Fox News Thursday that the statement was made to sailors ahead of Pence's visit to the ship. "We can confirm that this statement was made by USS Harry S. Truman's Command Master Chief to Truman's Sailors, prior to the arrival of the Vice President," Lt. Cmdr. Laura K. Stegherr told Fox News in a statement.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will have lunch with Secretary of State Mike Pompeo at 12:30 p.m. Then at 1:45 p.m., he'll greet Slovak Prime Minister Peter Pellegrini. They'll hold a bilateral meeting in the Oval Office, followed by a larger meeting in the Cabinet Room of the White House. The White House says Trump and Pellegrini will discuss "recent, positive gains in bilateral security cooperation [read: NATO defense spending] as well as our shared

concerns on cyber threats and the importance of energy security." The meeting is one of a series the Trump team is holding with Central European leaders as part of its effort to counter the growing influence of China and Russia in the region.

WHITE HOUSE: PENCE TO TOUR BURNED BLACK CHURCHES IN LOUISIANA - Vice President Mike Pence is scheduled to visit with community and faith leaders near Opelousas, Louisiana, where three black churches were destroyed by an arsonist (*ABC News*). News outlets report the White House says Pence will tour the remains of one of the churches on Friday and meet with Republican U.S. Sen. Bill Cassidy. The Rev. Gerald Toussaint says he and reverends from the other burned churches will also be meeting with the vice president.

NRA: TURMOIL BLAMED ON MEDIA - The National Rifle Association's leadership turmoil and financial deficits were described by some loyal NRA members at the group's national convention last week as the product of an overzealous news media (de la Bastide, [Anderson Herald-Bulletin](#)). "I don't believe what they say," said Dave Martin, who owned a gun shop and shooting range in Richmond. "The NRA doesn't need to change; people have to stop paying attention to the media." Martin and his wife, Becky, have been NRA members since 1972. Reports of internal strife over budget issues and a leadership struggle between NRA Chief Executive Officer Wayne LaPierre and the organization's president, retired Marine Lt. Col. Oliver North, played out at the annual convention in Indianapolis. LaPierre supporters on the NRA board prevailed over North's efforts to replace the longtime CEO. Instead, North announced he would not seek re-election as president. Carolyn Meadows was elected by the group's directors to replace him.

CHAMBER: DONAHUE UNDER PRESSURE TO RETIRE - Washington's biggest lobbyist, the U.S. Chamber of Commerce, is getting "shut out" by chilly relations with both the White House and congressional Democrats, report *The Wall Street Journal's* Brody Mullins and Alex Leary: Even with the decline in contributions, the chamber last year spent \$95 million on lobbying, more than any other group. In 2014, it spent \$124 million. The story saves the best for last ... Chamber President and CEO Tom Donohue, 80, "travels in a chauffeured SUV accompanied by two security guards. On weekends, he uses the chamber's private jet service to reach his Florida vacation home, often with a guest. On overseas trips, his physician sometimes joins him. Personal or guest trips are either reimbursed or claimed as income, the chamber said. Donohue has long avoided talk of retirement, though senior chamber officials and members of the board have pressed him about it. Several times over the past year, chamber officials approached former House Speaker Paul Ryan about the job.

MEDIA: SUNDAY TALK - ABC "This Week": Sen. Bernie Sanders (I-Vt.). Panel: Mary Bruce, Chris Christie, Stefanie Brown James and Jonathan Swan. **CBS "Face the Nation"**: Secretary of State Mike Pompeo, Sen. Dick Durbin (D-Ill.). Panel: Byron York, Michael Crowley, Rachael Bade and Shawna Thomas. **CNN "State of the Union"**: Panel: David Urban, Abdul El-Sayed, S.E. Cupp and Karen Finney. **CNN "Inside Politics"**: Panel: Nia-Malika Henderson, Michael Shear, Rachael Bade and Paul Kane. **NBC "Meet the Press"**: Kristen Soltis Anderson, Eddie Glaude Jr., James S. McDonnell, Eliana Johnson and Jerry Seib.

KENTUCKY: OMAHA BEACH SCRATCHED FROM DERBY - Kentucky Derby favorite Omaha Beach will not compete in Saturday's race, Churchill Downs announced on Wednesday ([Sports Illustrated](#)). According to trainer Richard Mandella, Omaha Beach was scratched from the race after the colt was diagnosed with an entrapped epiglottis, an obstruction that compromises a horse's ability to breathe during exercise. The condition was discovered after a cough and scope, Mandella told the track. Omaha Beach had also been dealing with a quarter crack in the weeks leading up to the Kentucky Derby. Omaha Beach was the morning-line favorite at 4-1. Bodemeister, at 30-1, will replace Omaha Beach.

MARYLAND: BALTIMORE MAYOR RESIGNS - Baltimore's embattled Mayor Catherine Pugh resigned Thursday amid state and federal investigations into whether she used bulk sales of her self-published children's book "Healthy Holly" to disguise kickbacks ([Fox News](#)). The announcement, effective immediately, ends weeks of uncertainty surrounding the first-term Democrat. "Sorry for the harm that I have caused to the image of the city of Baltimore and to the credibility of the office of the mayor," Pugh's attorney Steven Silverman read in a statement from her. "Baltimore deserves a mayor who can move our great city forward."

Local

CITIES: COLLEGE AVENUE TO CLOSE DUE TO RED LINE - Construction crews along the 13-mile stretch will be working on College Avenue to set the station structures through the month of May (*Howey Politics Indiana*). On Saturday, May 4, crews will set the Red Line station at Broad Ripple Avenue on Saturday, May 4 from 8:00 AM – 11:00 AM. This work is weather dependent. Drivers should expect a temporary closure to the southbound travel lane. Should inclement weather make the work unsafe, work will take place on Monday, May 6 between 9:00 AM – 12:00 PM. For more information about IndyGo projects and the Red Line, visit www.IndyGoRed.com or call 317-635-3344.

CITIES: DELPHI SEEKS TRAIL FUNDS FOR BRIDGE WHERE MURDERS OCCURRED - Part of a nearly \$1.3 million state grant will go toward converting an old railroad bridge into pedestrian use along a northern Indiana city's recreational trail where two teenage girls were hiking when they were killed two years ago ([AP](#)). The project will include the addition of

decking and safety rails for Delphi's Monon High Bridge, which rises more than 60 feet over Deer Creek. It was among \$25 million in grants for 17 trail projects across the state announced Thursday by Gov. Eric Holcomb. Most go toward new paved trails, with the largest grant of \$4.9 million going to the Marion County town of Speedway.

CITIES: TERRE HAUTE FINANCES IMPROVE - Terre Haute officials continue to project city finances will end 2019 in the black for the first time in many years (Taylor, [Terre Haute Tribune-Star](#)). Finance Committee Chairman Earl Elliott reported Thursday to the City Council that a combination of 23 operating funds ended 2018 with a \$671,000 deficit — a far cry from \$9.1 million of red ink when the current council took office at the start of 2016. Elliott, D-2nd, provided fellow council members with several pages of data based in part on year-end figures provided by the city administration in mid-April. "We could go black when we get to the end of '19 ... if we add another \$2.5 million to \$3 million like we have been," he said.

CITIES: THE ATLANTIC REPORTS ON MUNCIE - National journalists James and Deborah Fallows have posted two online articles about their recent trip to Muncie, where they found "activities worth national notice" (Slabaugh, [Muncie Star Press](#)). The couple's Interstate 69 tour, in March, stopped in Angola, Fort Wayne, Muncie and Indianapolis in connection with an Indiana Humanities initiative to address the state's cultural divisions. Authors of a best-selling book, "Our Towns: A 100,000-mile Journey Into the Heart of America," the Fallowses have identified 10½ attributes of successful cities. James Fallows recently posted two installments about Muncie on TheAtlantic.com, the website of The Atlantic magazine.

CITIES: INDY EYES NFL DRAFT - Hosting the NFL Draft has been on the minds of Indianapolis leaders for the past few years, but pushing to bring the event here probably won't happen right away (Shuey, [IBJ](#)). The Colts, Visit Indy, the Indiana Sports Corp. and the city—all of which would have direct involvement in a formal bid process—have had informal discussions since at least 2016 about hosting the draft, and have expressed their interest to the NFL. But scheduling conflicts and other major sports events have waylaid an effort to make a push for the draft. The city already has a lot on its plate, including the NCAA men's Final Four, the NBA-All Star Game and the College Football Playoff Championship, all of which are on the calendar in 2021 or 2022. "We've got a lot in the next two, three years that really keeps us from trying to tackle this before 2022," said Ryan Vaughn, president of the Indiana Sports Corp. "We've continued to express interest in the years after [that], though."

COUNTIES: JENNINGS SHERIFF APPEALS TO DRUG DEALERS - Hey, drug dealers, are competitors putting you out of business? The Jennings County Sheriff's Office has an offer for you ([WIBC](#)). Sheriff William Kenny Freeman posted on Facebook a form headlined "Attention drug dealers!" The form continues: "Too Much Competition Bringing You Down? Are You Not Making The Profits You Once Did? We Are Here To Help You Eliminate Your Competition!" The form asks drug dealers to list their competitor's name, the drugs their competitor sells, the address of the person, the person's license plate information and the days or times the person does most of their dealing. Reaction was positive. One Facebook commenter even suggested, "You should offer a, 'turn 10 drug dealers, get a get out of jail free card'."



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INDIANA GAMING INSIGHT

Feng shui lacking, but bill passes

Majority of both caucuses in both chambers unite for expansion

If you had told us that the House sponsor of the gaming bill would vote against his own measure, the cosponsor would grouse on the floor that “half of this bill does not set well with me,” the chair and vice chair of the House Committee on Public Policy would vote against the bill, and the chair and co-chair of the House Committee on Ways and Means would also be among the nay votes, we would have told you that HB 1015 (originally SB 552) was destined to failure.

Surprisingly, however, even with that line-up voting against it, the measure still prevailed by a comfortable 59-36 vote in the House, and by a 37-12 vote in the Senate in the final hours of the 2019 session on Wednesday, April 24.

The route to passage wasn’t easy, however, and the initial conference committee report wasn’t met with much favor.

The big hang-up, we were told, was over hold harmless money – compensating communities potentially harmed by the loss of casino revenues due to shifts in licensing and location.

House Speaker Brian Bosma (R) of Indianapolis later said that his caucus wanted the bill to pass, but that both Republicans and Democrats were adamant that these “cross-payments” – as he called them – had to be included.

While Republicans ostensibly had no reason to be concerned about hold harmless dollars in Lake County, they were highly protective of cash flowing to Evansville (which had a Democratic mayor and primarily Democratic legislative delegation when riverboats were authorized in 1993, but a GOP local administration and delegation today) and French Lick, another area dominated by the GOP in a shift from Back in the Day.

House Democratic Leader Phil GiaQuinta (D) of Fort Wayne, who had served on the House Committee on Public Policy through much of his legislative tenure, also said after the Wednesday night vote that “The hold harmless language was very important. It was important to the legislators whose areas were affected, and I think it really would have struggled to move forward” without it.

“On the Senate side, the ‘hold harmless’ was crucial that it be included because of the number of other gaming communities that were not directly mentioned, or had something in the bill but felt an effect,” said Senate Democratic Leader Tim Lanane (D) of Anderson.

Between both parties, it was clear that hold harmless deals needed to be included, and they ultimately were, although questioning of bill authors and sponsors on the House and Senate floors that final night by lawmakers whose districts were impacted by the hold harmless dollars showed that the negotiations were top-down, and didn’t include folks from those individual districts.

And it was those cross-payments which caused Rep. Todd Huston (R) of Fishers, co-chair of Ways and Means and the bill’s sponsor, to vote against it on final passage after being instrumental in shaping the entire package. That vote surprised even Speaker Bosma and House GOP colleagues.

For more, please see the following page . . .

Bet on it: Combos largely done

Of 16 properties, 12 have sport-bet partners

Passage of sports wagering authorization might be seen as a huge opening and opportunity for sports wagering operators and those who provide “skins” for online sports wagering applications . . . except that nine of the 13 Indiana properties – and the three satellite wagering facilities – already have partners for the marathon dance.

Well before Indiana approved sports wagering for its casinos and OTBs, casino operators were signing on sports wagering partners. The sole significant free agent is now Spectacle Entertainment, LLC with its Gary operation set to expand and its presumptive favorite status for Terre Haute.

French Lick Resort • Casino will also be a sought-after partner, but its business is far from any urban center, lots of families visit the resort, and an operator can only hope to overcome those demographics with convention crowds and the occasional golf tournament.

While FLRC is a one-off gaming property, Rising Star Casino • Resort has two sister Full House Resorts, Inc. properties, but neither is bound to be a key sports wagering site, and Rising Star’s own uncertainties keep it from being among top-tier sports wagering options.

See “IN Sports Wagering” inside for sports wagering partnerships with Indiana properties.



That Huston vote, however, may have been tipped off late in the day before when he held court with reporters about the budget bill he was shepherding through the process, and was asked about the gaming bill – which had seemed to publicly stall after the Monday conference committee draft.

“Hold harmless in general is a sticking point,” Rep. Huston told the media, explaining that “This is a very parochial bill,” and “people want to make sure their local communities are not impacted.” He continued, “I stood on the House floor and made my personal opinion on hold harmless pretty clear. Other people have different opinions, and I respect that.” He took pains, to reiterate that “Hold harmless has been the biggest single challenge right now.”

As with many major pieces of legislation, this was not an organic, cohesive package, but a loosely cobbled-together bill that was designed to generate a majority of votes while still accomplishing the overarching objectives of helping generate economic development in Gary, expanding gaming to Vigo County (and if you parse the final version of HB 1015, you will find the only specific mention of Terre Haute being a pair of references to distribution of revenues to that city; watch to see whether this distinction comes into play along the way), accelerating live table games for the racinos, and – oh, yeah – authorizing sports wagering while also giving the state’s “gaming partners” some tax relief via extended free play deductions and a change in the wagering tax structure.

While many were skeptical at the outset about whether so much had been crammed into the bill that it would collapse of its own weight (and that the sports wagering portion might have to be split off to survive on its own), in the end, keeping everything together produced a bill that was at least marginally beneficial for the state as a whole.

Oddly enough, sports wagering was largely an afterthought that generated virtually no debate at any stage, with the protestations of House Committee on Public Policy Chair Ben Smaltz (R) of Auburn against the evils of mobile gaming largely ignored, and no one raising questions about the size (large or small) of the initial \$100,000 fee for a sports wagering operator license and a \$50,000 annual renewal payment.

The breadth of the package and net tax benefits to the state – along with some significant economic development for certain areas – led only a few lawmakers to vote against it based upon the balkanized interests of their respective districts.

There were also some interesting and overlooked precedents set, such as the \$20 million relocation fee.

The bill also contained a formal cap on licenses (six, which would still, for example, allow a potentially combined four-license Caesars Entertainment Corporation and one-license Eldorado Resorts, Inc. to compete for the new Vigo County license).

The fee for the Vigo County license also changed from the original conference report, and the 2.9% daily supplemental tax for the new casino attracted absolutely no attention on the floor . . . but that was simply the tax that will be imposed upon the new casino that is equivalent to the tax on the other properties imposed in 2017 to compensate for the lifting of the \$3 per patron admission fee.

A controversial \$40 million tax credit proposed in the initial conference report for Spectacle Entertainment, LLC was scrapped in the final version, but as compensation for surrendering its second license upon an inland move, Spectacle was allowed to have its operations continue to be taxed for a four-year period as if it were still two separate casinos. The new Gary inland casino could become the state’s largest casino as well, authorized for 2,764 gaming positions, compared to, for example the 1,500-position cap on the new Vigo County facility.

Spectacle would, however, be slapped with a \$20 million fee if it sold the new inland Gary casino to another operator within five years after receiving Indiana Gaming Commission approval to relocate.

While Governor Eric Holcomb (R) played coy about whether he would allow HB 1015 to become law when asked at the budget-signing ceremony on Monday, he is not expected to stand in the way of its approval.

“I want to learn more on the gaming bill,” the Guy told reporters. “This all happened quickly at the end of session, as happens when you’re making sausage in this building and there’s an expire (by) date on it.” He explained, “I want to make sure the State of Indiana is the winner, and for me to be sure of that, I have to read the bill word for word,” Gov. Holcomb said Monday. “And I’m not there yet.” So what is his bottom line? “My first and last thought is the impact it has on taxpayers and our citizens both short term and long term.”

But if you go back to his historical comments about gaming – beginning with what he exclusively told us during the 2016 gubernatorial campaign about the need to modernize the system, protect the communities which have long relied upon their local casinos, and working in partnership with the Hoosier gaming industry, there should be no reason why he would not sign the legislation, which was authored and sponsored by Republican lawmakers, and passed with a majority of both Republican and Democratic votes in both chambers.

And if you sneak a peek back at what Gov. Holcomb, the first non-lawyer to be elected governor since Gov. Bob Orr (R) in 1980, told our flagship sister Hannah newsletter, *INDIANA LEGISLATIVE INSIGHT*, in an exclusive look at his veto philosophy in January 2017, you will see a striking parallel to what he said last week. He told us then, “I will read, obviously, every single word and I will know where the commas are; that can make a difference. And we’ll make sure that it meets constitutional muster – at the least. That’s not to suggest that the members in the House and the Senate haven’t done the very same thing, but we’ll want to make sure that I know for sure that it does, and then I’ll surround myself with experts in that area to weigh in and counsel. So I’ll have the extra benefit of not just making the decision alone, but being informed by the whole process and then by my team of advisors, and then I’ll make the decision,” he said. Since then Gov. Holcomb has vetoed only one bill.

He also told our sister newsletter more than two years ago, “I’ll make sure that it aligns with the taxpayers’ interests for sure, but . . . I would never suggest that I know more about their house than they do, so there will be a lot of respect given. Having said that, we’re all in this together, and we all answer to the taxpayers.”

Sen. Jon Ford (R) of Terre Haute explained to the *Terre Haute Tribune-Star* that the Governor's comments didn't faze him. "I think it's typical with any major legislation," Sen. Ford said Tuesday. "He's just doing his due diligence." He also said that there was no indication of any particular area of concern. "I've not heard from him or his office. I think we've come out with a very fair process to move the (casino) licenses ... to communities that need economic development. Some of the other things in the bill, like sports wagering or some of the taxes we're lowering, will help modernize gaming to be able to compete with neighboring states."

Sen. Ford also restated his belief that "From my point of view, I don't view it as an expansion of gaming." He went on to say, "This is just trying to bring in those illegal bets into the regulated market and try to get some control of it."

Sen. Ford also told Matthew Kredell of Legal Sports Report just after HB 1015 passed, "He will be good with the bill. He told me, if we get it to him, he will sign it."

Bet on it (at least where such betting is legal).

Here is your detailed look at just how the final events unfolded.

Conference Committee Actions

Initial Version of SB 552

The Conference Committee on SB 552 met on Monday, April 22, and its members had obviously done their work through the weekend, because the version of the bill the Conference Committee considered, as outlined by Senate Majority Floor Leader Mark Messmer (R) of Jasper, the bill's author, was considerably different than the measure that had just passed the House.

"I think we're 99% there," Sen. Messmer optimistically declared, "99% done."

The first significant change was cosmetic: SB 552 was relegated to the junk heap, and HB 1015 was stripped of its original content to serve as the receptacle of the SB 552 conference provisions because revenue-raising bills must technically originate in the House. "We always knew we'd have to move the tax provisions of 552 into a House bill," Sen. Messmer noted. With that facade out of the way, the public (and industry) learned what members would be working with, and the content largely followed what we had suggested would be the case in our last issue, but with a few tweaks and surprises.

The fee for moving a Gary license inland within Gary but off the Buffington Harbor footprint would cost Spectacle Entertainment, LLC \$20 million, payable in installments over a five-year period once the new casino opens, an amount down from the \$100 million slapped on by the House Committee on Public Policy, and already reduced by 50% to \$50 million up front on the House floor.

That new Gary facility would require a minimum \$150 million investment (Spectacle had earlier pledged to pump \$300 million into the new site), but also be allotted 2,764 total gaming positions, a number that generated lots of attention because it seemed to be far larger than any other casino currently deploys in its live inventory, but also muddled the waters because of the difference between the actual number of electronic gaming devices in use and unused capacity (recall that Rising Star Casino • Resort asserted two years ago that it had enough unused capacity that it could open a Terre Haute satellite casino).

A decision by Spectacle to sell its new land-based Gary casino within five years would trigger a \$20 million transfer fee, down by 60% from the \$50 million tariff as passed the House.

The Gary casino operator would be required to surrender its second license to maintain the number of licenses at 11 if Vigo County were to be allocated a license (or 13, if you add the two racinos that would soon become full-fledged land-based casinos close to Indianapolis). "That sacrifice of that license in Gary is regardless of who is operating the Terre Haute location," explained Sen. Messmer. "When Terre Haute opens, Spectacle would be required to sacrifice one of their licenses, whether they move at all."

But as part of the deal requiring the license surrender, Spectacle would be granted a \$40 million tax credit graduated across five years for losing its privilege - even if it were to be the successful bidder for the Vigo County license. "They're giving up real dollars, and they're getting real dollars," is how Sen. Messmer puts it. "Us just taking a license is new turf," he added. "We're taking it, and that's why we're giving them some tax credit to cover the loss of the license." He also outlined how

Spectacle would be on the hook for paying more taxes on its one new inland property than in its current operation of two riverboat casinos, which are each taxed separately - beginning with lower marginal rates - and the tax credit would help compensate them for the different wagering tax structure.

Hold harmless provisions would return, but only for East Chicago, Hammond, and Michigan City, and would only remain in place for four years. The subsidy was structured such that the City of Gary reaps gaming tax revenue beyond its 2019 level - and if there is a decline in gaming tax collections for the other three communities - the revenue growth for the Steel City would be redirected, at least in part, to help restore the cities to their respective 2019 revenue levels . . . roughly comparable in principle to the state holding host communities harmless for reduced admissions taxes after the shift to open boarding in 2002.

Sen. Messmer acknowledged the hold harmless dollars, however, "There's still a lot resistance from House leadership on that."



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The provision inserted in the House by Rep. Earl Harris, Jr. (D) of East Chicago that would require Majestic Star Casino to offer a similar position to all existing employees in the inland casino move, and to afford hiring priority to open positions to any workers laid off by Ameristar Casino East Chicago stemming from the move, was retained in the initial conference draft.

The racinos would see live dealers for their table games bumped up from January 2021 at the discretion of the Indiana Gaming Commission to an automatic live date of July 1, 2020, but which Sen. Messmer suggested would be accelerated yet again to January 1, 2020.

The tax rates for all casinos would also be reduced through a change in the graduated wagering tax table while the free play deduction would be boosted and extended – although the tax expenditures would be pushed outside the biennium to reduce the hit to the state before revenue would start flowing from the other changes.

Vigo County would be authorized to hold a county-wide referendum (“Shall inland casino gambling be permitted in Vigo County?”) in the 2019 general election in November or the May 2020 primary election to allow a new casino there, and passage is a condition precedent to a new casino license being granted. The initial conference proposal mandated a \$100 million investment in the new facility – which would be capped at 1,500 total gaming positions.

The convoluted local competitive bid process inserted by the House Committee on Ways and Means (based on Pennsylvania) and massaged on the House floor was excised in favor of returning to the kind of process that saw the Indiana Gaming Commission select the operator of the original 10 licenses. The successful licensee would be on the hook for a \$2 million license fee.

Largely overlooked was a supplemental wagering tax of 2.9% of the Vigo County casino’s adjusted gross receipts for the day that had been in the engrossed Senate bill and remained in this conference report.

Sen. Messmer also revealed that the draft would maintain the sports wagering authorization framework as passed by the House, with wagering targeted to begin September 1. The initial conference draft would allow mobile sports wagering (all for those aged 21 or older), with the operators of all forms of sports wagering taxed at a flat rate of 9.5% of adjusted gross revenues. Registration for mobile betting could take place at a brick-and-mortar facility or online. Wagering on esports and high school and amateur youth sports would be prohibited. The Indiana Gaming Commission would be empowered to determine the parameters of in-play wagering and confirmatory data sources.

Rep. Terri Austin (D) of Anderson, a House conferee, spoke briefly on the reason why the open meetings requirement inserted in Second Reading on the House floor by Rep. Pat Bauer (D) of South Bend was excised, and she referenced the ban on *ex parte* communications by license applicants with Commission members imposed on the very first day of IGC action in 1993 that we reminded you about in our last issue . . . a ban that encouraged applicants and their attorneys to meet instead with Commission staff. “The rules as they passed the House were just overly restrictive,” agreed Sen. Messmer.

Rep. Ed DeLaney (D) of Indianapolis spoke to the property rights in a state license, and Sen. Eddie Melton (D) of Gary asked Sen. Messmer a question about the \$2 million transfer fee and clarification about the hold harmless triggers and revenue sources. The financial protection dollars would be derived from Gary’s revenues and not the state share. “There was no appetite for anything involving state revenues,” Sen. Messmer told him.

Negotiations Following Initial CCR

While Sen. Messmer had publicly stated at the initial conference committee meeting – which also proved to be the only one – that the package was “99% complete,” there was considerable angst over the hold harmless provisions: who would be included, how much they would be entitled to in what House Speaker Brian Bosma (R) referred to as “cross-payments,” under what conditions, and for how long. The concern and debate was far more rancorous in both House caucuses than in the Senate, and had the potential for killing the entire package.

After the hold harmless language was largely stripped from SB 552 by the House Committee on Public Policy (and stayed out on the House floor, save some tinkering for the Orange County hotels), it was obvious that we had underestimated the rabidity with which communities accustomed to their payments would defend them and battle with their neighbors – almost to the point of Mutually Assured Destruction, with one legislative leader telling us after the final vote that there were several points during the process that the subsidy issue came close to the point where at least two caucuses would not sign off on a conference report and were prepared to defeat the bill on the floor if leaders replaced conferees with those who would sign a CCR devoid of a comprehensive hold harmless structure.

That direction was particularly tough on the House sponsor, Rep. Todd Huston (R) of Fishers, co-chair of the House Committee on Ways and Means, who, like Rep. Ben Smaltz (R) of Auburn, chair of the House Committee on Public Policy, took it as core principle that there should be no cross-payments.

But the House Republican Caucus appeared intent on passing the bill, with members from the Evansville area (recall the comments of influential Rep. Holli Sullivan (R) of Evansville during testimony on the recommitted 552 to the House Committee on Ways and Means on the need to protect her community), and the sheer number of House Republicans representing communities in the Springs Valley and which benefit from French Lick tourism pushing for aid . . . and House Democrats under pressure from the large percentage of their own delegation from Northwest Indiana – some of whose own districts were conflicted, but overall would be benefited by a successful bill with revenue sharing.

Democrats were harangued by mayors Tom McDermott, Jr. (D) of Hammond and Anthony Copeland (D) of East Chicago between the final Monday and Wednesday of session, with those two mayors deriding the prospectively directed dollars as decidedly inadequate, and Evansville leaders also jumped in, with Rep. Sullivan and Sen. Vaneta Becker (R) of Evansville, along with other members of their Southwestern Indiana delegation lobbying colleagues to help pocket Pocket City cash.

The gaming bill was decidedly not a partisan issue, but one shaped by geography – and certainly not principle. And while initially, the riverboat gambling bill was a plus for Hoosier Democrats, who largely represented districts with riverboats, as we’ve illustrated for you in the past few election cycles, districts with casino, racinos, or satellite wagering facilities have been turning more red than blue, and that was important in bringing the full faith and credit of the House Republican Caucus to bear on changing the provisions of HB 1015 in the final conference report April 24. As Rep. Huston later explained on the House floor, he was carrying out the will of his caucus in agreeing to insert the hold harmless provisions (and their triggers and four-year duration) into the final measure.

Final CCR Version of HB 1015

Late in the final afternoon of the session on April 24, the final Conference Committee Report on HB 1015 was released, and in addition to the contents of SB 552 as it passed the House on Third Reading the previous week, the CCR:

- Changed the fee for a Gary riverboat to transfer to an off-footprint inland location to \$20 million. *This action was consonant with the initial CCR.*

- Authorized a license to operate an inland casino in Vigo County. *As in all previous iterations of the gaming measure, HB 1015 pointedly avoided reference to a casino being sited in the City of Terre Haute . . . and that may prove significant.*

- Removed language labeling a relinquished Gary riverboat license as a “terminated” license.

- Stripped the provisions establishing a Vigo County inland casino advisory board and detailing its responsibilities and excised the competitive bid process to operate an inland casino in Vigo County. *The CCR eliminated local control over the process, which had been limited only by Indiana Gaming Commission oversight, and struck down a process that some had viewed as unnecessarily cumbersome.*

- Empowered the Indiana Gaming Commission to accept applications and evaluate proposals to award a license to operate an inland casino in Vigo County. *This change switched the process from one that would be controlled by local individuals lacking perspective on the statewide process and individual casino deals elsewhere to the entity and process that has served effectively to award 11 licenses to date. The responsibility for evaluating and awarding the license would be invested in a more knowledgeable entity. Assorted criteria were specified for consideration by the Gameboys in determining suitability for Vigo County licensing, including an investment of at least \$100 million, with 65% of the proposed investment for development of a casino, and 35% for nongaming amenities. Local support and ownership involvement are also among the criteria.*

- Imposed a license fee of \$5 million to operate an inland casino in Vigo County. *This is a new token fee of sorts, and serves in part to replace a \$20 million transfer fee of sorts that would have been levied on Spectacle for a move to Vigo County.*

- Changed the date for allowing live dealers at racino table games to January 1, 2020. *This was another change, hinted at in the conference committee meeting earlier in the week, bumping the date up from July 1, 2020, and it maintains the language that makes the approval automatic.*

- Allowed mobile sports wagering. *This came over the vehement objection of House Public Policy Chair Smaltz, but didn’t seem to be a big issue to those outside the small remaining cadre of anti-gamers, who would not have voted for the measure even if it only allowed in-person sports wagering. Conferrees heard an earful through the week that eschewing mobile wagering would leave big bucks on the table, frustrate patrons, turn off the younger audience it seeks to attract going forward, and ultimately benefit the illegal off-shore operators. Sports betting is estimated to generate about \$11.5 million annually for the State General Fund, according to May 1 Legislative Services Agency projections (Illinois’ governor estimates that sports wagering in his state could bring in up to \$136 million annually to state coffers).*

- Reduced the wagering tax on gambling games at casinos effective July 1, 2021. *This was expected, and was in keeping with the timetable that had earlier been laid out by Rep. Huston to effectively ensure that the tax expenditures did not begin until state coffers began to reap the tax benefits of the revenue-enhancing provisions of 1015. The increase in free play deduction from \$7 million to \$9 million also kicks in with FY 2022, and will translate into an estimated \$6 million hit to the State General Fund, according to LSA.*

- Deleted language rendering certain meetings with casino owners or potential casino owners subject to the open door law. *As we told you, we expected this to be the first provision dumped from the bill as passed by the House, given that it had made the “political-with-a-small-p” point that lawmakers intended, was largely unworkable in practice, and there were appropriate protections in place.*

- Eliminated the Gaming Commission mandate to report on out-of-state casino competition, the movement of casino licenses, and the current state of gaming in Indiana. *While this may seem to be a big deal, other provisions were made for an interim study as sought by Rep. Sullivan in the Ways and Means recommittal hearing. The morning after the session ended, Speaker Bosma said that there were a number of interim study committee topics already being bandied about, and “The one that I think probably is most prominent – that was discussed extensively by fiscal folks – were these cross-payments when new gaming facilities happen. I think Rep. Huston will lead a discussion on that.”*

- Prohibited a person from having an ownership interest in more than six of any combination of: (A) riverboat licenses, and (B) gambling game (racino) licenses. *After some concerns that had been expressed about earlier “undue economic concentration” language, recent rumors about gaming industry consolidation at the national level, and the vagary of the initial statutory language (about whether it applied to the Vigo County license, overall statewide ownership issues, or both), the language was modified to make it clear that the economic concentration concerns applied to licenses statewide, and a policy decision was made that a quantitative cap on the absolute number of licenses would be substituted for a more amorphous qualitative determination by Commission members – who undoubtedly know it when they see it. The cap of six would allow for the acquisition of Caesars Entertainment Corporation (and its two casino and two racino licenses in Indiana) by Eldorado Resorts, Inc. (owner of one casino license in Indiana), and for that newly merged entity to then pursue a sixth license in Vigo County.*

- Continued to impose wagering taxes for the Gary inland casino as if two riverboats were in operation for four years. *Offered in lieu of the proposed \$40 million tax credit for Spectacle prospectively losing its second license is the ability for it to continue to be taxed for (state fiscal years ending before July 1, 2025) as if it owned two casinos.*

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- Added permission for IGC to approve in-play wagers for sports betting and required the Commission to adopt rules concerning the use of data in sports wagering. *The conference panel punted legislative ability to make the call on how to handle in-play betting and requiring the use of official data for any types of sport betting to the administrative entity better-equipped to make those kinds of decisions. Since this will go through a rulemaking process, there will be the opportunity for public input.*

- Mandated the operator of a Vigo County casino to make certain payments to the City of Evansville. *While the Northwest Indiana cities were included in the initial conference report, the City of Evansville was notably excluded, and lawmakers of both parties in both chambers from the southwestern counties threw the legislative equivalent of a hissy fit until Evansville hold harmless dollars were added back. They were, but only for three years (and not four like the Northwest Indiana communities). The Pocket City would reap a \$1.2 million payment in the first year of Vigo County gaming operations; \$900,000 in year two; and \$600,000 within the third year.*

- Entitled East Chicago, Hammond, and Michigan City to receive supplemental payments from wagering tax distributions that would otherwise be paid to Gary if certain conditions are met. *While Gary's mayor wasn't all that happy about the trade-off, as expected, Hammond Mayor McDermott also wasn't as pleased as one might have presumed. He wasn't convinced that these bucks would ultimately even be returned to his city, because if his city's Horseshoe Casino Hammond maintains its current level of revenue, the proposed hold harmless trigger would not even come into play, and, as Mayor Tom has been insisting all along, it would be Ameristar Casino East Chicago that would be hardest hit. The three communities are able to collect cash payments, if eligible, for four years.*

- Distributed wagering tax revenue from the Orange County casino to the West Baden Springs Historic Hotel Preservation and Maintenance Fund beginning in 2021. *French Lick seems to have the legislative equivalent of a NATO Treaty, because any time anyone seems to take aim at its casino revenues, not only lawmakers from the Springs Valley but those from around the state unite to defend the unique community and property itself. No different this time out of the blocks, as the historic hotels fund would receive 33.6% of the State share of tax dollars unless and until the local casino posts AGR of at least \$100 million or more, or the fund balance tops \$25 million.*

Rules Committee Deliberations

The Senate Committee on Rules approved HB 1015 unanimously, but the road was a bit tougher for the measure after conference in the House Committee on Rules, where there was a good bit of substantive questioning and sparring over the report on that side of the Rotunda – albeit for just 10 minutes.

After Rep. Huston detailed the changes from the original conference report, Rep. Ryan Dvorak (D) of South Bend jumped in to ask whether mobile sports wagering had ever had a public hearing, only to be told that mobile wagering was in the bill as it had moved over from the Senate. Rep. Dvorak asked Rep. Huston which parts had not passed a chamber. “Conceptually,” he was told, the French Lick historic hotel fund was in the House bill, and the hold harmless funding for Northwest Indiana came over from the Senate. There was some fee structure for relocation, but the House’s fee structure was modified. The Vigo County license process as inserted by the House had been modified as had been relocation principles.

One new item was the cap of six licenses, with the current cap removed in the Senate, and re-established – at six – in this conference report.

Rep. Sullivan raised questions about the trigger passing the House for a Gary license reverting to the Commission, and there were also questions about the ability of a satellite wagering facility to offer on-premise sports betting.

Rep. Smaltz also noted that the license move fee had been “adjusted” to \$20 million and new language would allow that tab to be paid over five years, a circumstance that Rep. Huston described as “conceptually the same.” Rep. Smaltz also confronted Rep. Huston about the wagering taxes for a relocated Gary casino to continue to be imposed for four years as if there were still two riverboats in operation – “I think that’s new,” he added, with Rep. Huston telling his colleague that he was indeed correct. Huston also noted that the cap on the number of positions for a Vigo County casino was also new language.

The House Rules panel voted 7-3 for the report to advance to the full House. Reps. Smaltz, Dvorak, and Dan Leonard (R) of Huntington, were nay votes, with Rep. Smaltz explaining that he was voting against advancing it because of the “magnitude of the bill with the addition of the new language,” while Reps. Sullivan and Greg Steuerwald (R) of Danville voted for it, with both members of House GOP leadership noting that it was simply a procedural vote.

Final Night Floor Action

Final House Floor Consideration

At 7:24 p.m., roughly 40 minutes after the Rules Committee report was adopted, the full House took up the final Conference Committee Report.

Rep. Huston took five minutes to explain that the conference report on HB 1015 contained many of the elements of SB 552, and that the final measure included what he saw as five key components:

- (1) The ability to move a Gary casino inland within Gary off the current footprint with a \$20 million fee imposed upon the owner in five payments, the first of which is due when it submits its petition to move, which must be by January 1, 2020. The tax provisions for the Gary casino will continue to tax the owner as if there were two boats until 2025, regardless of the status of the licenses, and 35% of the inland Gary casino project investment must be directed to non-gaming amenities.
- (2) A Vigo County casino referendum is triggered upon the Gary casino owner indicating an interest in moving inland, and any Vigo County casino would be awarded in a Gaming Commission-led process. That license award would require payment of a \$5 million fee to the State of Indiana, and the operator would have to make a minimum \$100 million local investment, with at least 35% of that consisting of “non-casino infrastructure.”
- (3) Live table games for the two racinos would automatically occur on January 1, 2020.

(4) Sports wagering would be authorized with mobile gaming.

(5) Hold harmless provisions would protect East Chicago, Hammond, and Michigan City based on changes in revenue to those communities, with dollars directed from Gary under specified conditions. French Lick would be entitled to capture more revenue to support the historic hotel fund, and a Vigo County casino operator would be required to provide a string of three annual payments in specified dollar amounts to the City of Evansville.

Rep. Huston also noted that the conference report included a cap of six licenses for any one operator. He said that the one premise conferees were operating under for the new casino prospect was a fair process for determining a Vigo County operator. He explained that overall, HB 1015 created a situation in which the State is allowing sports wagering in a responsible manner and supporting communities and honoring sunken investments.

Rep. DeLaney rose to question him about protection for Evansville, and asked if HB 1015 was cutting tax rates for casino operators. Rep. Huston reminded him that the tax changes were included in the House version of the bill, and while HB 1015 would change the scale of tax rates for operators, the State "will be picking up new revenue from four changes," which he elaborated as a Vigo County casino, an inland Gary casino, sports wagering, and live table games for the two racinos.

Rep. DeLaney then asked rhetorically, so "at least for the casinos we're lowering the rates?" Huston told him that because of the delay in altering the rates, lawmakers and regulators will have a chance to watch things evolve over the coming biennium, including if one aspect is delayed and how things "impact the entire scene." "We meet every year," Rep. Huston reminded his colleague in a time-worn floor debate phrase, and can come back and make any necessary adjustments with no harm.

Rep. DeLaney asked about the hold harmless language for Northwest Indiana, which he understood to only come into play if the Gary operation brings in more than the base year revenue. He was concerned that the big three protected under HB 1015 are at risk of not gaining that cash if the Gary inland model does not prove successful. The premise, Rep. Huston explained, is that there would be a shift from these three communities and if that shift takes place to Gary, then Gary would then share some of those proceeds back. If there was no shift, there would be no need for compensation.

Rep. DeLaney then spoke on the measure, suggesting that under the hold harmless provisions, "We all swim together, or we all sink together." If the Gary inland casino is not successful, the hold harmless protection is "ephemeral, evanescent, disappearing," because we are tying these disparate operations together.

The Indianapolis Democrat told colleagues that he would vote against the conference report "simply as a matter of negotiation. I've never seen anything like what I've seen here." He observed that the bill started (in the House) with \$100 million "to the people of Indiana from the gaming industry" for the Gary license, and "Now that we're here, we're going to get \$20 million instead of \$100" million, and then the State would actually be giving back \$40 million in reduced taxes.

"That is more than a 100% shift in the opposite direction," he mused. Rep. DeLaney continued, "I have never been in a negotiation where we've changed who is paying whom. I don't know who was in on this negotiation acting on my behalf." He said if there is a next time, he would "fire whoever it was who represented me and hire whoever it was that represented them. I don't see this is a good deal for the state of Indiana." As for allowing more free play deductions and lowering tax rates for casinos, "I don't see that this is a good deal for the people of the State of Indiana." While he was glad there was some protection for communities, he was "not sure it was adequate."

"I don't see what's in it for our taxpayers," Rep. DeLaney said, offering his advice to vote the measure down and come back in 2020 "and get someone better to negotiate for us."

Rep. Ryan Hatfield (D) of Evansville questioned Rep. Huston on whether the language on studying the economic impact of the changes (as proposed by Rep. Sullivan in Ways and Means) found its way into the final conference version. He said that we need to make a commitment to "next year, the year after, and year after that" to look at how our communities are being impacted by this change. "Sure, absolutely," said Rep. Huston. "I'm happy to look at that" and at the evolution of the landscape. "We should be looking at that," Huston added.

Rep. Tonya Pfaff (D) of Terre Haute rose to remind colleagues that she has lived in Terre Haute almost her entire life, and labeled HB 1015 as "very important to my community." Rep. Pfaff described the measure as "a jobs bill for my area. It will have a lasting impact."

Rep. Austin, a conferee, spoke about her 17 years of work on the House Committee on Public Policy, where she has been able to see "every gaming bill" during that entire period. She detailed how her home town of Anderson has benefited from the racino to the tune of "a thousand jobs in my community; some of them have actually saved families from financial ruin." She observes, "The truth is gaming is an ever-evolving industry, just like entertainment is. Nobody could have ever told me 10 years ago that I could watch my favorite TV shows on my phone To me, this is being progressive and it's recognizing that in a free market, you had better stay on your toes or you're going to be left behind."

She understands "that some folks just don't like gaming - period," but it has brought hundreds of millions of dollars to Indiana. "[T] his bill has a lot of promise for our state. Thank heavens it's not the only economic development strategy that we have, either." Rep. Austin thanked Reps. Huston and Lehman and Sen. Lanane for their thoughts and ideas "to get us to this point today" on SB 552 and HB 1015.

"No piece of legislation is ever perfect," Rep. Austin reminded the chamber, but assured Hoosiers that "the truth is this: The State is not going to lose money on this bill." She continued, "I think it benefits everyone and even the state makes money off of this." Rep. Huston would not sign off on something that would cost the state money, said Austin. She noted that some estimates bandied about for sports wagering income alone are much higher than the official numbers used in shaping the measure by as much as \$12 million to \$75 million annually in state revenue from sports wagering.

Rep. Austin also noted that the illegal sports betting market in Indiana is estimated at \$300 million annually, with minors participating. HB 1015 would halt the illegal operations and regulate it.

Rep. Randy Lyness (R) of West Harrison, whose district is home to Hollywood Casino Lawrenceburg, owned by Penn National Gaming, Inc. and sister property to Ameristar Casino East Chicago, took to the podium to say "I'm in awe" of the work by Rep. Huston on this bill. "This is gonna hurt my district a little bit," he continued, referencing the live table games in Shelbyville, and observing that it had moved in "a lot of different directions in the last three or four days."

"I have one vote," he lamented, but as Huston had said in describing the measure, "there's five parts to this. I have to vote," he said, and "I will be voting against it."

Rep. Ragen Hatcher (D) of Gary came to the front of the chamber, and the "lifelong resident" of Gary expressed her appreciation for the fact that the move of the Majestic Star casinos would allow her city to develop Buffington Harbor. "We are in the midst of an interesting time in the city where we are looking for new avenues to create income to pay for basic services like police and fire."

Being able to move the casinos from the harbor to land will allow economic growth as well as future harbor development, Rep. Hatcher explained, adding that the hold harmless clause would kick in after the shift inland "because we don't know" if the Gary casino will make more money on I-80/I-94. After the complex Majestic Star corporate bankruptcy several years ago, the city still got money under the local development agreement, but tax dollars were lower, and the City was just making a "basic amount" that it was hoping to exceed now. "This will mean a lot to Gary, and I ask for everybody's support."

Rep. Smaltz, who saw the bill significantly altered after it left his public policy panel – despite his explicitly stated concerns – told the floor that he had not been planning to speak on the bill, but "I'm really concerned about what we're about to do." While "Todd Huston and I are great friends," he expressed regret over some things that were changing in this bill. "I thought we were okay when it left the House. I voted for it. I thought Public Policy did a fantastic job" with the measure. As approved by the full House, it included a \$50 million fee for moving a Gary casino, and now the fee is less than one-half of that, and "they can pay over time."

The member of the Committee on Rules referred to House rules on conference language passing the House, and cautioned colleagues that HB 1015 shows that "we could create a lattice work in the bill," force a bill into conference committee, and change the language. Not only was the fee cut to \$20 million – bad policy that didn't pass either chamber, he exclaimed – but it could be paid across five years. Moving up the date for live dealers at the racinos, and adding back hold harmless language and legalizing mobile sports wagering – "I don't even know where to start with that. We talk about minors having access. We've kept everything pretty tied to our properties. This is a monumental policy shift. And this is just the beginning, and I'm not excited about it," Rep Smaltz exclaimed.

"I'm not excited about having sports wagering in my community or anywhere," Rep. Smaltz says, adding, "I'm really not excited about what happens in six years or less, when there's new people here and somebody comes and says, 'Isn't it silly we can bet on a football game, but I can't play blackjack or roulette on my phone?'" He says that it's only common sense that new lawmakers at that point would say "that's dumb" to have done it that way, and ask "Why don't we fix this?" He called for geofencing around college campuses to make it more difficult for the vulnerable college population to place mobile sports wagers. Smaltz also calls the hold harmless deals, "like the 'hokey-pokey,' it's in and then it's out. Some people get it, some don't."

Rep. Smaltz asks, "Why are we even doing this? Because somebody bought a casino that's not profitable? What started this bill? Because the federal government said we could do something? So? is there some other reason why this bill has to happen? Because I sure haven't in all the testimony," and in the large conference committee report, heard why it is necessary to "make this major policy change I think this issue is going to come back and haunt us."

Rep. Peggy Mayfield (R) of Martinsville opted to speak because she had not heard her concern mentioned. She had an amendment drafted but had decided not to offer it on Second Reading dealing with the ownership concentration. She told House members that the cap on owner licenses – two under current law – was initially removed in the pending legislation, and then capped at six under HB 1015.

Mayfield reviewed the current state of ownership in Indiana, where one operator (Caesars Entertainment Corporation) owns two casino licenses and two racino licenses so "*de facto* four licenses." That means that one organization controls 54% of state gaming tax dollars, and the three largest entities control 85% of the gaming taxes flowing to state coffers. "If we allow one entity to increase to six licenses, we could potentially let them control more than 60% of (one of) our top tax sources in the state," raising the point we made in our last issue when we broke down the combinations and potential that would result from an Eldorado Resorts, inc. buyout of, or merger with, Caesars.

"I want the state to be controlling the policy on gaming," asserted Rep. Mayfield. "I don't want the state enacting what is being dictated to it from a potential largest contributor" to the tax source. "Gaming is not simple," she went on to say, observing that it is highly controlled and tightly regulated, and "takes a while to understand" the complexities from a legislative perspective. "It took four years for me to understand," she said, and referenced the 17 freshmen in the House who had only four months in which to digest all of this before making a generational change in state policy.

"We run around like our hair is on fire," she complained, with everyone on board, "when, two years ago, the slightest tweak 'sent everyone running to a legislator' with a lobbyist on their behalf. She urged the House to take its time, assuring them that "the industry will survive." However, "This bill is throwing a grenade into the middle of Indiana's gaming industry," and "I just want everyone to think long and hard before we alter our gaming industry."

One whose district had the most to gain from the passage of the bill, Rep. Sean Eberhart (R) of Shelbyville, was next to command the floor. This was “a tremendous bill,” he began, “and we had two of the best,” Reps. Huston and Lehman in charge of a process that was “transparent from the beginning to the end, folks. You cannot say that you did not have an opportunity to talk to either Rep. Huston or Rep. Lehman.” Rep. Eberhart contended that the bill had gone through assorted stages at which there was opportunity for public input, committee work, or personal contact, “including the freshmen.” Taking aim at Rep. Mayfield’s comments, he suggested instead that the freshmen class members “know what they’re doing,” and he offered up his “complete confidence they are making a vote based on what they think is good policy.”

Still firing back at Rep. Mayfield, he said “Folks, this isn’t a ‘grenade.’ This is a chance for us to leverage the assets we have in place with our gaming partners Yes they are. They are our partners We need to embrace that.” He continued, “This bill is a great bill for the State of Indiana. I have complete confidence that Rep. Huston would not let this bill move forward if it wasn’t a net positive for the state.”

As for the concessions to the industry that were criticized by some during debate, Rep. Eberhart said, “It is about time, I think, that we give a little back to them with the tax adjustments that we’re making. We continue to take and take from these folks. We have one of the highest taxes anywhere on gaming. If we don’t start treating them more fairly we’re going to kill the golden goose.”

Referring to Rep. DeLaney’s shot at the negotiations, Eberhart said that those talks had involved “me and a lot of folks in this room. A lot of folks had the opportunity to negotiate. Rep. Huston’s probably tired of me. I’ve talked to him probably more on this bill than on any other bill in 13 years” The live table games would be important for Anderson and Shelbyville, bringing “650 jobs that pay an average salary of \$50,000” annually. The bottom line, he added, was that this is “a great bill for the state.”

House Republican Caucus Chair Greg Steuerwald (R) rose for the shortest admonition. He urged everyone simply to vote their conscience, and, seeking to deflect criticism from the sponsors, he said “if you ever want to tackle a difficult issue, just try it once.” He offered his thanks to Reps. Huston and Lehman and others who negotiated the bill for “the transparency and the integrity of the process.”

Rep. Randy Frye (R) of Greensburg, whose district includes Rising Star Casino • Resort offered his thanks to Rep. Huston for all the work he had put into the measure, and stated up front that there was “a lot of this bill that needs to pass.” He queried Rep. Huston about the tax breaks to industry in the bill. Rep. Huston told him that there would be a new taxation structure imposed two years down the road. Rep. Frye pressed him on how much money would be at stake. Expect about \$45 million to \$50 million of new dollars flowing to the state, replied Huston, and the state will net about \$20 million to \$25 million annually once the tax changes included in the measure take effect.

Rep. Frye began to probe deeper, asking if this was money that would “go back and improve the profits of the gaming industry?”

He asked rhetorically if there were hold harmless provisions benefiting all riverboat communities – and then asked straight-up what communities were in line for new hold harmless cash and where it was added in, and was told it would be East Chicago, Hammond, Michigan City and French Lick, and they were included in the Senate-passed bill. Rep. Frye pushed further: Why not the Southeastern Indiana riverboat communities? “I don’t have good answer for that,” Rep. Huston told him, trying to explain that they were looking at specific pools of money, and “it would become problematic” to restructure them. Huston conceded that it was “not a great way to do it, it is not a great answer for your district.” Frye then asked about whether his region of the state would be entitled to any compensation from the acceleration of live table games at the racinos, and was told it would not.

Rep. Frye then spoke on the bill, opening with his respect for Reps. Huston and Lehman, and noting that if the bill could be broken into different parts, “that would be great.” He then launched into the most passionate speech of the debate. He reminded colleagues that the Conference Committee Report was not the bill, that they could vote the CCR down and the panel could come back tomorrow “with one that fixes this mess.” Rising Sun was in the state’s smallest county, was home to the smallest boat, and they would be taking “a \$600,000 hit in this bill. We’re gonna build this on the backs of the poorest people in our state when we’re giving millions and millions in dollars” to riverboats and gaming casino owners? “Are we really going to do that? We need to think this through. A lot of this was thrown together in the last couple of hours. I’m willing to come back tomorrow and get it right ... don’t pay for it on the backs of the poorest people in the state while we give huge tax breaks to the wealthiest people in the state That’s ridiculous.”

“There are not enough votes in southeastern Indiana to matter,” Rep. Frye told Mike Perleberg of WSCH Radio in Lawrenceburg the day after the vote. “They just run over us.”

Majority Floor Leader Lehman was next to speak on the bill, jokingly alluding to his authorship of one of the session’s most contentious issues. “Right now, I’m wishing I had my lending bill back.” He spoke to the State’s reliance on gaming dollars, reminding everyone that “This deal wasn’t made in this bill. This deal was made 20+ years ago. When you take that revenue book, and you begin to see the reliance we have on gaming, I’m sorry folks, using a gaming term, ‘we’re all-in.’ We’re all-in.” He noted that he is not a gaming guy – facetiously suggesting his hometown of Berne gets hinky about cakewalks because “that’s gambling.” “So here’s the deal We better have strong parameters around this industry that we have created and that we’ve allowed to flourish.”

Rep. Lehman mentioned the jobs and economic benefits and then said, “Half of this bill makes me feel really good about Indiana, and half of this bill does not set well with me. I think Rep. Eberhart said, you know, ‘It’s compromise.’ It’s negotiation. We can’t pick and choose what we like in this bill or that bill. We take it as a whole and ask, ‘Is this moving Indiana in a better direction than where we are at now?’ ”

Lehman continued, reprising his line from Third Reading debate. “I don’t care who. I don’t care where. I don’t care when. I care about strong public policy for the State of Indiana. So If we’ve got gaming here and we do, we better have a strong parameter around it.”

Rep. Lehman referred to the \$100 million license fee that Rep. DeLaney had suggested was money given up, but reminded the hushed floor that the bill as it came over from the Senate had included no fee. "I can make the argument that we went from zero to \$20 million. That's again for the State of Indiana. I think we have done in this bill what is right for Hoosiers right now, and" he added "we do come back every year" and can thus make changes that might be needed.

"This is a shift," Rep. Lehman acknowledged. "This is the part I struggle with a little bit. This is a big shift." In his years on the Committee on Public Policy he recalled that "We really have struggled trying to with finding the right place for these gaming bills." He said he had probably spent more time on this bill than any other bill – and his name was not even on it. "It's not a secret I don't like the hold harmless agreements, I don't. I don't like them at all. I don't know that that's good public policy." He related a colloquy that he had with Rep. Hatfield of Evansville in which he told his younger colleague, when Kentucky gets expanded gambling, "all bets are off," and Terre Haute payments will continue to Evansville even if Evansville were to hemorrhage cash due to Kentucky, which won't be paying it any compensation. "This is just the conversation starting."

Rep. Vanessa Summers (D) of Indianapolis told her colleagues that she had been a member of the public policy committee since the first gaming bill passed through the panel (although the first came before she was elected in 1991, when the committee was chaired by her late father). "We cannot be a little pregnant. We are in this thing. We are here. We're in it. We're doing it. We are gonna be in it."

She reminded everyone that there was a "lot of gaming" going on around us in neighboring states, and "We need to do what we do best." And if this doesn't meet expectations, "We are here every year and we tweak, and we make sure things are better." She said she was voting for HB 1015, but was only doing this "for one representative, and I'm going to help him help his city and help him help his district." She was referring to Rep. Vernon Smith (D) of Gary, who joined the House in 1990, the year before Rep. Summers, and was a passionate advocate for his city. He had been absent during much of the second half of the session.

Rep. Greg Porter (D) of Indianapolis, the top Democrat on the House Committee on Ways and Means, took to the podium for the penultimate speech to thank Reps. Huston, Austin, and Lehman for their efforts in educating members and doing the "heavy lifting." Rep. Porter said that he was among the members of the House in 1993 when riverboats were authorized, and understands the passion for Lawrenceburg. But he also pointed out that the southeastern communities have had longstanding extensive local development agreements in place. "Don't think that all the dollars come to the General Fund," he said, particularly speaking to newer members. "When we first did this," he explained, local communities were "very involved" in the process "20-something years ago." He recognized, however, that "Things change. We were an island when it came to gaming" back then (overlooking casinos in Illinois), and adding that he wanted to help all of the state.

The final floor speech came from freshman Rep. Pat Boy (D) of Michigan City.

While Rep. Boy had not been involved in the Michigan City government when the boat was built on Trail Creek in 1997, she spoke to how she had seen in her 15 years on the Michigan City City Council how the casino revenues that flowed to local government were used for good things, including health insurance and community enrichment, and "tided us through" some rough revenue spots over the years. "Without it, we would be in a really big problem," Rep. Boy said.

Rep. Tim Wesco (R) of Osceola, the anti-gamer who was formerly the vice chair of public policy, called for a vote, ending debate.

Rep. Huston took advantage of his prerogative as the sponsor to close.

He spoke about his relationship with colleagues, and how it is "hard not to take some of these bills personally. The hair on the back of your neck stands up when people say things," but then you settle down. While he had participated in lots of negotiations in both the legislature and outside, "this is very, very unique because it impacts different people in different ways, and it means you have to come to some level of compromise that you never kind of expected to come to." Rep. Huston added, "This bill is unique, because it affects local communities in so many different ways," and the House "is about the individuals it represents."

He reminded colleagues that he personally held one core philosophy on this bill: that there should be no hold harmless provisions. But, like Rep. Lehman had outlined, lawmakers needed to do "what's in the best interest of the state." As others had said of him, he said that would never have signed the Conference Committee Report if the State was not going to receive more money than it gave back. He understood the concerns of each group, "but you just try to get it to the spot where four people can agree, with the support of their caucuses, to sign a report ... This is the will of my caucus." He said that "Where we've gotten to is where a lot of people think is probably the right spot. It was a group and uniform effort to get to this place, and I thank everybody." Huston reiterated, "I can say with confidence, we're not putting the state at any risk."

After just under one hour of debate, the House voted 59-36 in favor of the bill, with 37 Republicans and 22 Democrats voting aye, and 27 Republicans and nine Democrats voting nay.

Two lawmakers recused themselves from the vote. House Speaker Bosma, whose law firm had been retained by the Vigo County Capital Improvement board last year on the recommendation of a board member who was to become a key principal with Spectacle, and Rep. Dave Heine (R) of Fort Wayne, whose district is home to a Harrah's Hoosier Park satellite wagering facility that used to be run by his son-in-law, who now lobbies for Caesars Entertainment Corporation (Rep. Heine has recused himself from relevant gaming votes all along).

A third member almost joined the recusal crowd, but instead simply took a personal financial hit and still got approval for participation from the House Statutory Committee on Ethics.

On April 22, he agreed to be removed as an author of HB 1015, which allowed his bill on indemnity agreements to be stripped and instead serve as the vehicle for SB 552, the gaming bill.

On April 23, the day before the final vote, Rep. Jerry Torr (R) of Carmel told the panel in a letter that his employer, Near North Title Group, “was asked to do title insurance and closing services for Spectacle Entertainment’s purchase of the casinos in Gary.” He did not specify who asked that his company handle that work. Rep. Torr told the ethics panel that at the time, “I was not aware that Spectacle would be asking for legislation to move a license to (sic) Gary, etc.”

However, he wrote, “When I learned a few months after about the proposed legislative changes, I met with my CEO and requested that the Spectacle transaction not be included in my commission calculation in any way. I chose to forgo this rather than disenfranchise 65,000 voters by abstaining.” He further noted that he had “no ownership interest in the company and will not personally benefiting (sic) financially from the transaction.”

“Nevertheless,” Rep. Torr told the ethics panel, “given some of the news stories over the past couple of days, I thought it would be in the best interest of the institution for me to request a formal opinion from the Ethics Committee.”

In a written response that same day signed by all six members of the ethics panel, three Democrats and three Republicans, “the Committee finds no conflict of interest exists in violation of House Rule 169 and House Rule 1 based on the facts you have presented, a review of the legislation in question, and the House Rules. House Rule 168 discusses the appearance of impropriety and should be considered when you vote.”

Final Senate Floor Consideration

Senate floor deliberations on the HB 1015 Conference Committee Report began shortly after the House debate on the CCR was underway, and also ended before the House concluded its action on the report. The Senate proceedings consumed only 30 minutes, and it would be a stretch to call what transpired “debate”; much of the colloquy consisted of simple factual (and not leading or rhetorical) questions of the author, and there were a few statements.

Senate Majority Floor Leader Mark Messmer (R) of Jasper introduced the measure by describing its revenue generation potential.

Sen. Messmer elaborated on the individual changes made in the conference report: “Under the Gary transfer section, from earlier conference reports we removed the \$8 million tax credit for the operators of the Gary facility. We added back the hold harmless provisions we had during the first half of the session for East Chicago, Michigan City, and Hammond. We kept in the amendment from the House floor from Earl Harris on hiring requirements for people from the relocated boat or people that potentially would potentially lose jobs in East Chicago. We require \$150 million minimum investment for the Gary facility, with 65% being for the casino and 35% for the amenities. And a cap position of 2,764, which is the combined cap of the two current licenses. We require them to pay a \$20 million transfer fee, payable over five years, with the first payment due upon their application for their transfer, and when they apply for the transfer, they lose their license.

Of their two licenses, they lose one. We let them keep the tax provisions for those two licenses temporarily. We have a \$20 million transfer fee if they sell the facility within five years. And then for the Terre Haute location, we require them to pay a \$5 million fee for the successful bidder. The Gaming Commission will issue all RFPs and analyze all proposals and make the best choice of those proposals. The county commissioners in Vigo County will get to submit their recommendation to the Gaming Commission as part of that review process on their preferred vendor. We do require Vigo County to have a referendum approval before the process can start, and that could happen either this Fall or next Spring, and then if it fails during the first attempt, they have to wait two years to bring it back. We have a \$100 million minimum investment required for the Terre Haute facility with the same 65%/35% split, and a 1,500 cap limit on positions in Terre Haute or Vigo County, and then we added back in for the Evansville hold harmless provisions for the successful Vigo County operator.”

Messmer then covered the other half of the bill that has attracted surprisingly little attention all session. “The sports betting, we put back in the mobile app provisions of the sports betting that we had in here in the first half of session. We did not require league data; but we leave that decision up to the Gaming Commission on whether league data would be appropriate for specific bets, and we taxed the sports betting at a 9.5% rate with about three percent of that going to an addicted gambler fund.”

Then Sen. Messmer shifted back to the casino provisions. “In general, we have a six-license limit for the combination between racinos and casinos of any one operator. Currently, one of the casino operators has four, and I guess with 13 licenses, we felt it was appropriate that nobody had more than six combined. We have a tax rate reduction for all the casinos that comes in effect in 2021. We allow free play to be raised from \$7 million to \$9 million per casino. For the smallest-performing casinos, under \$75 million, we’ve lowered their tax rates in each of those brackets, also taking effect in 2021.”

Sen. Messmer then focused on what the conference reported offered for the Springs Valley. “For French Lick we allow them, starting also in 2021, to divert one-third of their AGR payment that would normally come to the state to go back into the historic building preservation fund until that fund hits the \$25 million level. We had that in effect when they opened the casino, and when it hit \$20 million in 2015 we had stopped that. That fund is now down to \$15 million from a lot of expensive repairs they’ve had to do on those 100-year-old+ buildings. All of those casinos keep their current cap positions in place.”

The final major component was also addressed by Messmer: “The racinos will get their live dealers moved up January 1, 2020, and we’ve specified that they’re allowed to take sports betting at the track portion of their facility, or on the casino floor.”

Sen. Vaneta Becker (R) of Evansville was the first to question Sen. Messmer, saying “I just can’t find the language” for the Evansville hold harmless payments in the Conference Committee report. Sen. Messmer pointed her to the specific provisions, and she said “Thank you, I looked and looked, but we got it so late I didn’t have an opportunity to find it.” Rep. Messmer responded, “I had to find it, too, after all the iterations of this bill.”

Sen. Chip Perfect (R) of Lawrenceburg commended Sen. Messmer and Rep. Huston "for all the hard work on this bill." He reminded colleagues that "There are a lot of stakeholders. This is an important issue to a lot of people in our state, And also significantly, there are varied interests. Everybody's not on the same page. Everybody has their local element. I think they for the most part, did a good job in balancing those interests. However, I find the irony in this - I don't know if all of you remember, but when we started this, this was deemed 'riverboat gaming,' because this started out on the Ohio River. And I just have to say, the stakeholders on the Ohio River, the original operators of riverboats, are the losers in this deal."

"But," Sen. Perfect continued, "it isn't over. The important thing that I would like to give Sen. Messmer credit for is the fact that many of these things go into effect in 2021. That gives us ample to make some changes that need to be addressed so that there isn't quite the disparity in winners and losers in this bill. We need to make sure that we stick to the - at least that we look to - the roots, and we try to be consistent with what was established initially. There are some other significant things that we did in the budget last time that happened to coincide with the 2021 date, and so I look forward to continuing and evening a few things out, because again, there's quite a range in this bill on winners and losers and I hate to see the irony of the fact that the actual original riverboats that were the foundation of this industry that's turned into something completely different than it started really don't get their just due in this bill. And we have to fix that"

Sen. Lonnie Randolph (D) of East Chicago also expressed his appreciation to Sen. Messmer for his work on the bill, and asked about where East Chicago and Hammond hold harmless language was placed in the report. Sen. Messmer showed him where they were included, and explained how it was intended to work in practice: "What they'll do is they'll take a snapshot - and right now we have at the end of this current fiscal year - they'll take a snapshot of the local receipts for East Chicago, Hammond, Michigan City, and Gary, they'll look at that and then they'll look as time goes on as the new casino opens and look at the ratios of if Gary's has gone up and the other communities' have gone down they'll proportionately make adjustments - and the City of Gary's willing to do it - give up some of their gain to offset the losses to the other communities."

Sen. Randolph didn't quite catch what Messmer said about Gary contributing, and asked, "So it's discretionary with the City of Gary?" "It's not discretionary; they 'shall'," responded Messmer. Asked Randolph, "But it goes back and it started it goes back one year, two years, three years?" Messmer clarified for him, "It's four-year payment, a four-year-process. They'll look at the gaming receipts now for those communities, basically at the end of this fiscal year, and then when the new casino opens they'll analyze if Gary's has gone up, if East Chicago's has gone down. They'll make adjustments each year based upon the amount of decrease to those communities and how much Gary's has gone up. Gary won't be liable for more than their gain. But it's a process set up to help make that analysis each year."

Sen. Randolph then asked the author, "Let's say, two years from now they start, now when they start to analyze with they go back one year to see what the sales have been with respect to those two years, or what?"

Messmer told him, "One year back, and then they will make those adjustments for four years." "Okay, so one year back, they'll do that, and then each four years they will make adjustments for the previous year, and that's how they'll come up with the amount for hold harmless?," was how Randolph left it before asking a quick question about the section inserted by Rep. Harris in the House for jobs at the new Gary inland casino for those who have lost them at Ameristar Casino East Chicago.

Sen. Randolph also asked if there had been any discussions on convening a study committee to examine the effects of the HB 1015 changes, noting that the House version had included such a panel, and Sen. Messmer told him, "I think that the House had a study committee but the Gaming Commission - I didn't feel that it was really necessary - the Gaming Commission said the dates they had (included in SB 552) were probably not reachable anyway. I think we've studied this issue to the end and back over the last few years there's not a study commission in this." As for the effects of the changes on the other properties across the next several years, Sen. Messmer explained, "I think these hold harmless provisions are going to give each of those communities that answer on the impact."

Sen. Randolph observed that there would be an impact beyond merely the profit that the respective Northwest Indiana host cities receive, and "it's going to have an impact on the boats themselves." Sen. Messmer reminded him that a study commissioned by the Casino Association of Indiana showed a net projected growth amounting to tens of millions of dollars in revenue and job creation from the reconfiguration. There could be a drop in East Chicago dollars, he conceded, but HB 1015 was trying to make provisions for that. The overall benefits "[g]reatly outweigh" and "dwarf" other potential negative impacts for removing the boats from the Buff.

Sen. Randolph noted that there were particular local projects in East Chicago and Hammond that had been made possible by the revenue from the boats in those two communities.

Sen. Rick Niemeyer (R) of Lowell then came forward to thank Sen. Messmer. He told the Senate chamber that "the hold harmless thing was the big issue for me going in for the last few days, but that got put back in to protect East Chicago and Hammond," and the South Lake senator said he was thus more comfortable. "Sen. Perfect made a great point up here when he talked," Sen. Niemeyer continued, and that was that "we have next year to look at this," adding that this is "going to be huge for me next year giving a pretty big advantage here to this area and Terre Haute [I] think we just need to be following this down the line."

Sen. Mike Bohacek (R) of Michiana Shores took to the podium to say that he had spoken with Sen. Messmer about LaPorte County hold harmless funding. He explained that his county's situation was a bit different than that of the two Lake County cities being helped through hold harmless dollars. "LaPorte County relies on a percentage of Adjusted Gross Revenues for admissions," Sen. Bohacek noted, "and a couple of years back that was changed from a flat dollar amount to a percentage of AGR, so my concerns were that my admissions tax was going to go down because the 'AG' was going to go down and we were trying to get a hold harmless in."

Sen. Bohacek continued, "There were unfortunately some problems with some of the enabling legislation, and so Sen. Messmer has agreed to work with me with that next year. And we know that this project is not going to come to fruition in the next 50 days; this is a couple-year project. We're going to have some time, and some run-rate. I support his action; I support this."

Sen. Eddie Melton (D) of Gary acme forward and spoke soberly of his appreciation for the "hard work" of Messmer in balancing interests and concerns of those involved and their respective communities. While the bill was "very multi-faceted," he chose to speak about the "Gary portion." HB 1015 was "not just a simple gaming bill for me," but rather a broader measure that created opportunities as a far-reaching "economic development catalyst" flowing from the Buffington Harbor casino move. His predecessor, former Sen. Earline Rogers (D) of Gary, had worked on trying to get this change enacted for 20 years, so "it's moving," he said, to be part of this process. He highlighted the anticipated "halo effect from growth" of new commercial development in the new casino footprint. The changes would give Gary the ability to "grow our tax base and improve public safety and schools" and address infrastructure issues. Gary's financial problems, job losses, and population decline is "no secret" and hasn't been a secret for 50 years. Gary was "not asking for a handout, not asking for money, but asking for policy changes that can help us shift and pivot to put us in the best position to maximize our opportunities." "Gaming is just one component of this — a very key and essential component," Sen. Melton explained. "But, I think, when we look from a longevity standpoint and for the future, the intermodal opportunity that is there is going to be vast." He reiterated that the intermodal portion of the effort that would be developed in the soon-to-be-former casino footprint at Buffington Harbor will be "transformational."

"I know this has been a struggle" for lawmakers with casinos in their districts that could potentially be negatively impacted by a Gary casino move, he acknowledged. He thanked the House and Sens. Randolph and Tallian for not holding the measure up over hold harmless dollar considerations. "I respect the debate that you might have to have in your mind," he said before closing by declaring that a new era for Gary would not be "pie in the sky" as critics have contended "if we work together."

Sen. Erin Houchin (R) of Salem, whose district includes the French Lick Resort • Casino, thanked Sens. Messmer and Mishler because they "supported maintaining some protections for French Lick" and listened to her advocate for her district. She also thanked the Orange County community for coming together and helping her advocate on their behalf. HB 1015 "does what it intends to," and did not hurt her community, she added.

Senate Committee on Appropriations Chair Ryan Mishler (R) of Bremen said that his panel had worked hard on the redevelopment of Buffington Harbor, and pledged "we'll get it done."

Senate Democratic Leader Tim Lanane (D) of Anderson said that while he had bemoaned what he thought was the last show of bipartisanship when Senate Democrats saw their Second Reading budget amendments excised in conference, "this is an example of bipartisanship."

Leader Lanane offered his thanks to Sen. Messmer who "worked with me and all of the members," and was genuinely concerned about the impact of the measure on communities represented by Democrats. "I look upon this, as Sen. Melton indicated as economic development; I look upon it as a jobs bill" that will bring hundreds of "decent jobs" to Anderson. He ended his comments by observing, "Gaming bills are hard," he said, drawing out the vowel in the last word. "I always compare them to a Swiss clock; you move one thing and everything else has a tendency to start to move, too."

Senate Committee on Public Policy Chair Ron Alting (R) of Lafayette congratulated Sen. Messmer "on a fantastic job" shepherding SB 552/HB 1015 through the process, jokingly suggesting that his own white hair was earned "from 21 years of carrying gaming bills" himself, including the dockside bill, the measure to end mandatory maritime crews, allowing slots at the track and a casino in French Lick (when "the people in red" (sic) from the community "came out in busloads to support that and we got it done"). He pointed out that Indiana had never experienced a "scandal in the area of gaming," and, he contended, "As much as we may think it's all about Gary, Indiana, and some others, it's about all of us. It's about the General Fund. It's about income coming in that we can (use to) continue to fund public education strong, and health care, and take care of the needy and the poor, and do great things like we just did in this budget. So I commend you for thinking out of the box like we did 21 years ago, and have continued to do in the State of Indiana in gaming." And I support this bill and ask my colleagues to support it.

Sen. Jean Leising (R) took to the microphone to proclaim, "My constituents in Shelbyville are going to be delighted tonight." She said that she would "one-up Sen. Alting," pointing out that she had worked on some of the "very initial gaming stuff" with Sen. Rogers in the early 1990s. "I will tell you that at that time our leadership, our money guys, they said, 'Oh you're never going to be able to count on any real revenue from this gaming stuff. You know it's going to be up and down like this,'" as she waved her arms, "so you can't build it into the budget." And "I wonder now when they hear and see the impact on this state," she mused, "they have got to be saying, 'Wow, this isn't the way we thought it would be,' but it's been all positive." She added her thanks to Sen. Messmer for his efforts.

Sen. Messmer then closed the discussion. "Hats off to Earline Rogers 25 years ago. It was her continued push to get the start of what we know as 'riverboats' when it all started, and we wouldn't be here today without her and her efforts — her continued efforts. When I looked at this process, knowing that Gary was wanting to move their boats off the water, knowing Terre Haute had been petitioning for the opportunity to get a casino somehow; never could really find the right vehicle. With the Supreme Court decision in May clearing the field to allow sports betting, I said 'It's time to do a once in a generation reset.' Riverboats 25 years ago were the model across the country. It's just not today. We've just ebbed and flowed from riverboats to French Lick to racinos to onto the footprint. We've been just slowly inching our way along, and this type of opportunity won't come again in our lifetime, I don't think."

HB 1015 passed 37-12, with 28 Republicans and nine Democrats voting for it, and 12 Republicans and no Democrats opposing the bill.

Voting against the casino bill: Sens. John Crane (R) of Avon; Sue Glick (R) of LaGrange; Dennis Kruse (R) of Auburn; Jack Sandlin (R) of Indianapolis; Chris Garten (R) of Scottsburg; Travis Holdman (R) of Berne; Chip Perfect (R) of Lawrenceburg; Greg Walker (R) of Columbus; Mike Gaskill (R) of Pendleton; Eric Koch (R) of Bedford; Jeff Raatz (R) of Centerville; and Mike Young (R) of Indianapolis.

Note that two of the nay votes came from senators who represent districts that are home to two of the state's three satellite wagering facilities. Sen. Perfect represents a district with the casinos in Rising Sun and Lawrenceburg, but the owner of the Lawrenceburg Casino also owns Ameristar Casino East Chicago.

IN General

● Confused yet? If you're not, you haven't been paying attention. We've yet to run into a legislator, operator, regulator, or patron who doesn't have a list of questions about assorted aspects of HB 1015. Assuming past conduct holds true (and the bill becomes law), you should expect the Indiana Gaming Commission to devote a chunk of its next quarterly meeting (May 30) to a town hall session of sorts, with officials offering an overview of sorts on how they interpret the assorted provisions, their plans for implementation, and their expectations for and from operators . . . and there should be plenty of opportunity for questions.

● WalletHub evaluates the 50 states to determine in which states "excessive" gambling is most prevalent. Wallet Hub considers 20 metrics, ranging from presence of illegal gambling operations, to lottery sales per capita and share of adults with gambling disorders. Indiana ranks 32nd among the most gambling-addicted states, far better than Illinois' ninth place.

● Indiana's direct gaming employment fell by 100 jobs from February, the first shortfall of 2019. Preliminary March gaming employment numbers of 11,400 are also down by 700 jobs (- 5.79%) from the benchmarked March 2018 total of 12,100 such jobs. Since February 2018 marked the first full month in which the **Four Winds Casino South Bend** was open for the full month, the monthly and annual look-backs are now using same-unit comparisons. March has seen eight over-the-year gains in direct gaming employment since March 2009, the initial March in which the racinos were first open.

□ If we had not factored in the ~ 1,200 Four Winds jobs, March gaming employment would actually be effectively back at its 2017 levels, in spite of the number of new jobs created by property additions, renovations, and partial land-side moves at the commercial casinos. March becomes the 67th consecutive month - more than 5½ straight years - in which the state has seen the gaming employment level linger below 13,000 direct gaming industry jobs, a figure surpassed in each month of the first decade of the 21st century, even through the impact of the 9/11 attacks and the 2008-09 fiscal crisis.

Direct Gaming Employment - Past 16 Months

03/19	02/19	01/19	12/18	11/18	10/18	09/18	08/18
11,400	11,500	11,500	11,300	11,500	12,100	11,900	11,600
07/18	06/18	05/18	04/18	03/18	02/18	01/18	12/17
11,700	11,800	11,800	11,900	12,100	11,900	11,900	10,700

□ After 2018 became the first time in which Indiana's March direct gaming employment demonstrated over-the-year growth since 2011 (thanks to the new **Pokagon Band of Potawatomi Indians** casino), it dropped again in March 2019. Compared to March just five years back, Hoosier gaming industry direct employment is down by 800 jobs (- 6.56%) from 2014. Dating back 10 years, the number of jobs are off by 2,900 (- 20.23%) from 14,000 in March 2009, as the national fiscal crisis was wreaking havoc in Indiana (particularly across the northern tier). Indiana is also down by 4,700 gaming jobs - off by 29.19% - from the peak of March direct gaming employment, a robust 16,100 jobs in 2001 (even through all riverboats were still forced by law to cruise; there was one fewer commercial casino; we were bereft of a Native American casino; and both racinos were not yet open).

Direct Gaming Employment - Prior Months of March

2019 11,400	2012 13,300	2005 14,600	1998 11,000
2018 12,100	2011 13,900	2004 15,200	1997 8,300
2017 11,300	2010 13,700	2003 15,600	1996 1,200
2016 11,400	2009 14,300	2002 15,500	1995 100
2015 11,800	2008 13,800	2001 16,100	
2014 12,200	2007 14,200	2000 14,000	
2013 12,700	2006 14,500	1999 13,100	

● The biennial budget contains appropriations of \$5,000 in each year of the biennium to fund Indiana's dues for the **National Council of Legislators from Gaming States**, for which Sen. **Jon Ford** (R) of Terre Haute is one of five officers.

● As the gaming bill moved into conference, **Mental Health America of Indiana** (MHAI) launched a major effort to retain the language that would direct funding from sports wagering to gambling addiction treatment, part of MHAI's overarching efforts to provide enhanced mental health and addiction services for Hoosiers in need. MHAI told lawmakers that additional funding for gambling addiction treatment was a critical priority because Indiana ranks 27th out of 50 states for "most gambling addicted states." The association served up national data showing that 2-3% of adults in Indiana, or more than 70,000 adults, are problem gamblers, informing lawmakers that in Fiscal Year 2018, 366 Hoosiers called the Indiana problem gambling Help Line and 165 (45% of callers), were referred for treatment services.

□ According to MHAI data, current year-to-date numbers indicate that there have been 126 calls to the Help Line with 55 people (33%) being referred for services based on **Indiana Council on Problem Gambling** analyses.

□ MHAI tells its constituency that problem gambling is particularly critical among our youth, with the 2018 Indiana Youth Survey finding that almost 18% of Indiana seventh graders and almost 19% of eighth graders have gambled on sports with the highest percentage being from 8th graders at nearly 19% (and 16% of 10th, 11th, and 12th graders reporting annual gambling on sports). The 2017 Indiana College Substance Use Survey indicates that 45% of males and 33% of females ages 18-24 engaged in gambling, with 18% of males involved in sports wagering, which they performed most frequently over the internet. Almost 13% of males who gambled reported negative consequences because of their actions.

□ MHAI told lawmakers that approximately \$1.8 million per year is allocated to the Division of Mental Health and Addiction. This includes funding for the **Indiana Problem Gambling Awareness Program**; the Indiana Gaming Commission's Voluntary Exclusion Program; a contract with the Indiana Council on Problem Gambling; the Help Line; and staffing and gambling treatment service funds for providers. The average per capita allocation of public funds for problem gambling in the 40 states with services was 37 cents, which is used for education and awareness, prevention, treatment, helpline assistance, and research. Indiana's per capita allocation is 17 cents.

□ In a post-session wrap-up report to its members MHAI reports that it was also actively involved in HEA 1015, formerly SB 552. "MHAI was able to work with [Rep. Todd Huston (R) of Fishers] to insert language directing proceeds from sports wagering to DMHA for prevention, education, treatment and provider credentialing."

□ With the active assistance of Reps. Huston and Terri Austin (D) of Anderson, a provision in the budget bill also establishes the Problem Gambling Program Fund. Funding will come from the \$250,000 problem gambling fee that each racino annually pays to the Indiana Gaming Commission for the Commission's own efforts at preventing and treating compulsive gambling. That part of the problem gambling fee will now be deposited into the Problem Gambling Fund to be "used only for the purpose of the commission's own efforts at preventing and treating compulsive gambling." Money in the Fund is continuously appropriated and does not revert to the General Fund. Unclear under the budget language: whether any current dollars the Commission still has in hand must be sent to the new Fund as well.

IN Sports Wagering

● Assuming that the Governor signs HB 1015, look for the full concentration of the Indiana Gaming Commission to be on developing a regulatory and administrative framework to get sports wagering up and running by September 1 – a tall order. Commission staff will first devote their time and attention to this heavy lift before addressing the Gary and Vigo County casino provisions, and they will be learning from other states that have already implemented sports wagering programs on regulation and licensing issues; working closely with the Indiana Department of Revenue to automate the necessary tax components; and hiring the necessary employees to oversee things. A four-month timeline will mean doing a lot of things on the fly.

● As promised on our front page, here are the sports wagering partnerships that have been entered into to date with Indiana casinos and satellite wagering facilities:

Casino Owner	Sports Wagering Partner	Number of Indiana Properties
Caesars	FanDuel	7 (2 casino, 2 racino, 3 OTB)
Boyd	DraftKings	2 casinos
Penn National	William Hill	2 casinos
Eldorado	William Hill	1 casino
Spectacle	—	2 casinos
Cook Group	—	1 casino
Full House	—	1 casino

□ We're not sure how important this listing is, however, based on the way that we read the new law at a glance. As we interpret it, only a casino can actually conduct sports wagering, and it can do it on their own, or with contracts with up to three different operators. You're going to hear a lot of talk about "skins" and apps and whether skin and apps can overlap between casinos and operators, and you should prepare to be confused – as is typically the case when a new venture of sorts like this hits town.

● As Illinois lawmakers considering legalization of sports wagering debate a \$10 million one-time licensing fee for their operators, some solons there are pointing to Indiana's newly enacted \$100,000 license fee as an example of just how unrealistic the big-buck ask may be.

□ From WBEZ 91.5-FM in Chicago late Thursday: "At a House committee hearing Thursday, a lobbyist for the mayor's office testified that the city would support [Governor J.D.] Pritzker's call for legalized sports gambling as part of a bill that would allow for a Chicago-run casino."

● Boyd Gaming Corporation President and CEO Keith Smith says on the company's first quarter earnings conference call that "Pending final approval by the governors of the states, we look forward to the opportunity to introduce sports betting at our four properties in Iowa and Indiana later this year."

IN Native American Gaming

● Proceeds from the 2019 Four Winds Invitational hosted by the Pokagon Band of Potawatomi Indians and their Four Winds Casinos will underwrite the purchase of pediatric eye imaging equipment for Beacon Children's Hospital in South Bend.

□ This year's Four Winds Invitational will run from Friday, June 7 through Sunday, June 9 at Blackthorn Golf Club in South Bend, and is part of the Symetra Tour – Road to the LPGA.

● As of May 1, all straws at all four Four Winds Casino properties have been replaced with biodegradable straws. Over the next few months, expect the four Four Winds properties to also convert to exclusive use of biodegradable cups (and reusable cups in the employee dining rooms).

● Authorization for the State (or a state agency) to enter into "cooperative agreements" with the Pokagon Band of Potawatomi Indians was included in the final conference committee version of the budget bill, showing up in the measure only the afternoon before the final up-or-down vote on the budget, absent any public or formal legislative input.

□ The Pokagons, of course, operate the Four Winds Casino South Bend, which can currently only conduct limited slot-like gaming and live poker, with some of the slot proceeds paid to the City of South Bend in lieu of property taxes. They also have a new tribal territory through land in trust in St. Joseph County and provide housing and health care to their residents (our sister Hannah newsletter, INDIANA EDUCATION INSIGHT, reported last August about their interest in eventually chartering schools).

□ In years past, some senators have sought to bar the State from entering into formal compacts, but with the Native American casino seemingly not siphoning as much business from other northern tier casinos as had been anticipated before its January 2018 debut, and the State of Indiana expanding gambling (sports wagering), there is an opportunity to negotiate a “cooperative agreement” from what would now be a position of strength . . . but we’ve been gently discouraged by legislative leaders from viewing this through a gaming prism.

□ The provisions themselves authorize the State and state agencies to enter into cooperative agreements with federally recognized Indian tribes, but the term “cooperative agreement” is not defined. “It is not a compact,” insisted Rep. Todd Huston (R) of Fishers to reporters the afternoon the language was released. Rep. Huston, co-chair of the House Committee on Ways & Means, and the lead House Republican budget conferee, elaborates: “Very clearly, the General Assembly owns the responsibility to approve a ‘compact.’ And that is very important to us. Me personally, I think it’s the right public policy. This language just allows the Administration to enter into – just procedural conversations with agencies. Right now, we didn’t have a process for them to deal with a sovereign nation. We now do. This should not be taken as approval toward a compact, because that is not the point.”

□ Rep. Huston continued, “There are other issues besides gaming that impact a sovereign nation, and we need to give the Administration and agencies the ability to deal with them.” We believe that some of these items – in part identified by the Michigan-based law firm on contract to the Governor’s Office to advise the state on Native American issues – include public safety, worker’s compensation, taxes, education, controlled substances, and local infrastructure . . . but nothing for the gaming community to get excited about.

□ As for the details . . . any cooperative agreement must be in writing and state the duration, purpose, and administration of the agreement; the manner of carrying out the joint undertaking; and how the agreement may be partially or completely terminates, and must be limited to the powers and duties of the relevant state officer or agency. A cooperative agreement must be filed with the State Board of Accounts for audit purposes within 60 days of its effective date. A cooperative agreement may provide for an effective waiver of sovereign immunity from the tribe, as well as a waiver of sovereign immunity by the State (if approved in advance by the attorney general). The State may waive its immunity from suit in federal court under the Eleventh Amendment only under limited specified conditions.

□ If you’re a conspiracy theorist, you may have noticed that there was just one Democratic vote in the Senate for the budget, and that came from Sen. David Niezgodski (D) of South Bend, whose district includes the casino (and the other trust land). That vote for the budget not only caught observers off-guard, but also surprised his Democratic Senate colleagues and leaders. So was his budget vote due to the “cooperative agreement” provision and something that he knows that we don’t? Not likely, we were told when we poked around with those who took a special interest in his vote. From what we learned, it’s more likely that he received some special assurances from Republican appropriators that some district issues close to him will be taken care of going forward.

IN Casinos

Northern Market News . . .

● Boyd Gaming Corporation President and CEO Keith Smith says on the company’s first quarter earnings conference call that “On a property basis, our Blue Chip property in Indiana continued to perform well delivering solid revenue and EBITDAR growth. This property continues to outperform a competitive market, attributable to its first class amenities and its strong operating team.”

Southern Market News . . .

● We’ve been telling you about the strong battle being waged for the hearts and minds of Louisville-market gamblers (seems like that’s the first time we’ve used that characterization), and as Horseshoe Casino Southern Indiana continues to build out its land-based facility, the Churchill Downs Inc. Derby City Gaming continues to prosper. That \$62 million Louisville facility will add 100 more historical horse racing machines (by mid-May) to the satellite wagering facility that has surprised everyone with its popularity since opening in September.

□ CDI management revealed that it will be boosting the current 900-machine capacity at the OTB by 11% during the company’s first quarter conference call. Churchill CEO Bill Carstanjen told analysts that the new facility posted a “best in class” profit margin of 41% during the first quarter, the facility’s first time open during the Winter months. “We are . . . very pleased with the ramp up, growth and customer database and key operational metrics,” and “We believe the property is a long way from maturity,” Carstanjen added ominously. Derby City Gaming was responsible for more than 10% CDI’s \$75 million in Adjusted EBITDA, accounting for \$7.6 million of Adjusted EBITDA growth on \$18.7 million in net revenue.

□ While the widespread belief – as we’ve suggested, and has been documented by Grace Schneider in the *Louisville Courier-Journal* and Chris Otts of WDRB-TV in Louisville – has been that the new Louisville facility has been in large part cannibalizing and not simply just growing the local market, Carstanjen believes Derby City Gaming is growing the market, and not simply draining them from HCSI. “There’s a lot to the idea that we are expanding the market and not just trying to take share from what we have across the river,” he contends.

● A few minutes after the gaming bill passed – replete with additional funding for the West Baden Springs Historic Hotel Preservation and Maintenance Fund – Sen. Erin Houchin (R) of Salem, whose district includes the casino property, invited her colleagues to a “weekend event” in French Lick that would include “a wine cruise on Patoka Lake.” She told fellow senators – many of whom came away from a Summer 2018 visit to Gary convinced of the need to move the casino from Buffington Harbor – “You’re always welcome in French Lick.”

● Tropicana Evansville rebrand its Tap House Restaurant and Bar as Brew Brothers Tap House, a nod to the four Carano family brothers, owners of the parent Eldorado Resorts, Inc., and an eponymous set of microbreweries.

IN Other Casino News . . .

- Assuming the Governor signs HB 1015, the figurative floodgates will open. We expect that you will see an early indication by Spectacle Entertainment, LLC that it plans to bid on a **Vigo County** casino with its strong local investor group (query whether some of that clout may have lost a tiny edge when the final version of HB 1015 shifted the heavy lifting on evaluation to the Gameboys from the originally contemplated “**Pennsylvania Model**” local process). But more importantly, keep an eye on who may be making a foray into Indiana . . . it’s not often these days that a decent “franchise” opens up in a well-regulated state in a border market where licenses are limited, and where the cost of entry is not expected to be overwhelming. We’re expecting both major and regional operators will be interested, and long-time readers may remember that the **Miami Tribe of Oklahoma** had at one time entertained serious interest in locating a casino in **West Terre Haute**.

- There also may be interest by other current Indiana operators, and that could get a bit tricky, because we’re still not clear on how all this applies to them. The trigger for opening the application process is Spectacle applying for the **Vigo County** license, and not any other operator, Indiana or otherwise. Once the process is opened by the Spectacle request, however, it appears open to all, and we’re assuming that an Indiana operator other than Spectacle would be able to win the **Vigo County** license and still retain its other Indiana license . . . and that the second-license relinquishment discussion would have no bearing on an outside operator. Stay tuned.

- Keep an eye on an **Illinois** gaming bill, SB 516, that seemed to have largely flown under the radar, but which sailed through the Senate (44-5) there as Indiana was putting touches in conference on its own gaming overhaul. That **Illinois** measure specifies conditions and procedures under which a riverboat casino could relocate . . . and removes statutory restrictions on the geographical locations at which certain riverboats were to be docked. The bill started as a means to allow **Penn National Gaming, Inc.** to move its **Hollywood Casino Aurora** inland, but quickly expanded to include other boats.

- We told you last month that with the advent of Spring, the **Four Winds Casino South Bend** had ramped up its **Indianapolis** market television advertising . . . and it turns out now that they are not alone. **Blue Chip Casino** has started to run a pair of TV spots in **Indianapolis**, one touting the gambling opportunities, and one focused on the spa and related amenities. Ironically, one flight of those ads ran during the same half-hour segment on an **Indianapolis** news broadcast with a spot featuring **Harrah’s Hoosier Park Racing & Casino**, which has seemingly been relegated to a lesser paid media broadcast campaign than its sister property, **Indiana Grand Racing & Casino**.

- **Vigo County** currently receives about \$640,000 annually from the \$33 million in annual revenue sharing distribution to all non-riverboat counties. If **Vigo County** becomes home to a riverboat it will no longer be entitled to share from the fund, and those dollars will instead be distributed to the remaining 83 non-riverboat counties in the same proportion in which they currently receive the revenue sharing distributions under current law.

- On the morning of the final vote on HB 1015, Rep. **Alan Morrison (R)** of **Brazil** joined *Good Morning Grant County’s* **Tim George** and **Ed Breen** live from the State House on **WBAT 1400-AM** in **Marion** to talk about the casino bill. He explained the provisions of the bill as it stood at that point, and its implications for **Terre Haute** and **Gary**. As for **Vigo County**, “It’s economic development, for sure. We’re talking about 1,000 jobs depending upon the numbers that you look at, upwards of \$80 million+ back in revenue to the state in tax dollars, but the impact to the local economy and communities it’s huge, that these facilities have It’s all part of that economic engine that drives our state This would be a huge plus for us.” He also explained the benefit for **Gary**, where “There’s not been a lot of money put back into those facilities in the last handful of years.” The casino moves would free up **Buffington Harbor** for economic development options. “It’s a win-win, and then it’s a win for the state, too.”

- Also appearing on *Good Morning Grant County* within a few minutes of Rep. Morrison was Senate Committee on Tax and Fiscal Policy Chair **Travis Holdman (R)** of **Markle**, a regular guest on the show (his district includes part of **Grant County**). He explained what would factor into his vote later in the day: “I have never voted for a gaming bill since my 11 years here in the legislature, but having been invited to come up to **Gary** this past Summer by the mayor of **Gary** – there were four of us from the leadership team in the Senate that went up and did a bus tour of **Gary** [that] showed us what was going on – and the situation with those two casinos on the lake, it is an unbelievably deplorable situation in the City of **Gary**. I could vote to move one of those boats off the Lake and that would allow one them also to be moved out on the **Borman Expressway**. So I see it as an economic development issue. The problem that we have is that if I vote for the one to support **Gary**, I cannot not for the **Terre Haute** one, because they are dependent upon each other, they have to work in concert.”

- Sen. Holdman labeled it “a personal dilemma, somewhat of a moral, an ethical dilemma, because I’ve always stood by my word that I would not support a gaming an expansion of gaming. And, technically, this would not be an expansion because we in fact would be maintaining the same number of stations, the same number of licenses in the state, it’s just a rearrangement of those licenses.”

March State Summary

Indiana’s 13 gaming properties generated March revenues of \$217.40 million, a year-over-year shortfall of 1.66% (- \$3.66 million) on a calendar that substituted an extra Sunday for a Thursday, which should have generated another one to two percent win over March 2018 numbers (the weather during March was not abnormal). This was the top real dollar and percentage showing to date in 2019, and represents the second-best performance in any month over the past six years, exceeded only by March 2018 (and is the second-best performance the state has turned in since March 2013). Nine properties saw year-over-year declines in win, including all five properties located on the Ohio River. This was Indiana’s first March-to-March skid since 2015 (March 2014 was marked by record inclement weather, so that was a low bar to surmount). March was the most lucrative month of the year on a statewide basis in 2016, 2017, and 2018.

Win jumped from February levels by a hefty 26.28% (\$45.24 million), the second-highest single-month increase this century, surpassed only by the size of the one-month upswing that occurred between February and March 2018. All 13 properties saw March win improve by a double-digit percentage over the prior month.

Through the always-crucial first quarter of the calendar year, statewide revenues stand at \$548.42 million, down compared to the first three months of 2018 by 2.03% (- \$11.35 million). Nine properties have collected less revenue during the three-month period than they did during the same stretch one year ago. The largest percentage and dollar decline on a year-to-date basis occurred at the state's top property for the past decade, Horseshoe Casino Hammond, where year-to-date win of \$97.43 million is off by 6.87% (- \$7.18 million). At the other end of the spectrum, the largest year-to-date growth in terms of both percentage and dollars has been seen at the property that ranked second overall in win in each of the past four years, Indiana Grand Racing & Casino, which posted YTD growth of 5.52% (\$3.90 million) and total January-March revenues of \$74.57 million. Three properties suffered a year-over-year decline in each of the first three months of 2019: Hollywood Casino Lawrenceburg, Harrah's Hoosier Park Racing & Casino, and Horseshoe Casino Hammond.

Since we managed to get some numbers out of place on our year-to-date chart in our last issue, we believed it would be appropriate to reprise a corrected version of that first quarter comparison here:

WIN, year-to-date, January - March

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 97,433,450	\$ 104,616,643	(\$ 7,183,193)	- 6.87%
Indiana Grand	\$ 74,567,440	\$ 70,667,266	\$ 3,900,174	5.52%
Ameristar	\$ 56,218,710	\$ 58,744,465	(\$ 2,525,755)	- 4.30%
Hoosier Park	\$ 52,368,904	\$ 53,185,037	(\$ 816,133)	- 1.53%
Horseshoe SI	\$ 50,708,065	\$ 53,852,253	(\$ 3,144,188)	- 5.84%
Hollywood	\$ 42,531,904	\$ 43,580,922	(\$ 1,049,018)	- 2.41%
Tropicana	\$ 38,574,503	\$ 40,130,375	(\$ 1,555,872)	- 3.88%
Blue Chip	\$ 37,545,583	\$ 36,736,372	\$ 809,211	2.20%
Belterra	\$ 24,969,275	\$ 25,546,558	(\$ 577,283)	- 2.26%
French Lick	\$ 23,831,199	\$ 22,703,983	\$ 1,127,216	4.96%
Majestic Star I	\$ 22,441,343	\$ 22,904,398	(\$ 463,055)	- 2.02%
Majestic Star II	\$ 15,775,549	\$ 15,088,448	\$ 687,101	4.55%
Rising Star	\$ 11,457,001	\$ 12,011,766	(\$ 554,765)	- 4.62%
STATEWIDE	\$ 548,422,926	\$ 559,768,486	(\$ 11,345,560)	- 2.03%

Nine of the 13 properties boasted win of \$10 million or more during March, the first time more than eight had done so since last August. This was also the third consecutive March in which we had seen this phenomenon after going from March 2014 - 2016 with only eight. Blue Chip Casino enjoyed its strongest performance in any month since March 2013. Indiana Grand celebrated its best month in property history. Ameristar Casino East Chicago reveled in its best showing in any month since March 2011. Under new management, Majestic Star Casino II topped \$6 million in monthly win for the first time in 35 months. Horseshoe Casino Hammond, however, posted its lowest March take since 2005. Hoosier Park enjoyed its fourth-strongest month on record. Belterra Casino Resort recorded its third-best month over the past 60 months. Tropicana Evansville saw revenues climb to its second-best month on record. French Lick Resort • Casino secured its third-best month over the past decade.

The five Lake Michigan riverboats combined for March win of \$91.41 million, highest since March 2018 but eroding from those prior-year numbers by 1.94% (- \$1.80 million). The Illinois side of the Chicagoland market was up marginally (by about 0.1%) rendering the overall Chicagoland market down by 1.0% for March. Three of the five boats were up, and two were down as the comparison of volume to win shows a lot of winners at both the slots and tables during the month north of U.S. 30. For the first quarter of 2019, the northern tier casinos posted revenue of more than \$229.4 million, down by 3.6% from Q1 2018.

The six Southern Indiana casinos combined for \$75.58 million in win, dwindling from March 2018 by 4.64% (- \$3.68 million), as each of the six casinos lost traction compared to the prior year, which we believe is the first time all six had been down in any one month since February 2015. Win for the southern region has fallen in six out of the past seven months, the worst stretch since the first quarter of 2015.

The two Central Indiana racinos crossed a new milestone by reaching the \$50 million mark for the first time ever under their first March of new ownership. Combined March racino win of \$50.41 million grew from last year by 3.75% (\$1.82 million). Racino win has grown on a year-over-year basis in nine out of the past 12 months.

Indiana's March slot win dipped to \$186.58 million, down marginally by 0.89% (- \$1.67 million) compared to last year. Players parted with \$1.930 billion worth of coin-in, off from March 2018 by 3.43% (- \$68.49 million). Although this marks the lowest level of March slot play in three years, it's still more than \$100 million higher than March 2016 coin-in. In addition, this was the weightiest slot handle seen in any month since March 2018.

Horseshoe Casino Hammond enjoyed its most robust slot pay in any month since March 2014 (and the state's highest since Indiana Grand's \$324.94 million in coin-in during March 2018). There's reason for optimism at Rising Star Casino • Resort, where slot play soared to the highest level since August 2007, back before the two racinos had opened. And even Rising Star, with the state's lowest handle for the month, posted a higher last-place handle than the state has seen since April 2018. Indiana Grand led the state in March slot play for the fourth year in a row.

The statewide slot payback percentage average of 90.33% serves as a new record low for the month of March. The most generous slots were found at French Lick Resort • Casino, the first time the property has led the state in this category since November. French Lick's 91.80% was the highest the state has seen since it led that state north of 92% in August 2018. Slots accounted for 85.82% of overall statewide win, a 19-month apex.

The statewide average win per slot per day was \$332 - the highest in any month since April 2008 - one month separated from the opening of the racinos. Three properties posted win per slot per day above \$400, the first month in which the state has seen three with an average north of \$400 since February 2009. There were 18,133 slot machines in play across the state at the end of March, the fewest available in any March since 2008.

Indiana table win of \$30.82 million, slipped by 6.08% (-\$1.99 million) over the year. Table win has declined on a year-over-year basis now for five consecutive months, the longest streak since 2016. Table win jumped from February by 25%, the largest single-month surge since 2007. Players risked \$151.94 million in table drop, down compared to prior year by 2.64% (- \$4.12 million). Nonetheless, this is just the second time in the past six years that monthly table drop has exceeded the \$150 million plateau. The table hold percentage of 20.28% constitutes the lowest for March since 20.27% in March 2014; after reaching 22.29% in October; the table hold rate has progressively declined in all five months since then. The statewide average win per table per day was \$1,486, a four-year March trough. There were 669 tables games available across the state as of the end of March, the fewest in any March since there were 667 in 2008 (the first March in which the state faced competition from the Four Winds Casino in New Buffalo, Michigan), and the least overall since October 2018.

Illinois captured \$126 million from its armada of 10 riverboats, down from \$128 million in March 2018, and the weakest in any March since 2011. Illinois, however, counted \$158.72 million from its 31,481 Video Gaming Terminals at 6,920 outlets – the most lucrative single month in state history. The combination means that the Land of Lincoln outearned Indiana by \$67.5 million, the largest spread ever, surpassing the previous record gap of \$64 million in October 2018.

Ohio gathered \$184 million in gaming revenue – \$81 million from the four casinos and a new state record \$103 million from the seven racinos. Revenues at the casinos were down marginally (- 0.8%) over the year, while racino revenues rose by 6.9% from March 2018, for an overall statewide gain of 3.4% from March 2018 totals. The top casino in the Cincinnati market, JACK Cincinnati Casino, grew its revenues by \$478,824 (2.5%) from the prior year to \$19,941,769. Ohio gaming properties earned only \$33 million less than Indiana, a smaller margin than the \$43 million spread in March 2018, and almost double the spread in our favor compared to February, reversing a three-month spiral that had favored the Buckeyes.

Caesars Entertainment Corporation assembled \$109 million from its four Hoosier properties, accounting for 50.11% of the Indiana gaming market, and topping the 50% mark for the second time in the first three months of 2019. Penn National counted \$39 million from its two Hoosier riverboats, worth a 17.89% share of the state market. Boyd Gaming Corporation counted \$26 million from its pair of Hoosier riverboats, which represents 11.98% of overall revenues. Spectacle Entertainment, LLC was responsible for a shade under \$15 million from its new sister Gary casino acquisition, which equates to a state market share of 6.77%; in March 2018, the two Gary boats combined for just north of \$15 million in win, but this was their highest combined win since then.

Hoosier Lottery

- The State Lottery Commission of Indiana is in the field with a solicitation for the 2019 Hoosier Lottery Security Audit. Responses are due June 7, and work must be completed by December 20, 2019. The Commission is required to have an independent Security Audit conducted every two years, and this was last completed in 2017. In the aggregate, the Lottery spends ≈ \$50,000 - \$80,000 on one-time security audit services.

- The overall objective of this audit is to provide the Lottery with an assessment of the adequacy of security controls in place that support the security, integrity, confidentiality, and availability of Lottery products, operations, and gaming services. Suggestions for improving the controls are to be provided in the final audit report. The Lottery expects the successful bidder to spend time on-site reviewing controls, interviewing employees, and performing other actions such as possible penetration testing of the Lottery network. The audit hopefuls are asked to address both physical controls as well as information security controls.

- The Lottery says that a comprehensive audit of its security controls must include these areas: security department management, duties, and procedures; physical security; information systems security (including the internal control system provided by Elsym Consulting, firewalls, etc.); security surrounding draw game drawings; business continuity planning (as it relates to Hoosier Lottery, only – not specific to IGT Indiana); and a best-practices assessment of Lottery practices investigating potential fraud. The Lottery also seeks identification of specific current and potential security risks, and related control improvements. The audit product is to include development of plans for improving the Lottery's overall security.

- The security audit must, to the extent possible, be performed on Lottery premises in the Indianapolis area. This would primarily involve the Lottery's North Meridian Street headquarters, but may likely also include locations such as the Fox59 television studio on the Northwest side of Indianapolis, site of Lottery drawings, as well as the Central Region and Distribution Center located on the Southwest side of Indianapolis. The Lottery also maintains regional offices in Mishawaka and Evansville, although it is not a requirement that site visits be made to these locations.

- The Hoosier Lotto jackpot for Saturday, May 4, climbed to \$36.3 million, a \$500,000 jump over the previous jackpot. Intriguingly, the previous jackpot boost of \$200,000 for <May 1 had been the lowest incremental growth for the jackpot since the April 10 draw. The improvement from May 1 to May 4 was the largest in a month. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) in which the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players, but this jackpot is approaching record territory.

- The Hoosier Lotto jackpot is the largest up for grabs since the matrix was revised in May 2014, topping the \$25.5 million jackpot of October 14, 2017 by almost one-half. This jackpot is the largest available in Indiana in almost 12 years (having topped the \$34.50 million jackpot hit on February 18, 2012 and a similar-sized jackpot that was won on October 30, 2010), but still significantly lags the record \$54.5 million collected on November 7, 2007. Second place is growing closer: \$42.0 million (won on June 5, 1999).

- The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for almost 15 months.

- With the jackpot topping \$35 million, internet users saw a ramping up of web ads promoting the new bottom line.

□ The Hoosier Lotto jackpot reigned as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game from January 24 until the draw dated April 10. That's when the Golden State game posted a \$34 million jackpot compared to Indiana's \$33.7 million stake - illustrating the power of \$1 million increments in each draw, sometimes five times as much as Indiana was offering each time out. For the May 4 draw, the California jackpot hit \$41.0 million to Indiana's \$36.3 million.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	05/04/19	\$36.3 Million	\$500,000
WED	05/01/19	\$35.8 Million	\$200,000
SAT	04/27/19	\$35.6 Million	\$400,000
WED	04/24/19	\$35.2 Million	\$300,000
SAT	04/20/19	\$34.9 Million	\$500,000
WED	04/17/19	\$34.4 Million	\$300,000
SAT	04/13/19	\$34.1 Million	\$400,000
WED	04/10/19	\$33.7 Million	\$200,000
SAT	04/06/19	\$33.5 Million	\$500,000
WED	04/03/19	\$33.0 Million	\$200,000
SAT	03/30/19	\$32.8 Million	\$300,000
WED	03/27/19	\$32.5 Million	\$200,000
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000

IN Horse Racing & Racinos

● Rep. Sean Eberhart (R) of Shelbyville appeared with Johnny McCrory on Giant 96.5-FM's *The Morning Show* the morning after the session concluded to detail the community's win in HB 1015 and what Shelby County can expect to see and when as a result.

□ Despite the fact that the omnibus casino measure "came real close" to imploding at the end of the session, it ultimately prevailed, and it will be "something that will transform our community. It's a great thing for the state as a whole, but even better for us here. It not only includes live table games - an issue that I've been working on for 6+ years - it not only includes that, but it also includes sports wagering. It also includes adjustments on taxation rates, for not only our casino here in Shelbyville, but for every other casino. It also includes the movement of a couple of boats. I think we finally are coming to the realization that we need to leverage the assets that we have in place with our gaming partners. And we need to start treating them as that. We've all heard the 'Golden Goose' story, and we treat these folks just like that. One of these days we're going to kill the golden goose. And so this bill allowed us to finally do something to help the casinos, with the taxation rates, and with the free play provision that we have in there. With the additional tool that they now have with sports wagering. With the movement of our date. This is a once in a lifetime bill that we passed last night."

□ As for the direct impact and tangible effects that his home community can expect, Rep. Eberhart told McCrory, "I think folks will see that in the next couple of years when they see what happens to our casino. You know, we're going to have close to 400 new jobs - and that doesn't count the potential jobs that we may have with the hotel and with the other retail and convention space that I see happening out there. But this is bringing 400 jobs, paying an average salary of \$50,000, (and) untold tax revenue from the build-out that they will have to do to accommodate those new games." There will also be "The additional money that will come to the community with the revenue-sharing that's in place with the casino that we all enjoy here in our community. I'm so excited that this happened and I think folks will be very, very pleased."

□ Eberhart said of Caesars Entertainment Corporation, the owner of the two racinos, "They're the largest gaming company in the world, and so they're not going to be afraid to make that investment. They have the number one player's program in the world. They are viewing Shelbyville as a destination now, where they can bring in folks from all over the world to come here to Shelbyville. Some think, 'Well, why is it they (would) want to come to Shelbyville?' We've got one of the greatest cities in the world with Indianapolis. We've got the Colts, we've got the Pacers, we've got the most famous race track in the world. They will bring folks in around those types of events, and you will see folks out at our casino that you currently don't see now. And that's their plan. That's their plan - to make it a destination, to make it a convention-type place out there with a hotel. We're blessed. I mean, we had, honestly, we had probably the greatest ownership group that we could ever ask for when Rod Ratcliff and Centaur owned us. But we're also blessed to have Caesars as well, and I look forward to working with their folks, and with our local officials to work with their folks and to make some special things happen there."

□ As for the timetable, Eberhart is convinced that it will be highly accelerated. "You're going to see that happen very, very quickly. I wouldn't be surprised if they've got a shovel in the ground next week. The plans are a 40,000 square-foot addition to the casino to accommodate the live table games January First. Once that ball drops on New Year's Eve, you're gonna have live dealers waiting for the ball to drop, and then you're gonna have cards in the air and dice down the table. You're gonna see this place change. Eventually you're going to see a hotel pop up; you're going to see all this other development this is a big deal for Shelbyville."

● HB 1196 was approved by the House April 23 after a brief explanation by Rep. Bob Cherry (R) of Greenfield and no debate. He explained that the underlying bill was "introduced by the Indiana Horse Racing Commission, and the Senate made some changes on testing and tended to some clean-up matters including proof of financial responsibility and track veterinarian." He said that Rep. Todd Huston (R) of Fishers, had requested that the language on horsemen from SB 552 be amended into HB 1196, and that the change in distribution of funds to Indiana bred and sired horses would be triggered by the date for live table games at the racinos. The House approved the conference committee report 94-0 after Rep. Bruce Borders (R) of Jasonville finally switched his anticipated nay vote to an aye.

□ The HB 1196 conference committee report: (1) removes language allowing the IHRC to establish certain accounts within the gaming integrity fund; (2) adds language making changes to the appointment of members on breed development advisory committees; (3) provides that each horsemen's association, certain licensees, and any association for backside benevolence must submit to an audit by an independent public accountant and transmit the report to the IHRC; and (4) provides that certain funds of the breed development fund for thoroughbreds be distributed to the Indiana-sired horses program.

□ The Senate also approved the conference report on 1196 after a minute-long narrative by the Senate sponsor, Senate Committee on Public Policy Chair Ron Alting (R) of Lafayette - and no discussion. Sen. Alting told the chamber that three "moderate changes" had been made in the bill that were "supported by everyone" - breed development committee appointment qualifications; the percentage of revenue that would flow once the live table games come on line; and a requirement that each horsemen's group must undergo an annual independent audit by a private firm, and not the State Board of Accounts.

□ HB 1196 was approved on a 46-3 vote, with the negative votes cast by Sens. Karen Tallian (D) of Ogden Dunes, and Sens. J.D. Ford (D) and Mike Young (R) of Indianapolis.

● As we told you, the fiscal provisions from HB 1196 were to be stripped and moved into the budget bill, and that's what happened. The budget bill removes the restriction on the Indiana Horse Racing Commission using money distributed under a distribution agreement for administrative purposes, and it also requires that 0.45% of the adjusted gross receipts from each racino-turned casino be deposited in IHRC's operating fund.

● Writing in Harness Racing Update, James Platz, a long-time racing writer and a former Hoosier Park communications manager, reviews the outflow of dollars from HB 1015 and what it will mean for the tracks and age-equine industry. Harrah's Hoosier Park Racing & Casino Vice President and General Manager of Racing Rick Moore tells Platz that "The industry always looked at live dealers and table games as where the next bump in purse money would come from. Who knows what that will be, but I do believe it will be significant We all benefit from having live table games."

□ As Platz breaks it down, "Revenue distribution for live table games follows the same model as outlined for slots revenue, with 12 percent of adjusted gross receipts (AGR) earmarked for the industry and split between the breeds. If live table games are a boon at Hoosier Park and Indiana Grand, the Indiana Standardbred Association will receive additional revenue for promotion and benevolence, and the industry will see a boost in purses and funds devoted to breed development. Last season, nearly \$12 million in slots revenue poured into the breed development program which funds Indiana's fair circuit, Indiana-sired late closers and mini-series, breeders' awards and Indiana Sires Stakes."

□ Indiana Standardbred Association President Joe Putnam, an owner and trainer, tells Platz "some preliminary estimates showed live table games could contribute another \$4-5 million in revenue that could be directed to purses and breed development ... 'it turned out about as good as it could be for us,' he said. 'The legislation helps everyone involved. I think it will be a big help for us. Going forward, we're pretty excited.'"

□ Indiana Horse Racing Commission statistics find AGR for the racinos "combined to total nearly \$351 million in the first nine months. Indiana's racing industry has received a little over \$42 million, with just over \$8.5 million going toward standardbred purses and nearly \$8.9 [million] set aside for standardbred breed development."

□ "Though the first 17 days of racing," as Platz reports, "Hoosier Park is averaging 8.39 starters per race, an increase of half a starter compared to 2018, with a five per cent increase in export handle. The track has partnered with the USTA and ISA on a \$10,000 Hoosier High 5 wager on the last race of the program each night. It has produced \$334,000 in handle, resulting in a nightly increase of \$20,000. 'I couldn't be more pleased with the start of the meet,' Moore said."

● Caesars Entertainment Corporation reported its first quarter 2019 earnings Wednesday, and the company noted Q1 numbers included a \$30 million contribution by the two Indiana racinos to income from operations and that revenues increased by ~ \$96 million in 2019 compared with 2018 "primarily due to the acquisition of Centaur Holdings, LLC." Caesars net revenues for the quarter rose by 7.3% over the year, but by only 0.9% excluding the Centaur properties. Adjusted EBITDAR was up by 8.5% from Q1 2018, but by only 0.4% excluding the Indiana acquisition.

□ JP Morgan analyst Daniel Politzer looks at live table games the two Centaur properties approved under HB 1015, as well as the tax rate reduction to 30% on gaming revenue over \$200 million - and the bonus of sports betting - and he estimates that these changes could boost Caesars cash flow from the Anderson and Shelbyville properties from some \$200 million annually to the \$250 million range.

● After passage of HB 1015 effectively turns **Indiana Grand Racing & Casino** into a full-fledged destination casino, are folks in **Lawrence** and **Noblesville**, where local officials respectively turned down an aging drive-in movie theater site and a parcel next to what was then the **Deer Creek Music Center** (now the **Runoff Home Mortgage Music Center**) as the location for Indiana's second pari-mutuel horse racing track in the mid-1990s, now wondering – and wishing – what could have been for their respective communities?

● **Harrah's Hoosier Park Racing & Casino** will host a return of the \$6 million **Breeders Crown**, harness racing's richest and most prestigious year-end divisional championship series, in October 2020. Harrah's Hoosier Park was formally awarded all 12 year-end championship races by the **Hambletonian Society**, which oversees the 35-year-old **Breeders Crown Series**, marking the second time that HHP will serve as the event's host site. Hoosier Park hosted Indiana's debut of the **Breeders Crown** in October 2017, creating a week-long Festival that culminated in two nights of **Breeders Crown** finals. More than \$4 million was bet on the events, with a track lifetime record of \$2.1 million wagered in one single night. Local representatives also took home three of the 12 crystal Crown trophies.

□ The **Breeders Crown Series** will be hosted at **Woodbine Mohawk Park** in **Canada (Milton, Ontario)** in 2019 before heading **Back Home** to **Harrah's Hoosier Park** in 2020.

IN Bingo and Charitable Gaming

● After the Senate dissented on April 18 from House amendments to SB 393, the charity gaming annual casino night license bill authored by Sen. Erin Houchin (R) of Salem, Sen. Houchin and Senate Democratic Leader Tim Lanane (D) of Anderson were appointed as conferees, and Senate Committee on Public Policy Chair Ron Alting (R) of Lafayette and Sens. Mike Bohacek (R) of Michiana Shores and Greg Taylor (D) of Indianapolis were tapped as advisors. The same day, Reps. Ed Clere (R) of New Albany and Justin Moed (D) of Indianapolis were selected as House conferees, and House Committee on Public Policy Chair Ben Smaltz (R) of Auburn and Reps. Ethan Manning (R) of Denver and Vanessa Summers (D) of Indianapolis were chosen as advisors. Five days later, the session's penultimate day, Sen. Lanane was removed as a conferee and Sen. Alting was moved up from his advisor role to that of conferee.

□ In the brief April 22 conference committee meeting (devoid of public testimony), Sen. Houchin explained that the conference report would include "technical corrections" requested by the Indiana Gaming Commission to comport to HB 1517, the omnibus charity gaming overhaul measure which had already been approved by the General Assembly. Those changes would "make this bill consistent with that measure." She explained that "The underlying bill stays the same. We're just making a few technical changes to make it consistent with the overhaul of the charity gaming statute." Sen. Houchin also highlighted the decision to delete a provision requiring an operator to be an Indiana resident. "I think that striking those provisions are important in areas like Rep. Clere and I represent near the **Kentucky-Indiana** border. There may be some folks that could be operators that may not necessarily be Indiana residents." "I would echo that," chimed in Rep. Clere.

□ Rep. Clere didn't believe that there had been an intent in HB 1517 to require that an operator had to be Indiana resident. Rather, this was "an inadvertent error we are correcting using 393 as a vehicle." "That is correct," said the author of HB 1517, Rep. Smaltz.

□ The conference committee report was filed in both chambers on April 23, and agreed to in both bodies on the final day of the session.

□ In the House, Rep. Clere, the House sponsor, reiterated the need to bring SB 393 into conformance with HB 1517. "There would be unintended consequences with 1517 if we didn't make these changes" and clean-ups, he said. The House approved the panel's report on an 89-4 vote. Voting against the CCR were Reps. Pat Bauer (D) of South Bend; Bruce Borders (R) of Jasonville, Jim Prescott (R) of Rolling Prairie; and Tim Wesco (R) of Osceola. Note that three of the four were from the South Bend area, a hot bed for big-buck charitable gaming activity.

□ In the Senate, Sen. Houchin took less than a minute to describe the Conference Committee Report. She said that it made some provisions for technical corrections needed because of the passage of HB 1517, which had nothing to do with underlying bill. She also explained that Rep. Clere came to her late in the process with a request to use 393 to correct a provision in HB 1517 requiring Indiana residency for operators that would have an "inadvertent effect" on those living in districts close to a border. The conference report includes "trailer language for 1517 to correct that," assuring that charity gaming operations in border areas "can continue" to rely on nonresidents.

□ The report was agreed to on a 45-4 vote, with the only nay votes coming from Sens. John Crane (R) of Avon; Mike Gaskill (R) of Pendleton; Dennis Kruse of Auburn; and Mike Young (R) of Indianapolis.

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Summer homework for Hoosiers

A quick peek at the issues and items are likely to dominate the landscape

The 2019 legislative session is in the rear-view mirror, the mayoral primary races will similarly be behind us in a few days, June's Technical Corrections Day shouldn't be of any interest, the Pacers are out of the NBA playoffs and the Colts won't be playing their first game until September 8.

So what will occupy your time after the 500-filled festivities of The Month of May (and has anyone yet trademarked the phrase "May Madness"?):

2019 Mayoral Elections. In the off-election cycle following every other long session, the mayoral races tend to fill up a bit of space, but there won't be many significant general election contests around the state, with the exception, perhaps, of Fort Wayne and Indianapolis, where Democratic incumbents are being seriously challenged (and in neither city will any candidate generate much interest outside the community). While most of the more-spirited races will have been decided in the primaries this week, there will still be a few hotly contested general elections, but unless you're living in those smaller communities (like those across from Louisville, which always seem to be heated) or you're a road contractor, you won't really be watching or even care about the outcome. There may only be one or two races featuring a potential rising star, so few will find anything to capture their attention.

2020 State and Federal Elections. Similarly, there's not a whole lot of interest in the 2020 races at a time when names start to percolate for various offices. Starting at the top, there continues to be the curiosity factor following South Bend Mayor Pete Buttigieg (D) in his race for president, but Indiana still seems not to have adopted him as a native son, despite his longstanding roots and current office. No one remembers him from his 2010 state treasurer race (not even the 37.5% who voted for him as incumbent Richard Mourdock (R) racked up more than a million votes against the 20-something). We'll all have fun watching Mayor Pete's race from afar, but even if he were to win the nomination, it is hard to see him performing as well in Indiana atop the Democratic ticket as the Obama/Biden team in 2008 . . . and he'd still have to face the Trump juggernaut which fails to lose any steam Back Home - and there's also the Pence hometown factor. Any presidential race focus this year is fun, but not particularly distracting or fulfilling.

Neither is any real speculation about the 2020 state elections. After two cycles with high-profile U.S. Senate elections, we get a breather until 2022, and Governor Eric Holcomb (R) continues to post strong approval ratings. Republican social conservatives aren't finding any traction (nor will they), and Democrats have no apparent viable candidates to knock him off (and the most buzzworthy seem to be looking at other offices which may prove equally quixotic).

For all of the talk about Democrats recruiting strong contenders for Congress, the decimation of recent "strong" challengers (in CDs 02 and 09 in particular) have shown what an uphill climb they have - even in an off-year election - and Republican incumbents are building up strong war chests even as Demos dally. A real CD 05 challenge to U.S. Rep. Susan Brooks (R) has been pushed by Democrats nationally, but still appears to be a pipe dream (and the stuff to put in those pipes is not yet legal here). The best shot for Ds - and it is a long shot - would be a sneaky grassroots challenge against an incumbent like U.S. Rep. Greg Pence (R), who may not be as engaged Back Home as his colleagues.

For more, please see the following page . . .

"We lost one of our best, ever"

Accolades pour in for late Sen. Lugar

Some might suggest that Indiana's political 20th century came to an end in March and April with the passing of former U.S. Sens. Birch Bayh (D) and Richard Lugar (R), and it would be futile to argue otherwise.

Sen. Lugar's death early last week at age 87 generated an outpouring of national reaction from presidents and leaders of both parties traditionally reserved for a world leader - which he was - after he paved the way for what Indianapolis has become today. As mayor and senator, Lugar mentored so many - including our most recent past president - and two generations (so far) of Indiana political, business, and civic leaders traceable back to the Lugar staff family tree. His work involving students and women in state government will pay dividends for decades to come.

He was always accommodating - and more - to your favorite newsletter, and any words we could offer to describe him and his impact would pale in comparison to tributes by others. In addition to the headline quote from Governor Eric Holcomb (R), probably the best synopsis of what the senator was all about came from Purdue University President Mitch Daniels.

Cont. under "IN Transition," p. X . . .



One interesting change between 2016 and 2020 is that there will be no election for superintendent of public instruction, now that the office has been moved from the elective realm to appointed territory. With no superintendent or U.S. Senate race on the ballot, that leaves just governor/LG and attorney general as the statewide offices to be decided, and AG will certainly be a focus, as we have told you.

We don't know how or when the legal problems involving Attorney General Curtis Hill (R) will be resolved. There is a disciplinary inquiry pending that could potentially result in his removal from office if his law license is jeopardized, and there are also civil proceedings pending. Most of the top Republican officials in the state have called for him to step down, but he has turned aside those pleas. He continues to raise money in big chunks, ostensibly, for re-election and appears to be set on running again in convention with the strong support of social conservatives – delegates who get elected and turn out who will be focused on this convention race because they can have no impact on any other.

There will be lots of unfavorable newspaper headlines over the assorted Hill investigations in the next several months, and Hoosiers will be watching with great interest – even following the already high-profile Supreme Court Disciplinary Commission probe that just saw its status upgraded a notch or two with the appointment of former Supreme Court justice Myra Selby to oversee matters.

There has been no talk of a specific Republican establishment candidate to emerge yet, but lots of eyes are still on Sen. Randy Head (R), an unsuccessful 2016 convention AG hopeful, to make the run again. If he were to be the nominee, he would, however, have to relinquish his Senate re-election bid, and during the session, at least, he seemed to be shying away from any 2020 AG chatter.

If he were to enter, Sen. Head would immediately capture the approval of state GOP leaders from the top down (particularly State Treasurer Kelly Mitchell (R), a fellow Cass countian, and Senate President Pro Tem Rodric Bray (R), who has worked closely with him on criminal code matters this past session), and his wife, Cass County Prosecutor Lisa Swaim (R), a member of the board of directors of the Indiana Prosecuting Attorneys Council, can help him undermine the strong level of political support General Hill has earned from county prosecutors as a long-time former prosecutor himself.

Meanwhile, Democrats have yet to coalesce around a likely candidate, and they struggle to find someone who can step in and regain an office they have not won since 1996. There will be some recruiting quietly taking place this Summer to start the campaign to take back that office, which will likely be the top Democratic electoral focus statewide next year . . . particularly if conflicted Republicans find themselves with the incumbent as their nominee again.

Education Issues. Look for education issues to continue to dominate the news over the next few months as Republicans on one side, and Democrats and teachers on the other, battle over the meaning and extent of the education spending increases in the budget. Teachers are extremely dissatisfied with the lack of more specific earmarks for salary increases, and the #Red for Ed teacher “walk-ins” have attracted some attention, even as teachers can't now cut classes and show up at the State House while lawmakers are in session to demand better base pay.

They will have to find some new statewide tactics that will lead to more public attention, understanding, and support, and at the same time will have to work with superintendents and school boards in their respective districts to ensure that they get a chunk of those new dollars, even as administrators look to patch other long-standing budget holes and fill other needs, including new ones related to school security.

Some of those have been backstopped by referenda dollars, and after the fate of those on the May 7 ballot are decided, you can also expect some statewide dialogue over the role of referenda going forward and the equity issues posed by allowing wealthier districts (like those in Carmel and Noblesville) to go back to the well for supplemental dollars that voters there can afford and approve, while other districts (such as Lake Ridge and Gary Community schools) are home to lower-income residents who can't afford to impose further taxes upon themselves.

Overlaying all of this is the ongoing debate over the direction of school funding from traditional public (or “government”) schools to private voucher and charter schools.

Unshackled from any concern about seeking renomination by her party, Dr. Jennifer McCormick (R) seems to now be emphasizing the word “public” in her formal job title – state superintendent of public instruction – and this could make things uncomfortable this Summer for advocates of nontraditional education.

One of her first post-session acts was to retweet a final session day tweet of Rep. Terry Goodin (D), in which she pointed out that the former House Democratic leader was also a local school superintendent. The Goodin tweet was of a graphic under the headline, “Is this really all Indiana public schools are worth?” The sub-head read, “Hoosier students, schools and teachers deserve better,” and the content compared the Fiscal Year 2020 and 2021 funding increases for public schools vs. charter, voucher, and virtual schools (each broken out separately), that showed percentage increases for the charter, voucher, and virtual schools far outpacing the public schools. She was pointedly not invited to the final week budget reveal by Republican legislative leaders and the Governor, and has been prominent at recent teacher rallies.

Watch for Dr. McCormick, free of any political pressure or concerns, to more freely and publicly associate herself with public school forces and advocates for teacher pay hikes this Summer . . . and perhaps also find public support as well from two of her predecessors in a bipartisan push that could make some GOP leaders uncomfortable.

Gaming Issues and Gary Economic Development. Assuming that the Governor signs HB 1015, the omnibus gaming bill – and, as we explain to readers of our sister Hannah newsletter, INDIANA GAMING INSIGHT, there is no reason to fear a veto – there will be an immediate grinding of rusted gears as Spectacle Entertainment, LLC quickly works to complete a land deal in Gary off its current footprint and process the administrative work necessary to move one of its Majestic Star Casino licenses from Buffington Harbor to the new inland site. Spectacle will also apply for the new Vigo County license under a rubric to be quickly devised by the Indiana Gaming Commission, whose members will become relevant basically for the first time in 15 years, since they approved a new operating agent contract for the French Lick casino to replace Trump Casino.

The IGC regulations will be important because this is an open process, and other casino operators will be eligible to bid, and the prospect exists for a real competition, much as we saw in the original round of applications, where there was no certainty going in to any of the licensing decisions as to the operator, with the exception of the East Chicago boat.

So lots of eyes will be on the Gameboys as they work through their regulations and facilitate the inland move of a Gary boat; the Vigo County licensing process; rules for the live table games that will make the racinos in Anderson and Shelbyville full-fledged casinos when the holographic Dick Clark tells us the ball has fallen in Times Square on New Year's Eve; and regulations to implement sports wagering (and make the call on the ball punted to them by lawmakers about whether and what "official" league or sanctioning body data must be used for "in-play" bets) and license vendors and providers.

When it officially becomes clear that the casino vessels and attendant pavilion and hotel will no longer be used by the Spectacle team, it will be time for Gary to show that the comments by city and civic leaders about serious interest in the site for use as a transformational transmodal facility and port tied to the Gary/Chicago International Airport that were accompanied by winks of sorts in legislative show-and-tells and committee testimony can now be put into practice. Once the Gary Democratic mayoral primary is out of the way, it's effectively "put up or shut up" time for the Steel City, and Mayor Karen Freeman-Wilson (D), who saw something she has been pushing to clear the decks for since she was first elected eight years ago, must immediately show tangible evidence of a viable private sector partnership for the State of Indiana to show her some love. If she is unsuccessful in her renomination bid, this would give the city yet another excuse for delay, but if it is truly a city- (and region-) wide priority that has united all of Gary, there is no reason why her successor should not be able to step into her shoes and work with her from the day after the primary in seamlessly moving this effort forward - unless we find out through a change in administrations that this project was actually just "pie in the sky" - something vehemently denied on the Senate floor in the last night of the session by the principal project proponent in the legislature, Sen. Eddie Melton (D) of Gary, who will now likely try to round up support for the 2020 revival of his SB 66 that was to help pave the way for the Buffington Harbor jewel.

While much of the action is likely to be kept from the public eye, authorization for the state agencies to negotiate "cooperative agreements" with the Pokagon Band of Potawatomi Indians was included in the final conference committee version of the budget bill (with no public or formal legislative input), and Hoosiers will be watching what comes from that endeavor this Summer. The Pokagons operate the Four Winds Casino South Bend, which can currently only conduct limited slot-like gaming and live poker, with some of the slot proceeds paid to the City of South Bend in lieu of property taxes.

They also have a new tribal territory in St. Joseph County and provide housing and health care to their residents (our sister Hannah newsletter, *INDIANA EDUCATION INSIGHT*, reported last Summer about their interest in eventually chartering schools).

In years past, some senators have sought to bar the State from entering into formal compacts - and those behind the budget language insist that it is not a compact - but with the Native American casino seemingly not siphoning as much business from other northern tier casinos as had been anticipated before its January 2018 debut, and the State of Indiana expanding gambling (sports wagering), there is an opportunity to negotiate from what would now be a position of strength . . . even as some of the issues may be unrelated to gaming, including public safety, taxes, worker's compensation, infrastructure, controlled substances, and education.

Firearms, Tobacco, and Marijuana. What's a Summer without some sin - or at least talk of it? With some major changes to

laws governing firearms in Indiana, watch for both sides to point to any incident which may serve to prove their respective points over the next few months, and you can bet that firearms in schools (and attendant issues about teacher-carry and training) will be a hot topic in respective districts, particularly as discussion continues about that in the context of school safety grants, physically hardening schools, and talk (if not dialogue) of addressing student mental health issues. When the National Rifle Association and solons left town at the end of April, that just moved the forum for these concerns back into individual communities.

An increase in the tobacco tax has been on the agenda in the past few sessions, and it has been popular with the public at large, even as fiscal leaders have preferred to keep the prospect in their (wallet) pocket if needed to help compensate for increased Medicaid

costs. As word spreads over the next few months about the bipartisan "Tobacco to 21 Act" introduced last week by U.S. Sen. Todd Young (R) and already embraced by Hoosier health and business leaders, talk is likely to morph to (or, more likely, include) taxation of tobacco products . . . and to vaping; the bill also bumps up the age to 21 for e-cigarettes and e-liquids.

The tobacco tax hike push over the interim from both health care and medical professionals is also likely to be coupled with the revival of the vaping tax that House Committee on Ways and Means Chair Tim Brown (R) just couldn't get over the hump on the final day in negotiations with the Senate, even at reduced rates and limited to the consumer product only.

Passage of the hemp-growing bill (it is now a legal crop in Indiana) received the same kind of overwhelmingly popular reaction from the agriculture industry as the CBD products bills did from entrepreneurs and those with medical needs did in the past two years. Farmers are excited about the ability to generate a new cash crop that will grow well in Indiana, and this will help the ag economy almost immediately as farmers prepare to shift some production capacity to a new crop.



In the broader scheme, the legalization of some CBD products and growth of hemp (taken together with the strict regulatory framework for vaping products and continued loosening of some of our Prohibition-era alcohol laws) simply paves the way for legalization and strong regulation of medical marijuana as early as the 2020 session (but more likely in 2021, so that lawmakers can have a “conversation” with voters on the topic, which will likely be merged and confused with recreational marijuana legalization). Legal marijuana of some sort, as House Speaker Brian Bosma (R) has conceded, is a matter of “when” and not “if,” and as: (1) Physicians along the border tap into the availability of medical marijuana in Illinois and Ohio for their patients; (2) Recreational users travel in even greater numbers north of the border to Michigan to partake of recreational marijuana; (3) Reputable public polling in the state continues to trend toward legalization; and (4) Younger and more laissez-faire lawmakers dominate the Third Floor, the Hoosier State’s 52nd governor will lead a state which views marijuana much the same as alcohol just a few decades ago: legal, optional, socially acceptable, and tightly regulated.

Have fun keeping up with all this as the temperatures climb!

IN Politics

State Office Races . . .

- Brian J. Smith of Bristol, Co-CEO of Heritage Financial Group in Elkhart, makes a \$10,000 April 29 contribution to the campaign of Attorney General Curtis Hill (R).

- The 2016 Gregg for Indiana gubernatorial campaign is the latest defunct Democratic statewide campaign to receive first quarter 2019 refunds for 2016 or 2018 campaign media placements from SKD Knickerbocker (in this case, \$74,119).

IN Legislative Races . . .

- Could the vote by Sen. J.D. Ford (D) against the budget bill resonate against him in a 2022 campaign – in a new district – if Senate Republicans choose to make an issue out of his opposition (via that vote) against protection of those with pre-existing conditions in the health care marketplace? While Sen. Ford pushed hard for the provision in the substantive House Bill authored by Rep. Martin Carbaugh (R), that caveat wasn’t included in the final version of HB 1631, and so Ford’s one big chance to back it was in the provision which Rep. Ed DeLaney (D) managed to get inserted into the budget bill.

IN Mayoral Races . . .

- Fishers Mayor Scott Fadness (R) is using a pair of spots on Indianapolis television to tout a positive record of development and low taxes in his city, the same theme espoused by Carmel Mayor Jim Brainard (R) in a spate of mailers that seek to negate negative comments about city spending by his opponent, frugal Hamilton County Councilmember Fred Glynn (R). At least one wise – and cynical – local elected official whispers to us that Mayor Fadness’ spots may be playing a dual purpose, neither of which bears much relationship to his primary campaign: (1) trolling for developers who will look instead to Fishers, Noblesville, and Westfield for large-scale projects should Carmel Mayor Brainard lose; and (2) boosting his name ID for a potential 2024 statewide campaign.

- The most interesting mayoral primary races to watch (note that this list is far different than a 2015 list would have been):

Democrats

Gary
Portage
Muncie
East Chicago
South Bend
Richmond
Kokomo
Princeton

Republicans

Carmel
Fort Wayne
Muncie
Warsaw
Martinsville
Mitchell
Bedford
Frankfort
Princeton

IN the Presidential Race . . .

- South Bend Mayor Pete Buttigieg (D) “will not accept any money from lobbyists and we are returning all donations from registered lobbyists who have contributed to date – that’s \$30,250 from 39 individuals,” reports his Hoosier campaign manager, Mike Schmuhl. “Mayor Pete will not be influenced by special-interest money, and we understand that making this promise is an important part of that commitment.” Schmuhl commits that the campaign will not accept money directly from individuals who are registered as federal lobbyists; not allow registered lobbyists to serve as bundlers for the campaign; add new language to contribution forms about the campaign’s standards around lobbying and donating; and implement internal procedures and audits “to ensure we are living by these commitments.” The campaign will also not accept money from corporate PACs nor “from the fossil fuel industry” . . . a new SSRS poll for CNN shows South Bend’s mayor in fourth place at seven percent (and an even newer one from CNN/SSRS released Thursday shows Buttigieg among a group of top Demo hopefuls who are ahead of the President in a hypothetical head-to-head match-up, leading 47% to 44%) . . . Mayor Pete is in fourth place in the latest Quinnipiac poll, but in double-digits . . . the latest Morning Consult tracking numbers show that Mayor “Buttigieg’s ascension stalls: This is the first time in five weeks Pete Buttigieg has not seen an uptick in his support. Between March 31st and April 21, Buttigieg went from 3 percent to 9 percent. In the latest release, he sits at 8 percent of the vote share,” one percentage point out of third place. And so much for Mayor Pete being the youngest candidate in the race: that age thing still seems to be turned upside-down. “Candidate support varies dramatically by age: Younger voters are much more likely to support Sanders, older voters are much more likely to support Biden and Buttigieg” . . . @PeteButtigieg attracts 1 million Twitter followers . . . from the release of 10 years of Buttigieg tax returns, we learn that he earned \$33,824 in 2010, the year he ran for state treasurer, less than one-half of the treasurer’s pay at the time . . . watch how *TIME*’s cover boy fares in Round One of The Oprah Primary.

IN Political News . . .

- One reason why the number of female Hoosier legislators perpetually lags most other states may have been revealed in new research by University of Notre Dame political scientist Jeffrey J. Harden. Drawing on data from U.S. state legislative elections from 1978 to 2012, in an article published this month in the *American Journal of Political Science*, he finds that the presence of a “prominent” female officeholder has a positive effect on the number of women running for lower offices in her state. A state with a female governor or U.S. senator will see an increase in the proportion of women seeking state legislative office by about two to three percentage points, Harden and two co-authors write. For a typical election year, that amounts to about seven more female candidates in each state. “Beyond their policy impact, they amplify women’s voices by bringing more women directly into politics,” Dr. Harden concludes.

- David “Hap” Chandler, Ripley County Democratic Party chair for the past seven years, passed away April 27.

IN Brief

IN Federal Circles . . .

● U.S. Sen. Todd Young (R) issued a statement after Hoosier Todd Leininger was released from Venezuela following his imprisonment there since 2014: “After five years, I am relieved that Todd has finally been allowed to return to the United States, and I look forward to welcoming him home to Indiana. It is shameful that it took the Venezuelan authorities almost a year to recognize the rule of law and release Todd as ordered by a Venezuelan court. My prayers are with Todd and his mother Barbara as they are reunited. My office will continue to provide any assistance needed as they work to move past this difficult period” . . . Sen. Young joined U.S. Sens. Maggie Hassan (D-NH), Tim Kaine (D-VA), and Bill Cassidy (R-LA) to introduce the “Innovation Zone (IZ) Act,” a measure which would reform the under-utilized and inefficient experimental sites initiative within the Higher Education Act. The IZ Act would rename experimental sites as “innovation zones” to better reflect the program’s mission of encouraging higher education institutions to experiment with strategies to increase student success. While the experimental sites initiative was first introduced in the mid-1980s, the bill authors are concerned that a lack of evaluation and transparent data collection has prevented Congress from using information from the experimental sites to make real policy changes. They call these experiments vital to understanding how to improve student success and reduce regulation within the framework of higher education. The IZ Act would require the secretary of the U.S. Department of Education to establish a methodology for capturing data before an experiment begins, provide colleges with a clear direction for reporting data, and provide the higher education community an opportunity to submit suggestions for future experiments. “These experiments have the ability to promote innovation and access within our higher education system, but first we must have a way to measure what works and what does not. Our bill will improve data collection and accountability, and ultimately better serve our students,” said Sen. Young. You may recall that we told you last year about similar legislation Sens. Young, Hassan, and Kaine introduced last year with then-U.S. Sen. Orrin Hatch (R-UT) . . . Sen. Young, Senate Democratic Whip Dick Durbin (D-IL), and U.S. Sens. Brian Schatz (D-HI) and Mitt Romney (R-UT) introduced the “Tobacco to 21 Act,” bipartisan legislation that would prohibit the sale of tobacco products, including e-cigarettes, to anyone under the age of 21. “The nationwide epidemic of tobacco and electronic cigarette use among high school and middle school students can no longer be ignored,” asserts Sen. Young. “Roughly 95% of adult smokers began smoking before the age of 21, and the Centers for Disease Control and Prevention estimate that smoking-related illness in the United States costs more than \$300 billion a year. More must be done at the federal level to prevent future smokers from starting, and experts consistently recommend raising the tobacco age as a top priority to protect our kids and reduce health care costs,” he added. Companion legislation was introduced in the House by U.S. Reps. Diana DeGette (D-CO) and Chris Stewart (R-UT) . . . Sens. Young and Marco Rubio (R-FL) introduced the “Housing Accountability Act of 2019,” legislation that they say would hold property owners of low-income housing accountable for poor living conditions. Specifically, the legislation would require residents of private

properties that have Section 8 Housing Assistance Payment contracts to be surveyed twice each year to determine the existence of persistent problems with a property’s physical condition or management. The U.S. Department of Housing and Urban Development would have the ability to refer properties for remediation or fine owners of neglected Section 8 properties based on the surveys and performance-based contract administrator observation. Revenues generated from the fines could only be used to improve the conditions at the property or finance tenant relocation. “Fixing the current housing crisis is a main priority in my Fair Shot Agenda. It is very important that tenants have the opportunity to report issues with their rental property without fear of retaliation from the owner or landlord,” said Sen. Young. “The Housing Accountability Act will empower tenants to report issues such as lead poisoning or structural deficiencies directly to HUD for closer review. This will ensure bad actors are held accountable and help maintain a suitable living environment for all Americans” . . . Sen. Young was one of just seven Senate Republicans who voted Thursday to override the President’s veto of S.J. Res. 7 regarding U.S. intervention in the war in Yemen. The vote received a majority, but could not muster the two-thirds necessary to override. Sen. Young had been among a small cadre of Republicans who originally voted for the measure, under which for the first time in 45 years, Congress used the War Powers Act to reassert its constitutional responsibility over the use of armed forces.

● U.S. Sen. Mike Braun (R) issued a statement praising Attorney General William Barr and his Wednesday testimony before the Senate Committee on the Judiciary. “Attorney General Barr kept his word to provide as much transparency on Special Counsel Robert Mueller’s report as he could provide. Today, he clearly explained why the Department of Justice concluded there was insufficient evidence to bring obstruction of justice charges after the special counsel did not reach a conclusion and delegated this decision to DOJ, and fairly responded to questions on his concern about spying on the Trump campaign and the troubling origins of the FBI’s probe. Our country is fortunate to have Bill Barr, a man of integrity who has served two U.S. Presidents, as our Attorney General. After two years of partisan attacks filled with inaccurate rumors and speculation, it’s time for the country to move forward and focus on real issues like lowering the cost of prescription drugs.”



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● U.S. Rep. Trey Hollingsworth (D) uses his regular email missive to constituents to tell them “the House held a hearing on the Medicare for All Act of 2019. This legislation would create a single-payer health care system and cost taxpayers at least \$32 trillion over ten years.” He then asks his “Question of the Week: Which aspect of Medicare for All concerns you the most?” The possible answers:

- It would cost American taxpayers \$32 trillion.
- Government, not patients, would be making decisions on care.
- Private health insurance would no longer exist (which 150 million people are currently covered by).
- Americans would no longer receive employer-based coverage.
- Our current medicare system which seniors rely on would no longer exist.
- It would use taxpayer dollars to cover abortion services.
- I support Medicare for All.
- I don't know.
- Other

● U.S. Rep. Susan Brooks (R) joins U.S. Reps. Brad Schneider (D-IL), Brian Fitzpatrick (R-PA), and Jennifer Wexton (D-VA) to introduce bipartisan legislation that would extend clear and consistent non-discrimination protections for LGBTQ people in housing. H.R. 2402, the “Fair and Equal Housing Act of 2019,” would include “sexual orientation” and “gender identity” as protected characteristics under the Fair Housing Act, which currently mandates non-discrimination for housing on the basis of race, color, religion, national origin, sex, familial status, or disability. “Housing discrimination and prejudice of any kind, towards anyone, is wrong,” said Rep. Brooks. “It is a fundamental American value enshrined in our Constitution to ensure equal protection under the law for all people in our country, including when purchasing or renting property. I am proud to lead this common-sense, bipartisan bill, the Fair and Equal Housing Act of 2019, so that anyone, regardless of their race, religion, sexual orientation, gender identity, handicap, familial status and national origin is treated fairly and equally under the law as they buy or rent a place to call home.” U.S. Sens. Susan Collins (R-ME) and Tim Kaine (D-VA) introduced the Brooks legislation Senate companion . . . asked by WBAT 1400-AM’s Ed Breen on Marion’s *Good Morning Grant County* last week about what senators she saw as being most likely to pick up and run with the bipartisan Lugar legacy, Rep. Brooks replied with three names: U.S. Sens. Todd Young (R), Shelley Moore Capito (R-WV), and Cory Gardner (R-CO) . . . Rep. Brooks teams up with Rep. Schneider again, as well as U.S. Reps. Elise Stefanik (R-NY) and Annie Kuster (D-NH) to introduce the “Opioid Workforce Act of 2019,” bipartisan legislation designed to train more doctors equipped to combat the opioid epidemic. “In order to combat the devastating opioid, heroin and fentanyl epidemic that continues to plague communities across our country, a critically important piece of the puzzle is to ensure we have more trained professionals, particularly physicians, who can prevent and treat addiction and substance abuse disorder,” said Rep. Brooks. “This bipartisan bill will help provide more residency positions to hospitals that have programs focused on addiction medicine, addiction psychiatry or pain management. The opioid crisis will not stop taking innocent lives overnight, but without more trained doctors ready to help people who are struggling because of substance abuse, drug and opioid related overdose deaths will continue to claim more lives in Indiana and beyond.” H.R. 2439 would create 1,000 new residency posts over five years for hospitals with addiction medicine, addiction psychiatry, or pain management programs to alleviate the worsening physician shortage, particularly acute in the field of addiction medicine and substance use disorder treatment.

● U.S. Rep. Jackie Walorski (R) tells *The Paper of Wabash County* that she plans to vote in favor of USMCA, the free trade agreement between the United States, Mexico, and Canada that supplants NAFTA. “However, she warned, ‘I will not vote for it if tariffs are on it. The tariffs have to come off.’ She said she and other members are Congress are working to make sure the tariffs come off. ‘I’m doing that because those tariffs cost the State of Indiana,’ she said. They cost every manufacturing company. They ultimately either cost jobs or they cost the consumer on the other end. My job – and I take it very seriously because I understand the ramifications – my job is to make sure to protect jobs and to make sure to protect the interests of Hoosiers in this district’ . . . Rep. Walorski renews her concerns over what she sees as a lack of fairness in the tariff exclusion process, penning her second letter in as many months to U.S. Secretary of Commerce Wilbur Ross in which she outlines her growing concerns that U.S. manufacturers and small businesses seeking relief from steel and aluminum tariffs are being treated unfairly. Rep. Walorski had not yet received a response to her initial March 11 letter to Secretary Ross that raised questions about the product exclusion process. “Since the process was established 13 months ago, it has been a master class in government inefficiency and plagued by maddening inconsistency,” she wrote. “There are ways to fix the process and, as has always been the case, I am raising these myriad issues in hopes of working with you to improve its fairness, transparency, and efficiency for all participants.” Rep. Walorski, a member of the House Committee on Ways and Means, has pressed the Commerce secretary to fix problems faced by businesses requesting relief from Section 232 steel and aluminum tariffs. American businesses can request a product be excluded from tariffs if it is not available domestically in sufficient quantity or quality. In response to concerns raised by Walorski last year, Commerce adopted several changes, including the creation of a rebuttal and surrebuttal process. On February 26, the Department began releasing decisions for steel exclusion requests that went through that process. The first such decisions for aluminum requests were released in late April. But Rep. Walorski points to low rates of approval in assorted determinations (around 10% each), and raises a passel of specific questions in the letter to Secretary Ross about the process that she hopes will help determine whether the problem is with the process itself.

● U.S. Rep. Larry Bucshon (R) released this statement Thursday after his office says “House Democrats circumvented regular order and forced a political vote on H.R. 9 the Climate Action Now Act”: “Climate change is an issue that needs to be addressed. However, Democrats are using climate change as a political tool to strengthen Washington’s control of the economy and consumer choice, without any guarantees of actually reducing emissions, which is why I cannot support this legislation. President Obama hastily entered the United States into the Paris Agreement – which should be a treaty subject to the ratification of the Senate – that would have allowed other nations to force unrealistic regulations on America costing millions of jobs, increasing energy prices for ratepayers, and burdening small businesses with regulations while giving a free pass to the world’s largest polluters, such as China, Russia, and India. The right way to tackle climate change policy is by continuing to remove barriers to innovation, incentivizing more clean energy, and putting forth realistic, free-market solutions driven by the American consumer – a proven approach that has already resulted in significant emissions reductions in the United States.”

- U.S. Rep. André Carson (D), who serves on the House Committee on Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials, was part of a two-day T&I “Northeast Corridor Infrastructure Trip” May 2-3 that included a field roundtable on the Gateway Program, as well as tours of the 108-year-old North River Tunnel, Northeast Corridor Infrastructure, the Penn Station Control Center, and Second Avenue Subway in New York City.

- U.S. Rep. Jim Banks (R) gets a shout-out from the President on national television Tuesday during a White House ceremony honoring the 2018 NASCAR cup champion. “Every time I see the President something surreal happens,” he tells WOWO 1100-AM in Fort Wayne, and about being invited in for a tour of the Lincoln Bedroom by the President with Roger Penske . . . Rep. Banks, chair of the House Republican Study Committee Spending and Budget Task Force, released the framework of a new budget proposal last week, and plans to introduce it as a formal measure in coming weeks. He says the package would balance the budget in less than a decade (by 2025) and calls for a \$10 trillion cut in “unnecessary spending” to help reduce the national debt, and stabilize programs like Social Security and Medicare. Rep. Banks tells WOWO’s *Fort Wayne’s Morning News* that the disparate wings of the Democratic Party can’t agree upon a budget proposal. “While Democrats have embraced policies like the Green New Deal and ‘Medicare for All,’ which would exponentially grow our debt levels, the RSC budget is the only serious effort in Congress to balance our budget,” he said in a later statement . . . Rep. Banks on Thursday called upon House Democratic leaders to bring the United States Mexico Canada Agreement (USMCA) to the floor for a vote. He said, “Everybody agrees that our leaders should always fight for the best deal possible for American workers, farmers, and families and President Trump has done just that. After months of hard work by the President and his administration, a better deal than the current North American Free Trade Agreement has been negotiated. So why in the world would we hold it up when new investments, jobs, and prosperity are at risk? Speaker Pelosi, for the betterment of the American people, I ask you to put aside petty politics and bring the USMCA up for a vote.”

IN State Circles . . .

- The Office of the Attorney General revealed last week that Indiana this year has received more than \$136 million from tobacco product manufacturers under the 1998 Master Settlement Agreement (MSA). Since the MSA’s inception, Indiana has received almost \$2.7 billion in funding from the largest civil settlement in U.S. history, and will continue to receive payments in perpetuity.

- We’ve told you that the Indiana Department of Transportation was looking for input on how best to develop and implement an unmanned aerial systems (UAS) program, and now we can tell you to expect an INDOT Request for Proposal seeking a qualified firm to develop and implement an INDOT drone program within just a few days after Independence Day.

□ Separately, the Indiana Department of Homeland Security issues a solicitation for Unmanned Aerial Systems/Drones, seeking a specified package that includes 20 drones, cameras, and accessories.

- Attorney General Curtis Hill (R) is one of six Republican state attorneys general urging the U.S. Court of Appeals for the 11th Circuit in Atlanta, sitting *en banc*, to throw out a challenge to an Alabama statute that would bar its municipalities from enacting local ordinances setting local minimum wage provisions. *Lewis, et al., v. Gov. of Alabama, et al.*, No. 17-11009-U.

□ The law enacted by the majority-white legislature was challenged as discriminating against African Americans in Birmingham, the majority-black city whose ordinance was being targeted. An 11th Circuit panel last Summer reversed a trial court judge’s earlier ruling dismissing the lawsuit, finding that the preemption violated the 14th Amendment’s Equal Protection Clause, and labeling the legislative action as “rushed, reactionary, and racially polarized.” The State of Alabama successfully sought an *en banc* rehearing before the entire appellate court in January, vacating the earlier appellate ruling, and prompting the attorneys general of Arkansas, Georgia, Indiana, Louisiana, Missouri, and Texas to intervene during the final week of April in the case in favor of Alabama. The State of Indiana is officially signed on as an *amicus* party. Expect the rehearing in June.

□ According to the April 24 *amicus* brief, Indiana and its sister states “have a substantial interest in ensuring that courts quickly dispose of meritless challenges to state laws, particularly challenges that rest on charges of intentional racial discrimination. The charge of intentional racial discrimination is among the most serious that can be leveled against a state legislature, not only for the gravity of the wrong alleged, but also for the consequences of a false accusation. Racial discrimination by a legislative body violates the fundamental right of every citizen to be treated equally by their government. But unfounded claims of discrimination can have damaging effects on the legislative process. The *amici* States are subject to such claims and their attendant effects on a regular basis.” The states also contend that “Natural solicitude for the victims of alleged racial discrimination, together with an indeterminate standard of proof, makes intentional-discrimination claims unusually powerful and unusually susceptible to abuse. In ordinary circumstances, the steady flow of unfounded claims works against the claimants.”

- On May 16, the Office of Medicaid Policy and Planning will hold a public hearing on amending rules to extend (through June 30, 2021) the 3.0% rate reduction for covered outpatient and inpatient hospital services, and for covered nursing facilities.

- Less than a week after the General Assembly overwhelmingly passed the budget bill with its affirmation of the right for pre-existing coverage in health insurance policies, Attorney General Curtis Hill (R) joined the State of Indiana with 17 other Republican state attorneys general or governor in a brief urging the U.S. Court of Appeals for the Fifth Circuit to declare the Affordable Care Act unconstitutional. *State of Texas, et al., v. United States, et al.*, No. 19-10011. Such a decision would uphold a U.S. District Court decision from last year regarding Obamacare. “The Affordable Care Act had previously been determined constitutional because of the tax penalty accompanying the individual mandate, which fell under the taxing authority of Congress,” General Hill said. “When Congress eliminated the tax penalty, the individual mandate lost the constitutional leg on which it stood.” This brief argues that ACA, in its current form, imposes rising costs and affords too much power to the federal government while simultaneously stripping power from the states.

□ General Hill added in a statement that “All Americans – not just the 85 to 90 percent covered by their employers and/or Medicare/Medicaid – should have access to quality health care that they can afford. Congress and the individual states must develop sound constitutional policies that safeguard the health care needs of all individuals, including those with pre-existing conditions.”

- The Family and Social Services Administration selects Cooperative Managed Care Services (CMCS) from four bidders to provide Prior Authorization and Utilization Management Services for FSSA. The estimated value of the four-year contract exceeds \$15.33 million. Other bidders included Qsource; Telligen; and DBMS Health.

- Last October we were first to tell you about an Attorney General Official Opinion that had been issued to Accelerate Indiana Municipalities over Fort Wayne’s so-called “Pay to Play” ordinance – enacted over a mayoral veto – that prohibited businesses and individuals that conduct business with the City of Fort Wayne from making political contributions to candidates for local office, both in the City and throughout Allen County, and also excluded from public contracts any business entity that has made any contribution of money, or pledge of a contribution, in excess of the dollar limits specified in Indiana statute. The AG’s conclusion: “The Ordinance at issue here imposes additional requirements for the City that exceed the Council’s authority under the Indiana Home Rule Act. Accordingly, these additional requirements are invalid. In addition, the Ordinance imposes restrictions on political speech that likely violate the First Amendment by limiting the contributions on the part of those desiring to do business with public entities.”

□ The day after the General Assembly adjourned *sine die*, family members who are part of Witwer Construction Company filed suit in Allen County Superior Court 3, with Mark GiaQuinta as their attorney, challenging the legality of the ordinance, seeking a declaratory judgment, and both a preliminary and permanent injunction against its enforcement. *Witwer, et al., v. City of Ft. Wayne*, No. 02D03-1904-MI-000318.

□ The 2017 ordinance was co-authored by City Councilor John Crawford (R), now a Republican mayoral candidate.

□ GiaQuinta, himself a former Democratic member of the Fort Wayne City Council, explains that “The Ordinance forces the business entities to make a choice between adhering to the contribution limits in the Ordinance or be disqualified from entering into contracts for professional services with the City of Fort Wayne or even participating in the City’s bid process as it relates to professional services. Witwers seek to protect their right to express their political voices by contributing to the candidates of their choice for local offices and school boards without risk of the penalties.”

□ The 31-page complaint claims that the ordinance violates the Home Rule Act (which, they contend, denies the power to regulate criminal conduct); is both preempted by and conflicts with various Indiana statutes governing: (a) the awarding of contracts by political subdivisions, (b) the specific statute governing political donations to local officials and school boards, (c) the statute “enacted to prevent and punish ‘pay to play’ under its less trite description, Bribery,” and (d) the statute enacted to prevent and punish Ghost Employment.

□ The plaintiffs also allege that while “The Ordinance purports to avoid impacting the right of an individual to express ‘their First Amendment right to contribute to the campaign of any individual’ [it] conveniently ignores the strict penalties included in the Ordinance which force the business entity to choose between its protected First Amendment right to participate in a political campaign in a manner equal to other citizens and their right to participate in the selection of those eligible for professional service contracts with the City.” The lawsuit also alleges that others, including spouses and children of contributors and minority members of firms may also be “denied equal treatment under law as guaranteed by the Fourteenth Amendment of the U.S. Constitution and Article 1 § 23 of the Indiana Constitution.”

□ Another question is raised by the plaintiff-wife of the contractor who “demands constitutional protections for her right to free speech and the right to equal treatment under law with the spouses of individuals who do not bid City contracts and with ‘significant others’ living with owners of business entities who enter into such professional contracts.”

□ GiaQuinta asserts that the ordinance provisions do not withstand the strict scrutiny standard required when restricting a fundamental right of free speech nor does the city establish a compelling state interest to overcome this standard. He attempts to prove this via affidavits and a legislative history of the ordinance.

- The Division of Mental Health and Addiction (DMHA) is looking to provide grants to qualified community/governance partnerships focused on affecting addiction outcomes to implement a multi-faceted, integrated approach to treating opioid use disorders in different regions through a very flexible innovative team approach involving a mobile response team comprised of at least one licensed clinician with an addiction credential, peer recovery coach, prescriber, and law enforcement official that would respond to opioid overdoses, and then provide comprehensive follow-up for those mobile opioid SWAT units (and not in the punitive enforcement context being employed in Scott County by new Sheriff Jerry Goodin (D)).

□ The peer recovery coach will meet the patient in a location of need (Emergency Department of a local hospital, jail release, homeless shelter, community area, etc.); an Emergency Department prescriber will be available to prescribe Buprenorphine; local community mental health centers and other certified healthcare entities will be on call to refer patients and their families; and a service provider will be part of the process to organize and offer wraparound services to patients and their families based on screening and assessments completed during intake process.

□ Not only is the mobile concept unique, but so is the process which would be designed to allow a “warm handoff” to pass the baton to the next appropriate intervention and step towards recovery. The geographical scope of this project requires each applicant to include at least three counties for each applicant. However, Marion County is able to submit an application as a single county. Townships or designated areas within Marion County may be included in an application with a minimum of two contiguous counties. DMHA is eager to move on this concept, and is encouraged by the expressions of interest – the agency has been answering lots of questions from prospective grantees, and indicates a strong willingness to let applicants propose project designs they believe are appropriate for their respective proposed service areas and communities.

- The Indiana Bond Bank introduces the first-ever public finance design summit where participants from all walks of life will compete to devise novel solutions to some of the most pressing local government problems. Competitors will select a challenge from a list of 19 issues drawn from real-world problems facing the City of Gary, Town of McCordsville, and the Eastern Indiana Regional Planning Commission, including attracting developers to build affordable single-family homes, evaluating opportunities to embrace smart and alternative modes of transportation, enhancing the capacity and quality of area daycare providers, and increasing broadband and high-speed internet access.

- The event has been dubbed “Flipping Finance” to show that not every problem can or should be solved by issuing a bond, says Bond Bank Executive Director Mark Wuellner. The event will take place May 10-11 at Launch Indy, site of assorted civic hackathons. After an 18-hour design sprint, participants will present their solutions to a panel of judges, who will award more than \$4,000 in cash prizes.

- The Indiana State Personnel Department is in the market for group life insurance for all eligible employees and their dependents. The State (and its employees, under supplemental coverage) currently spends approximately \$11,200,000 annually for group life insurance services.

- While you shouldn’t be surprised by now, we still do feel compelled to report that the Supreme Court of the United States failed to act at its April 26 conference on the high-profile Indiana abortion case that has languished on the SCOTUS agenda since the State of Indiana filed its October petition for a writ of certiorari in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. Through 12 conferences, the high Court has already postponed a decision on whether to review the challenge to provisions of HEA 1337-2016 that would: (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition. We’ve recited for you too many times the assorted theories why the Supremes have avoided making a decision – on making a decision.

- With the State’s filing last month in another HEA 1337-2016 case, the Court may be closer to a *cert* ruling when it considers the initial *Box* petition for the 13th time (lucky, right?) at its conference on Thursday, May 9. Orders from that conference should be released on Monday, May 13

- The Carmel-based Midcontinent Independent System Operator Inc. (MISO) submitted its annual report Monday to the Federal Energy Regulatory Commission detailing that 724,249,902.000 MWh of transmission service was provided in calendar year 2018.

IN the Economy

- *Map the Meal Gap 2019*, the latest report by Feeding America on food insecurity and the cost of food at both the county and congressional district level, reveals that food insecurity exists in every Indiana county. The report finds that children are more likely to be food insecure, with the child food insecurity rate at 17.4% (273,380 Hoosier children) compared to 13.3% (887,070 Hoosiers) for the overall population for Indiana.

- Child food insecurity rates range from a low of 11.9% (approximately 10,420 children) in Hamilton County up to 21.0% (approximately 2,950 children) in Grant County.

- Indiana’s food insecurity rates are higher than the national averages of 12.5% for the overall population and 17.0% for child food insecurity.

- Governor Eric Holcomb (R) announced at the National Rifle Association annual meeting in Indianapolis that Camp Atterbury will be the site of the NRA’s new National Marksmanship Competition Center. The Governor says “This new center will provide great economic benefits for central Indiana with the safety, training and competition opportunities for thousands of citizens, law enforcement and military personnel.” The NRA’s competitive shooting division, which has been holding marksmanship competitions since 1876, will bring national and regional competitions as well as firearms training and safety courses to Camp Atterbury. Smallbore Rifle Championships and Precision Pistol Championships will begin in 2020 and the High Power Rifle Championships, which have been held at Camp Atterbury since 2017, will continue. The NRA expects to add collegiate marksmanship events and other related competitive shooting events at the center over the course of the 10-year agreement. The NRA will also work in conjunction with Camp Atterbury Museum to develop the NRA Military Heritage Museum.

- As a part of the deal, the NRA will lease space at Camp Atterbury, and the State will upgrade several shooting ranges. The improvements are expected to draw other military, law enforcement, and civilian training and competitions as well.

- The Office of Community and Rural Affairs changes the Stellar Communities Designation Program for 2019 and beyond, allowing only one region to be selected as a designee for the program. The change is based on feedback from the pilot, and the program’s professed goal to inspire the greatest transformational impact. While only selecting one designee, the other finalist regions (Constellation of Starke – Hamlet, Knox, North Judson and Starke County; Jay! Region – Dunkirk, Portland, Pennville, Redkey, and Jay County; Marshall County Crossroads – Argos, Bourbon, Bremen, Culver, Plymouth, and Marshall County; and Safe and Welcome – Knightstown, New Castle and Henry County) are eligible for a portion of \$1 million to advance their respective regional development plans.

- Hamilton County gets good news in the form of a \$60 million investment by Beck’s Hybrids in an expansion of its Atlanta headquarters and operations to include a new soybean processing facility. A 221' x 300' facility that will feature a seven-story, standalone processing tower, five new warehouses for seed and equipment storage, as well as office space should mean 60 new jobs . . . Greenwood’s Poynter Sheet Metal, Indiana’s largest full-service sheet metal and custom metal crafter, plans an investment of \$4.2 million in an expansion that will add a new manufacturing unit and result in 40 new jobs with an average annual wage of \$50,000.

IN Transition

→ *Cont. from page one . . .*

Gov. Daniels, who worked directly for Lugar for 14 years, first during his mayoralty and then as senator, more than a decade of that as his chief of staff (and as campaign manager), offered these words:

“Dick Lugar was not just the finest public servant I will ever know, he was the finest person. He embodied all we can hope for in our leaders: brilliance of mind, purity of motive, stainless in character, tireless in the pursuit of duty. Incomparably knowledgeable about the world, he was first and always a patriot, utterly dedicated to the security and wellbeing of his fellow Americans. His voice is now silent, but he is still with us. Indianapolis is a thriving and vibrant city because of him. The world is safer from nuclear danger because of him. And so many of us, while falling far short of the standards he set, are vastly better people because of him,” concludes Gov. Daniels.

- Rep. **Holli Sullivan (R)** is selected to serve as vice chair of the Council of State Governments’ Bowhay Institute for Legislative Leadership Development (BILLD). BILLD is a leadership training program helping newer Midwestern legislators gain skills to become effective leaders, informed decision-makers, and perceptive policy analysts. Rep. Sullivan, a BILLD alum, has served on the board since 2016.

- Sen. **Eric Koch (R)** is elected to the 12-member Executive Committee of the National Council on Electricity Policy (NCEP) in Washington, D.C. NCEP is a platform for all state-level electricity decisionmakers to share and learn from diverse perspectives on the evolving electricity sector. The NCEP community includes more than 200 representatives from public utility commissions, air, and environmental regulatory agencies, governors’ staffs and state energy offices, legislatures and consumer advocates. It is an affiliate of the National Association of Regulatory Utility Commissioners Center (NARUC) for Partnerships and Innovation. NCEP serves as a forum for collaboration around grid-related topics at state, regional and national levels, offering a unique opportunity for state electricity decisionmakers throughout the country to examine the ways new technologies, policies, regulations, and markets impact state resources and the bulk power system.

- While the LaPorte County Commissioners pass a resolution expressing their disapproval of the change in composition of the Northern Indiana Commuter Transportation District board through a late addition to the budget bill without the opportunity for public input (and hint about a lawsuit), the Board separately writes to the Governor proposing that he appoint Commissioner **Sheila Matias Brillson (D)** to the panel. She is a former Michigan City mayor and city council member well-versed in regional planning efforts in Indiana and other states in which she has lived.

- The new NICTD board will consist of only five members, all appointed by the governor, down from 11 members, eight of whom were designated by the four counties served by the South Shore Railroad, and the other three appointed by the governor.

- Democratic lawmakers north of U.S. 30 still seemed a bit blindsided by the change in membership, both in the budget bill itself, and by the immediate shake-up after it was signed into law last week.

IN the Lobby

- **Jim Zieba** takes a leave of absence from his position as the executive director of the Indiana Optometric Association until April 2020. Zieba, a colonel in the Indiana Army National Guard, will deploy with this unit to the Middle East in June.

- **Marilyn Carter** will serve the association’s acting executive director during Zieba’s absence.

- Ice Miller Strategies LLC files a federal lobby registration to lobby Congress on behalf of Raleigh, North Carolina-based technology services provider Oak Grove Technologies seeking “Support for Oak Grove programs and services.”

- **Faegre Baker Daniels Consulting** files a federal lobby termination for its representation of the American Academy of Addiction Psychiatry.

- **Eli Lilly and Company** lures **Shawn O’Neil** away from his post as director of federal government affairs for Novartis to serve Lilly as vice president for government affairs, a post in which he will lead both federal and state lobbying efforts. O’Neil has also lobbied for the National Multiple Sclerosis Society.

IN Court

- The Indiana Supreme Court goes its own way in ensuring no favoritism in the disciplinary case pending against Attorney General **Curtis Hill (R)**. The Court rejects both Hill’s motion to decline appointment of a hearing officer and a Supreme Court Disciplinary Commission motion to appoint a three-member hearing officer panel. Instead, the justices on Monday appointed former Supreme Court justice **Myra C. Selby** of Ice Miller LLP – Indiana’s first female and African American justice – to serve as hearing officer.

- Selby, who served as a health policy advisor on the Bayh Administration gubernatorial staff prior to her court appointment, retired from the Court in 1999 after serving on a panel in which tougher lawyer disciplinary standards were advanced by then-chief justice **Randall Shepard** and future CJ **Brent Dickson**.

- On Wednesday, General Hill added top Indianapolis criminal defense attorneys **Jim Voyles** and **Jennifer Lukemeyer** to his appellate legal defense team, complementing his principal counsel, legal ethics expert **Donald Lundberg**.

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From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 5/10
Date: Friday, May 10, 2019 11:26:42 AM
Attachments: [Howey 5-10-19.pdf](#)
[Statehouse File- Community programs encourage culture of care.pdf](#)
[EduInsight May 10.pdf](#)
[LegInsight May 10.pdf](#)

Pillar 1- Diversify our economy

Tribune Star- [Alabama-based manufacturer building new R&D facility in Montgomery County](#)
Goshen News- [Production slip aside, RV industry expects third-best year ever](#)

Pillar 2- Upgrade our infrastructure

IN Public Media- [Governor Holcomb Presents Trail Funding In South Bend](#)
WSBT- [East Bank Trail to be connected to LaSalle Trail](#)
WLFI- [Monon High Bridge Trail getting state funding for updates](#)
US News- [Fort Wayne, Evansville Airports Win Grants for Projects](#)
Journal Gazette- [Airport gets \\$9.2 million for upgrade](#)
FW Business- [NIPRA project still full speed ahead](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Continental Diamond Tool to Add Jobs in Allen County](#)
RTV6- [Plenty of Jobs in the horizontal construction industry in Indiana](#)
Tribune Star- [Continental Diamond Tool plans northeast Indiana expansion](#)
WNDU- [Workforce Readiness Fair focuses on career, technical education](#)

Pillar 4- Attack the drug epidemic

WISHTV- [New drug treatment centers to open in Indiana](#)
My Wabash Valley- [New drug treatment centers to open in Indiana](#)
IN Public Media- [Program Connects Pregnant Women With Substance Use Disorders With Services](#)
Times Herald- [Community programs encourage culture of care as Indiana's drug overdose deaths decline](#)

2019 Legislative Session

Inside IN Business- [Feigenbaum: Gaming Bill a 'Game Changer'](#)
14 News- [Gaming bill could impact Evansville](#)
Wave- [Sports betting comes to Indiana](#)
IN Lawyer- [Holcomb signs bill to legalize sports betting, allow Terre Haute casino](#)
WTHI- [Local leaders are excited for the opportunities gaming bill could give the county](#)
Times Herald- [Holcomb signs gaming expansion bill, new measure for carbon dioxide storage](#)
My Wabash Valley- [Impact of West Terre Haute facility allowed to store CO2 underground](#)
WFYI- [Indiana Carbon Dioxide Storage Measure Signed By Governor](#)
IBJ- [Todd Huston: Lawmakers did their part to help schools boost pay](#)
NWI Times- [New law provides \\$50,000 payment for each year a wrongfully convicted Hoosier spends in prison](#)
Hoosier Ag Today- [SEA 565 to Help Indiana Farmers Get Money Back from Like-kind Exchange Tax](#)

IN Lawyer- [Holcomb signs bill that loosens car dealership rules on document-prep fees](#)
FW Business- [Physical therapists positive about newfound autonomy](#)
Rushville Republican- [Leising: 2019 legislative session concludes](#)
News Dispatch- [Like 'drinking out a fire hose'](#)

Misc.

WNDU- [Elkhart Co. RV Power Breakfast bring industry leaders together](#)
ABC57- [Hundreds gather for the annual RV Industry Power Breakfast](#)
IN Lawyer- [Magistrate judges are finalists for Lake Superior vacancy](#)

Sincerely,

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May 10, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

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BUTTIGIEG 3RD IN INDIANA POLL: Hoosier Democrats aren't at home yet with native born South Bend, Ind., Mayor Pete Buttigieg, choosing former Vice President Joe Biden and liberal Vermont Sen. Bernie Sanders as their first and second picks in the state's 2020 presidential primary ([Washington Examiner](#)). A new survey from We Ask America said that Biden is backed by 33%, Sanders 23% and Buttigieg 20%. The results, coming after weeks of media hype and favorable Time and Vanity Fair features about the mayor, are a disappointing showing for the candidate considered a favorite son, said the survey analysis. "Despite being the home-state candidate, Mayor Pete Buttigieg has a long way to go if he hopes to win Indiana in the Democratic primary next year as former Vice President Joe Biden has a 10-point lead over second place U.S. Sen. Bernie Sanders," said Andrew Weissert of We Ask America. "Despite very loud noise from the far left of the Democratic Party and Buttigieg's popularity in the South Bend region, it seems that, for now, rank-and-file Indiana Democrats prefer a traditional party leader," he added. In a New Hampshire [Monmouth Poll](#), Buttigieg is third with 9%, trailing Biden at 36%, Sanders at 18%, but leading Sen. Elizabeth Warren at 8% and Sen. Kamala Harris at 6%.

FEDS CHARGE 2 FROM CHINA IN ANTHEM HACK: A federal grand jury in Indianapolis has indicted a Chinese national in connection with the massive computer hacking of health insurer Anthem Inc. in 2015 that compromised the private information of 78.8 million customers and former customers (Russell, [IBJ](#)). The U.S. Justice Department said Thursday afternoon that Chinese resident Fujie Wang, 32, and other members of a hacking group broke into the computer networks of Anthem and three other U.S. businesses and installed malware to thwart the systems and steal private information. The other hacked companies were not identified. Wang and another defendant, identified only as John Doe, were charged with one count of conspiracy to commit fraud and related activity in relation to computers and identify theft, one count of conspiracy to commit wire fraud, and two substantive counts of intentional damage to a protected computer. The FBI has issued a "wanted" poster for Wang, who is believed to live in Shenzhen, China. It isn't clear whether prosecutors would be able to bring him to the United States for trial if he is apprehended. The U.S. Attorney's Office for the Southern District of Indiana declined to comment. Prosecutors say the defendants used "extremely sophisticated techniques" to hack into Anthem's computers and steal confidential business information and patient records. That included sending specially tailored "spearfishing" emails with embedded hyperlinks to employees. After a user accessed the hyperlink, a file was downloaded that, when executed, deployed malware that compromised the user's computer system by installing a tool known as a back door that gave the defendants remote access to the system.

TARIFFS UP AS PRESSURE RATCHETS: The U.S. increased tariffs on \$200 billion of Chinese goods to 25% Friday as President Trump ratcheted up pressure on Beijing and threatened to impose additional levies on virtually everything China exports to the U.S. The tariff hike went into force hours after U.S. and Chinese negotiators met Thursday in hopes of getting the troubled trade talks back on track. Discussions are set to resume Friday, but the White House said it had no plans to suspend the scheduled tariff increase, which will raise levies from the current 10% ([Wall Street Journal](#)). Beijing has said it would retaliate against the U.S. actions. As soon as the tariff increase took effect, the Chinese Commerce Ministry expressed regret and reiterated that Beijing "cannot but take necessary countermeasures." It didn't specify how or when Beijing would retaliate. U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin met with Chinese Vice Premier Liu He for a working dinner Thursday night. Afterward, Messrs. Lighthizer and Mnuchin briefed Mr. Trump on the talks, the White House said. Earlier Thursday, Mr. Trump told reporters the U.S. was also taking steps to impose fresh 25% tariffs on \$325 billion in Chinese goods that aren't currently taxed. If that happens, virtually all Chinese exports to the U.S. would face 25% tariffs. "I'm different than a lot of people," Mr. Trump said at the White House. "I happen to think the tariffs for our country are very powerful." The White House said talks would resume again on Friday but it remains uncertain whether the two sides can bridge the differences that have arisen over the past week (New York Times).

TRUMP SAYS 'I HAVE NO IDEA WHAT'S GOING TO HAPPEN': In remarks at the White House, the president said he had received a "beautiful letter" from President Xi Jinping of China and would probably speak to him by phone, but Mr. Trump said he was more than happy to keep hitting Beijing with tariffs. "I have no idea what's going to happen," he said ([New York Times](#)). "They'll see what they can do, but our alternative is, is an excellent one," Mr. Trump added, noting that American tariffs on \$250 billion worth of Chinese products were bringing "billions" in to the United States government. "We were getting very close to a deal then they started to renegotiate the deal," Mr. Trump said. "We can't have that."

TRUMP RECEIVES 'BEAUTIFUL LETTER' FROM XI: President Trump said on Thursday he had received "a beautiful letter" from Chinese President Xi Jinping and may speak to him by phone, though Trump did not say whether that would occur before a scheduled increase in tariffs on \$200 billion in Chinese goods takes effect at 12:01 a.m. Friday ([Washington Post](#)). The president said Xi's message was: "Let's work together. Let's see if we can get something done." Robert E. Lighthizer, the chief U.S. trade negotiator, is scheduled to meet at 5 p.m. Thursday with Chinese Vice Premier Liu He to continue negotiations aimed at a comprehensive deal. Those talks had been proceeding smoothly, with U.S. officials predicting a final accord could be agreed to as soon as this week. But China last weekend angered the president by trying to

water down its commitments, according to Lighthizer. Chinese officials balked at specifying in the agreement which laws would be amended to address U.S. concerns over forced technology transfer and intellectual property protection, U.S. officials said. "The vice premier is coming here today. We were getting very close to a deal, and then they started to renegotiate the deal. We can't have that," the president said, following a White House event on preventing surprise medical bills. "It was their idea to come back."

INDIANA'S 'MR. SOYBEAN' BILL SILVER DIES: Hoosier farmer William "Bill" Silver of Boswell, IN, a pioneer in launching the soybean checkoff in Indiana, died Tuesday, May 7 ([Hoosier Ag Today](#)). Silver served as an advocate for all Indiana farmers, and he also supported the creation of the state's soybean checkoff program. Jane Ade Stevens, CEO of the Indiana Soybean Alliance, said Silver took pride in the growth and work the checkoff provided for farmers. "Those of us who have worked to support Hoosier farmers were saddened to learn that Mr. Indiana Soybean, Bill Silver, has passed away," Stevens said. "Bill was the soybean farmer who led the effort for many years to get a soybean checkoff passed. He has always been an advocate for farmers and took great pride in seeing how the Indiana Soybean Alliance has developed. We lost a great advocate this week. May he rest in peace."

INDIANA HOSPITALS CHARGE 311% OF MEDICARE COSTS: Indiana hospitals charge privately insured patients more than three times what Medicare pays for similar procedures, making it one of the most expensive states in the nation for hospital care, according to a new Rand Corp. study (Russell, [IBJ](#)). The study examined nearly 1,600 hospitals in 25 states, looking at prices paid by private health plans for a wide range of procedures in 2017 compared with what Medicare would have paid. It found that Indiana hospitals charged 311% of what Medicare would have paid, making it the most expensive state in the study. Rand said it examined only states where it was able to obtain data, and hopes to include all 50 states for a report that will be released in early 2020. On average, the hospitals across the study charged 241% of what Medicare would have paid. But there was a wide variation among states. Michigan hospitals had the lowest relative prices, charging privately insured patients an average of 153% of what Medicare would pay. Other states on the low end were Pennsylvania (169%), New York (178%) and Kentucky (186%). At the high end—in addition to Indiana—were Wyoming (302%), Maine (283%), Wisconsin (279%) and Montana (277%).

BRAUN ANNOUNCES DRUG PRICE TRANSPARENCY BILL: U.S. Sens. Tammy Baldwin (D-WI) and Mike Braun (R-IN) and U.S. Representatives Jan Schakowsky (D-IL) and Francis Rooney (R-FL) today introduced the FAIR Drug Pricing Act. The bipartisan, bicameral legislation takes the first step in addressing skyrocketing prescription drug prices by requiring transparency for pharmaceutical corporations that plan to increase drug prices ([Howey Politics Indiana](#)). Sens. Lisa Murkowski (R-AK) and Tina Smith (D-MN) have also signed on as cosponsors of the FAIR Drug Pricing Act. "It's time for pharmaceutical companies to clean up their act, otherwise they will be stuck with one customer: the federal government," said Braun. "This legislation will help push them into the right direction by requiring transparency and justification before drug companies can increase the cost of certain drugs by more than 10 percent over one year or 25 percent over three years." "For too long, I've heard story after story from Wisconsinites who are struggling to afford the life-saving medications they need," said Senator Baldwin. "Drug corporations are making prescription drugs more and more expensive with no systematic transparency to taxpayers. My bipartisan reform will change that and demand answers from drug companies who are jacking up the prices on the medications that Americans need. It is time for Congress to take action and take on the rising costs of medicine people depend on."

U.S./NORTH KOREA POW/MIA TALKS BREAK DOWN: Talks between the United States and North Korea regarding the remains of thousands of U.S. soldiers have broken down following President Donald Trump's unsuccessful summit with Kim Jong Un in Vietnam at the end of February ([Newsweek](#)). Democratic People's Republic of Korea (DPRK) "officials have not communicated with DPAA since the Hanoi summit," Chuck Prichard, a spokesman for the Defense POW/MIA Accounting Agency, said Wednesday, CNN reported. "As a result, our efforts to communicate with the Korean People's Army regarding the possible resumption of joint recovery operations for 2019 has been suspended." During Trump and Kim's first summit, in Singapore last June, which marked the first time a sitting U.S. president had met with a North Korean leader, the two signed an agreement that said the remains would be returned. "The United States and the DPRK commit to recovering POW/MIA remains, including the immediate repatriation of those already identified," the joint statement from Trump and Kim said.

TRUMP TAUNTS DEMS BY GOADING IMPEACHMENT: As the White House and Congress escalate their constitutional showdown, President Trump and his team are essentially trying to call what they see as the Democrats' bluff. The message: Put up or shut up. Impeach or move on ([New York Times](#)). Confident that there are not enough votes to remove him from office through an impeachment trial in the Senate, Mr. Trump and his advisers have chosen the path of maximum resistance, calculating that they can put the Democrats on the defensive in a fight that is politically useful for the president. The decision to assert executive privilege and defy subpoenas across the board suits Mr. Trump's natural combative instincts and fits the grievance narrative he has adopted by arguing that the establishment is out to get him. The president seems eager to force the hand of Democrats who are investigating him as if they are conducting an impeachment inquiry without actually calling it that and risking any of the political problems that might come with it. "If it's an impeachment proceeding, then somebody should call it that," said Rudolph W. Giuliani, one of the president's personal lawyers. "If you don't call their bluff now, they'll just keep slithering around for four, five, six months."

JUDGE FAST-TRACKS CASE ON TRUMP FINANCIAL RECORDS: Congress and Donald Trump's fight over his financial records is now on the fast track ([CNN](#)). Judge Amit Mehta plans next week to weigh the major legal issues raised in President Donald Trump's challenge of a congressional subpoena for his accounting firm's records, according to an order issued Thursday -- putting the case on an even faster track than it previously looked to be. Congress has subpoenaed Trump and his business' accounting records from the firm Mazars USA, and Trump's personal legal team sued to stop the records from being turned over. A hearing is now scheduled for May 14.

HPI DAILY ANALYSIS: I'm not surprised Mayor Pete comes in third in an Indiana poll. Beyond his unsuccessful 2010 state treasurer race, Pete Buttigieg did little to build an Indiana political base beyond the South Bend media market. He was active in AIM circles, but skipped a key step in going national by neglecting to build a base in his home state. He might win an Indiana presidential primary if no one locks up the nomination a year from now, but Mayor Pete will have to work his home state. - *Brian A. Howey*

Campaigns

MERRITT PRESSER ON 10 POINT COMMENTS: Republican Indianapolis mayoral nominee Jim Merritt will be addressing the recent insensitive and offensive remarks made against the Indianapolis Ten Point Coalition by two key members of the Hogsett administration -- and the inadequate response to the situation by Mayor Joe Hogsett and his staff (*Howey Politics Indiana*). He will appear at West 29th St and MLK St. at 11:45 a.m. today.

ROBERSON PROMISES 'PIVOT' IN ELKHART: After winning the Democratic nomination in the Tuesday primary for Elkhart mayor, Rod Roberson is moving his focus to defeating Republican Dave Miller in the Nov. 5 election ([Elkhart Truth](#)). "Now I pivot," Roberson said Wednesday. "And when I say I pivot, I just make sure that I'm speaking to a broader audience about the same things."

LIBERTARIAN FILES AGAINST MAYOR WINNECKE: Bart Gadau has filed to run in the Nov. 5 election for mayor as a Libertarian Party candidate (Martin, [Evansville Courier & Press](#)). Gadau so far is the only general election challenger to two-term Republican Mayor Lloyd Winnecke, who on Tuesday claimed 88 percent of the vote in a primary victory over Connie Whitman. Gadau, 43, ran as a Libertarian for U.S. Congress in 2012 and for the 1st Ward City Council seat in 2015, receiving vote percentages in the single digits. "I've lived in Evansville my entire life, and my whole adult life we've kind of done the same thing," Gadau said. "We've pushed for Downtown Evansville, and it takes all our tax money. They build big shiny buildings there to try to bring in more people, and it hurts the everyday taxpayer. "Middle- and lower-income families are hurting, and they can't pay their water and sewer bills," he said. " ... I think we need someone who represents the everyday person rather than large businesses."

NEW ERA IN HAMMOND POLITICS AFTER 2 COUNCIL UPSETS: The defeat of two longtime Hammond Common Council members in the Democratic primary points to a new era in city politics, with the council poised to become more representative of the electorate and even friendlier to the mayor's office (Racke, [NWI Times](#)). In a pair of stunning victories Tuesday, first-time council candidates Barry Tyler Jr., 34, and Katrina Alexander, 35, unseated the council's two longest tenured incumbents. Tyler made perhaps the biggest splash of primary night, easily defeating District 3 Councilman Anthony Higgs, who has held that seat since 2003. Alexander finished third in the race for Hammond's three at-large seats, knocking eight-term Councilman Bob Markovich out of the running for the general election. Some influential Lake County Democrats say the election results in Hammond mark a tipping point in favor of younger, less experienced candidates. It was no surprise that Markovich and Higgs -- with nearly a half century on the council between them -- were the incumbents unseated by 30-something challengers, said District 5 Councilman and Hammond Democratic Party Chair Dave Woerpel. "I think it's a sign of things to come," he told The Times on Wednesday. "Cities and towns (in the Region) are moving toward younger candidates."

DEMOCRATS SAY HOLCOMB IS 'TIMID': Indiana's tragic infant mortality rate often find its way into first-term Gov. Eric Holcomb's talking points, according to the Indiana Democratic Party (*Howey Politics Indiana*). Yesterday, like in 2018, he signed a bill to address it and has committed to achieving the lowest rate in the Midwest by 2024 (Indiana currently possesses the Midwest's highest). Great talking points, but for a governor who places high value on the 'sanctity of life' and who enjoys commanding legislative majorities, it's not an approach that screams urgency. It's a pattern for Holcomb, who refuses to burn capital or take a stand on just about anything. It's not as if big, bold action on infant mortality isn't possible. Georgia dropped its rate of infant mortality per 1,000 births from 7.7 to 6.6 between 2011 and 2013 with an at-any-cost approach. And the cost of dragging feet is high. In 2017, the Midwest's lowest infant mortality rate belonged to Minnesota at 4.8/1,000 births compared to Indiana's rate of 7.3. Apply Minnesota's rate to Indiana's 82,251 births in 2017 and 200 fewer

children die before celebrating their first birthday. Extend that projection to 2024, and more than 1,400 children would be saved. Don't forget, Indiana Republicans also cut a modest funding request for doulas - a tool in the fight against infant mortality - in the waning hours of the 2019 legislative session. What's behind Holcomb's timid tactics? Indiana Democratic Party Chairman John Zody believed Holcomb is allergic to bold action. "Three years on, and it's pretty clear Governor Holcomb lacks the bold vision and political courage to take a stand on just about anything," said Zody. "Holcomb's decision to play it safe on infant mortality means as many as 200 more children won't celebrate their first birthdays. We should expect more from Holcomb with so much at stake."

Presidential 2020

DEMOCRAT DEBATES SET FOR JUNE 26-27: The first Democratic primary debate - being aired by NBC, MSNBC and Telemundo - will be at the Adrienne Arsht Center for the Performing Arts of Miami-Dade County on Wednesday, June 26, and Thursday, June 27. It will air between 9 and 11 p.m. (*Politico Playbook*).

MAYOR PETE DRAWS BIG CROWD IN HOLLYWOOD: South Bend Mayor Pete Buttigieg drew a sold-out crowd Thursday to a fundraiser at an iconic West Hollywood gay bar, providing an intimate moment with the first Democratic White House contender who is a member of the LGBT community ([AP](#)). Attendees at The Abbey each paid about \$25 to attend the "grassroots" event. Buttigieg was introduced by his husband, Chasten. It's just one of a crush of fundraisers he has in the coming days, with actress Gwyneth Paltrow holding a high-dollar fundraiser later Thursday. Buttigieg told the audience to ignore skeptics who say change is impossible: "Tell them you saw ... a top tier presidential candidate on his way to the White House moments after his husband introduced him." Earlier Thursday, Buttigieg joined Los Angeles Mayor Eric Garcetti and various union leaders at a morning rally in support of a parcel tax on the June 4 state ballot to increasing funding for the Los Angeles Unified School District, KCAL9-TV reported.

TRUMP POKES AT MAYOR PETE: President Donald Trump mocked congressional Democrats at a campaign rally in Florida on Wednesday and called on them to end their investigations into his business and personal activities ([AP](#)). Trump referred to potential Democratic rivals for the presidency, saying, "We've got some real beauties" and "Let's just pick somebody, please, and let's start this thing." The president added South Bend Mayor Pete Buttigieg — a 2020 Democratic presidential candidate — to the mix of potential rivals that have his attention. He said mockingly that he would like to see Buttigieg representing the U.S. against President Xi Jinping of China in trade talks. He said, "Representing us against Xi in China. That will be great."

BUTTIGIEG CAMPAIGN NOT PROVIDING HEALTH COVERAGE: On the campaign trail, Pete Buttigieg likes to say that "health care is freedom" and that if "leaving your job means you're going to lose your health care, that means you're not free" ([NBC News](#)). But as he staffs up a national campaign, the upstart Democratic presidential candidate isn't providing health care coverage to any of his own campaign workers, an NBC News review of his campaign spending disclosures shows. Instead, Buttigieg is providing a monthly stipend to workers to buy insurance on their own through the Obamacare exchanges, his campaign said, with plans to offer health care in the future. The practice stands in contrast to the other leading presidential candidates this year, as Democrats have made a point of aligning their internal practices with the policies and values they are emphasizing on the campaign trail. Federal Election Commission records show Sen. Elizabeth Warren's campaign made an \$87,000 payment to United Healthcare in March. Sen. Kirsten Gillibrand's and former Rep. Beto O'Rourke's campaigns have made payments to Blue Cross Blue Shield, and Sen. Cory Booker's staff has coverage through Aetna. Buttigieg's campaign currently has 49 workers, but has been staffing up rapidly, and plans to hit the 50 mark imminently. "Crossing this threshold will put us in a position to get a good multi-state group plan, which we are currently negotiating," said Buttigieg press secretary Chris Meagher.

HUPFER CALLS BUTTIGIEG A 'HYPOCRITE': Indiana Republican Chairman Kyle Hupfer called South Bend Mayor Pete Buttigieg "a hypocrite" over the *NBC News* report. "If there wasn't already any doubt, today it is clear: Mayor Buttigieg is a hypocrite," said Hupfer ([Howey Politics Indiana](#)). "He's telling taxpayers they should shoulder the costs for everyone's health care, but he's not willing to foot the costs of covering his own employees." Instead of providing health insurance coverage, Buttigieg's campaign is providing its campaign workers a stipend of just \$400 a month for health care, which the report highlights is in contrast to other campaigns. "Buttigieg's stipend is the equivalent of someone giving you a few bucks and saying 'don't spend it all in one place.' Americans deserve real health care solutions -- including more competition to help drive down costs," said Hupfer. "But all we're getting from Buttigieg is hypocrisy and proposals that will irrevocably harm the world's greatest health care system."

BUTTIGIEG CAMPAIGNS WITH GARCETTI: Pete Buttigieg campaigned with Los Angeles Mayor Gil Garcetti on Thursday ([Howey Politics Indiana](#)). "Pete Buttigieg is one of America's great mayors," Garcetti said. "At the end of the day if you care about homelessness, you better care about public education. Because if you don't educate a kid they may end up on the street when they grow up. If you're sick and tired of paying so much to incarcerate so many Americans, how about investing in education so somebody never goes to jail. If you care about unemployment, how about giving people the skills in a school so that we don't have to worry about paying unemployment to somebody who wants to work but never had the education. Pete Buttigieg understands that because Pete Buttigieg is one of America's great mayors."

BIDEN HAS BIG LEAD IN NH; PETE 4TH: Former Vice President Joe Biden is the clear front-runner for New Hampshire's first-in-the-nation Democratic primary, according to the first [Monmouth University Poll](#) of Granite State primary voters in the 2020 cycle (*Howey Politics Indiana*). One-third of voters say that finding a candidate who will carry on former President Barack Obama's legacy is very important to them and there is little difference in levels of candidate support by the importance voters place on Obama's legacy. On the other hand, two-thirds of primary voters point to finding a nominee who can beat President Donald Trump as more important to them than agreement on the issues. In a field of 24 announced and potential candidates, Biden holds a clear lead with 36% support of registered Democrats and unaffiliated voters who are likely to participate in the February 2020 primary. He is followed by Vermont Sen. Bernie Sanders at 18%. Other contenders include South Bend Mayor Pete Buttigieg (9%), Massachusetts Sen. Elizabeth Warren (8%), and California Sen. Kamala Harris (6%).

Congress

PELOSI SAYS WE'RE IN A 'CONSTITUTIONAL CRISIS': Speaker Nancy Pelosi (D-Calif.) on Thursday said she agreed with House Judiciary Committee Chairman Jerrold Nadler's (D-N.Y.) assertion that the U.S. is currently facing a "constitutional crisis" after the panel voted to hold Attorney General William Barr in contempt of Congress ([The Hill](#)). "Yes, I do agree with Chairman Nadler," Pelosi said during a press conference in the Capitol, "because the administration has decided that they're not going to honor their oath of office." Yet Pelosi said even a constitutional crisis is not grounds to launch impeachment hearings against the president before Nadler and the heads of the other investigative committees are able to gather more evidence — and convince more voters — that such a step is necessary. "This is very methodical, it's very Constitution-based, it's very law-based, it's very factually based," she said. "It's not about pressure, it's about patriotism."

TRUMP JR. WON'T SHOW UP: A single senator criticizing a fellow senator of the same party, especially a committee chair, is rare enough (*Axios*). But six Republican senators (Cornyn, Cruz, Daines, Graham, Paul, Tillis) criticized the decision by Senate Intelligence Chairman Richard Burr (R-N.C.) to subpoena Don Jr. about the Russia investigation. A Trump ally said: "We're drawing battle lines: If you touch Don, we'll come after you. ... And our base will come after you." And Don Jr.'s camp knows the media will always cover a Republican civil war. What's next: We're told Don Jr. won't show up. Options include daring the committee to hold him in contempt, taking the Fifth in writing, or (most likely) a compromise like answering written questions.

YOUNG ANNOUNCES AIRPORT GRANTS TO FORT WAYNE, EVANSVILLE: U.S. Senator Todd Young (R-Ind.) today announced that Evansville Regional Airport and Fort Wayne International Airport will each receive Federal Aviation Administration (FAA) Airport Improvement Program (AIP) supplemental grants totaling \$18.1 million (*Howey Politics Indiana*). Young urged Department of Transportation Secretary Elaine L. Chao to support funding for these important Hoosier airports. "As the Crossroads of America, it is critical that Indiana's airports like Evansville Regional and Fort Wayne International continue to make important infrastructure investments," said Senator Young. "These two Airport Improvement Program grants will help ensure these Hoosier assets remain vibrant and continue to drive economic development in their respective regions." Fort Wayne is in the midst of a vital apron improvement project to support safe and efficient aviation operations. The \$9.2 million AIP grant will support the expedited conclusion of this project while enhancing operational flexibility and improving safety at the facility. Evansville's current general aviation ramp infrastructure and the airfield drainage system will be upgraded to support airport operations. The \$8.9 million AIP grant will support a reconstruction project, which will prevent flooding and sinkhole development, preserve overall airport infrastructure, and ensure unimpeded commercial operations.

YOUNG INTRODUCES EARLY PELL GRANT PROGRAM: U.S. Senators Todd Young (R-Ind.), Debbie Stabenow (D-Mich.), and Doug Jones (D-Ala.) yesterday introduced bipartisan legislation to make sure that more students have access to higher education (*Howey Politics Indiana*). Under current law, students only find out how much financial aid they will receive right before attending college. The Early Pell Promise Act provides more financial certainty for families by pre-qualifying

certain students for full Pell Grant support starting as early as the eighth grade. It also ensures that families and students who pre-qualify for aid receive additional information about the cost of college attendance and student financial aid. "My Fair Shot Agenda is focused on ensuring that all Hoosiers have an opportunity to succeed regardless of financial barriers," said Senator Young. "The Early Pell Promise Act aligns with this mission by ensuring our youth is set up for success through pre-qualification for Pell grants. By locking in financing for college as early as the eighth grade, more students will be able to afford higher education and plan for a prosperous future."

YOUNG INTRODUCES OPPORTUNITY ZONE BILL: U.S. Sens. Todd Young (R-Ind.), Cory Booker (D-N.J.), Tim Scott (R-S.C.), and Maggie Hassan (D-N.H.) introduced a bipartisan bill to restore and strengthen reporting requirements for Opportunity Zones, the tax incentive for individuals who reinvest unrealized capital gains into high-impact projects in underserved communities. These critical safeguards, which were included in the original Investing in Opportunity Act, were removed from the final measure that passed Congress in December 2017 (*Howey Politics Indiana*). "When we passed tax reform, I was proud to support the creation of Opportunity Zones to incentivize new investment in distressed communities across the country," said Young. "Our bill will help strengthen Opportunity Zones by increasing transparency within the program and creating metrics to measure and improve on its success."

YOUNG PRESSES TRUMP TO 'DRAIN THE SWAMP': A Hoosier senator is asking President Donald Trump to follow through on his oft-repeated pledge to "drain the swamp" by relocating federal agencies from Washington, D.C., to other parts of the country, especially Indiana (Carden, [NWI Times](#)). In a letter sent May 3, U.S. Sen. Todd Young, R-Ind., urges Trump to have his administration begin working on comprehensive feasibility studies for evaluating the economic, technological, workforce and logistical factors associated with moving all federal agencies, apart from those connected to national security, away from the national capital. "Completing these studies would be a sensible first step towards verifying the practicality of moving any single agency to a new home elsewhere in the country," Young said.

WALORSKI BILL WOULD HELP V.A. NEWBORNS: U.S. Reps. Jackie Walorski (R-Ind.), Susie Lee (D-Nev.), Doug Collins (R-Ga.), and Chrissy Houlahan (D-Pa.) today introduced bipartisan legislation to improve health care coverage for newborn children of veterans. The Newborn Care Improvement Act would allow the Department of Veterans Affairs (VA) to provide care for newborns for 14 days, doubling the current limit of seven days (*Howey Politics Indiana*). "Women who served our country with strength and courage deserve the best health care possible from the VA," Congresswoman Walorski said. "By improving care for newborns, this bipartisan bill will ensure women veterans get the support and care they need to raise healthy families."

BANKS AUTHORS MILITARY SPOUSE BILL: U.S. Rep. Jim Banks (R-Indiana) introduced the House companion bill for the Portable Certification of Spouses Act, led by Senators Tom Cotton (R-Arkansas), Jeanne Shaheen (D-New Hampshire), and Martha McSally (R-Arizona) in the Senate (*Howey Politics Indiana*). This legislation seeks to improve the portability of occupational licenses from state to state. The bill will also help alleviate the burden military spouses bear when having to re-register a small business in a new state each time a service member gets reassigned to a new military installation.

BANKS BACKS HYDE AMENDMENT: U.S. Sen. Jim Banks (R-Indiana) wrote a letter to House Speaker Nancy Pelosi (D-California) and Minority Leader Kevin McCarthy (R-California) urging them to defend the Hyde Amendment, a piece of legislation that was first passed over forty years ago and protects all taxpayer money from being used to pay for abortions or insurance plans covering abortions (*Howey Politics Indiana*). 103 House colleagues of Rep. Banks joined him in his effort to reaffirm broad support for the Hyde Amendment and the sanctity of life. Said Rep. Banks, "The sanctity of life is under assault by the radical left. For over forty years, it has been widely believed that while *Roe v. Wade* may be the law of the land, that no taxpayer money should ever go to providing abortions. Now, the radical-left of the Democrat Party wants to dismantle the Hyde Amendment, which has codified this long-held recognition of decency."

General Assembly

FEIGHENBAUM CALLS GAMING LAW 'GAME CHANGER': The editor of Indiana Gaming Insight says the gaming bill signed into law yesterday by Governor Eric Holcomb will be a huge boon for the Indiana economy (Brown, [Inside Indiana Business](#)). The bill allows, among other things, sports wagering both through mobile devices and at Hoosier casinos and also authorizes new casinos in Vigo County and downtown Gary. Ed Feigenbaum says the legislation does more for gaming revenue in Indiana than has been seen in many years, especially with the proposed new casinos. In an interview with Inside Indiana Business, Feigenbaum said the bill does more for the Indiana economy than just revenue. "We're also talking jobs. We're talking perhaps 800 to 1,000 jobs in Vigo County. We're talking about a net increase of some 800 jobs (in Gary)," said Feigenbaum. "We're also looking at the ability to clear the land at Buffington Harbor, which the city of Gary has been

wanting to do to build a transmodal port to capitalize on the synergy of the deep water port that they've got there where they'll be able to construct or improve."

FARMERS BENEFIT FROM SEA565: When you get a surprise in your accountant's office, it's almost never a good or happy surprise. Shelby Swain Myers, Associate Policy Advisor for Indiana Farm Bureau, told Hoosier Ag Today that those surprises for farmers led to action being taken during this year's Indiana General Assembly ([Hoosier Ag Today](#)). "Late in the fall last year, farmers were beginning to meet with their accountants. We were hearing different stories about farmers having a significant increase in their state income taxes. These were unanticipated large increases that no one really planned for and no one could really figure out what was happening." Myers said that as they dug deeper, they realized that changes made as a result of the Tax Cuts and Jobs Act passed at the federal level in 2017 were the reason why. "The process for a like-kind exchange, when farmers would trade-in equipment for a new piece, got altered at the federal level. While we were held harmless there, when it trickled down to the state level, we received some issues that now the process was being treated like a sale and a purchase and farmers were being charged income tax on that sale." She said that passing Senate Enrolled Act 565, which was signed into law by Governor Holcomb earlier this week, was a big win for Indiana farmers to reverse that tax consequence. "What we hope is that now farmers can meet again with their accountant, get an amended tax return for the 2018 year, and be held harmless going forward whenever they do a like-kind exchange at the state level."

State

GOVERNOR: HOLCOMB HANDS OFF ANOTHER TRAILS CHECK - Gov. Eric Holcomb presented a ceremonial check Thursday to celebrate the funding of a connection between two trails in northern Indiana. It's part of the first round of grants awarded by the state's Next Level Trails initiative (Hicks, [Indiana Public Media](#)). The governor presented a check of almost \$870,000 to the 933 Corridor Improvement Association in South Bend. The group will use the funding to build a mile of trail that will connect existing pedestrian trails all the way from Mishawaka, Indiana to Niles, Michigan. Holcomb called the Next Level trails program a game changer for the state. "It's also a lifestyle changer in the sense that it's promoting healthy living, it's promoting safety, and then it promotes all of our pleasing natural beauty and assets," he says.

GOVERNOR: HOLCOMB ADDRESSES RV POWER BREAKFAST - Leaders in the RV industry gathered in Elkhart County for the seventh annual RV Power Breakfast Thursday. Indiana Gov. Eric Holcomb was one of the keynote speakers, touching on state initiatives to train more workers for the RV industry while also attracting more RV workers to Indiana with financial incentives ([WNDU-TV](#)). "Regardless of what your educational level is now, there are pathways for you to skill up," the governor said. "There are pathways for you to double or triple your salary in many cases. But the missing ingredient is the education and training. And so, what we're doing is we are aligning ourselves with the needs of a community or region as a state. And that's what's really made a big difference in the thousands of people that are now going back. And if you put the time in, the state will actually put the money in. And then, ultimately, your life's transformed." This was Holcomb's second time speaking at the RV Power Breakfast.

GOVERNOR: HOLCOMB SCHEDULE - Gov. Holcomb Public Schedule for Saturday, May 11: Anderson University Commencement, the governor will give the commencement address, 3 p.m., Anderson University, Kardatzke Wellness Center, 1100 E. 5th St., Anderson, IN.

GOVERNOR: CROUCH SCHEDULES OCRA CONFERENCES - Lt. Gov. Suzanne Crouch and the Indiana Office of Community and Rural Affairs kicked off a series of six regional conferences in Madison, Ind. (*Howey Politics Indiana*). "By encouraging communities to join their neighboring regions, we are furthering the message that working collaboratively is the best practice to enhance the entire state," Crouch said. "By visiting Madison, Huntingburg, Fair Oaks, Knightstown, Angola and Greencastle, we are ensuring we hit every corner of the state. I look forward to meeting with individuals in these areas and discussing how we can work together to bring Indiana to the Next Level." The agenda includes presentations on various ways communities can utilize OCRA and other state agencies like the Indiana Department of Homeland Security and the Indiana Department of Natural Resources. These departments, as well as the director of broadband opportunities, will share how cities and towns in Indiana can increase the quality of life in their communities with state assistance. "These conferences are opportunities to network with the stakeholders and communities we serve," said Jodi Golden, Executive Director of OCRA. "Sharing best practices and new resources is vital to creating a vibrant, rural Indiana."

STATEHOUSE: HILL WINS LEGAL SHOWDOWN - A U.S. appeals court this week sided with Attorney General Curtis Hill in his efforts to defend Indiana statutes requiring local police cooperation with federal immigration detainer requests (*Howey Politics Indiana*). The victory for Attorney General Hill is the latest twist in a case that began when Marion County officials colluded with the American Civil Liberties Union to avoid following state law. In November of 2017, a U.S. district judge

approved a consent decree between the Marion County Sheriff's Department and Antonio Lopez-Aguilar, who was represented by the ACLU. In the agreement, the Sheriff's Department pledged not to cooperate with U.S. Immigration and Customs Enforcement (ICE) detention requests. No one, however, informed the Office of the Attorney General of the consent decree until it was already entered by the federal court. Immediately upon learning of the collusive decree, Attorney General Hill moved to intervene in the case to argue the agreement violated state law. The district judge refused the request. In its May 9 ruling, however, the U.S. Court of Appeals for the Seventh Circuit not only declared that Attorney General Hill had the right to intervene on behalf of the State, but it also held that the district court never had jurisdiction to approve the consent decree between the ACLU and the Marion County Sheriff's Department in the first place. "This appellate ruling is a win for common sense, state sovereignty and public safety," Attorney General Hill said. "When federal authorities ask an Indiana police agency to detain a person in the agency's custody, Indiana law requires the agency to cooperate. To establish any contrary policy at the local level not only violates Indiana law but jeopardizes the safety and security of Hoosiers."

STATEHOUSE: HILL'S STAFF GETS BIG RAISES - Several senior members of Attorney General Curtis Hill's staff recently received significant raises – ranging from 4% to 14%. But Hill isn't apologizing for the pay hikes. "It's about being competitive" he said – not loyalty for sticking with Hill during a tenuous time (Kelly, [Fort Wayne Journal Gazette](#)). Chief Deputy Attorney General Aaron Negangard saw his pay jump almost 10% – from \$152,400 to more than \$167,700. Solicitor General Thomas Fisher's salary rose 6.6% from \$135,300 to \$144,400. Others saw similar increases.

IDOR: AGENCY HOSTING MEETINGS WITH TAX PREPARERS - The Indiana Department of Revenue (DOR) announces meeting details for local tax practitioners to join Commissioner Adam Krupp in open discussion surrounding tax season (*Howey Politics Indiana*). Commissioner Krupp will kick off each meeting by sharing DOR program updates and new initiatives, with ample time for questions and feedback from attendees. Tax practitioners are encouraged to participate with questions and feedback regarding previous and current tax years, in an effort to help DOR make improvements. For June and July meeting schedules, [click here](#).

EDUCATION: IU CONSIDERS GREEK REFORMS - An Indiana University task force charged with overseeing conduct at campus fraternities and sororities is considering hiring third-party, licensed bartenders to serve alcohol at Greek events (Atkinson, [Indiana Public Media](#)). IU Bloomington Provost Lauren Robel formed the 12-member advisory body, dubbed the "Greek Task Force," in October 2018 to help ensure the success and safety of the Greek community at IU. The committee's goal is to educate Greek students and enforce sanctions on hazing, sexual violence and alcohol and drug abuse. Associate Vice Provost for Student Affairs Kathy Adams Riester says the bartender measure is just one of several controversial new standards the task force is discussing. "Well, I think some of the measures that the committee is discussing are things that are not easy to change within the community," she says. The committee is also considering whether to restrict chapter sizes and encourage upperclassmen leadership within the chapters.

Nation

WHITE HOUSE: TRUMP HAS 'SCORCHED EARTH' STRATEGY - House Democrats' heightened hunger for impeachment is being fueled by President Trump's scorched-earth strategy of rebuffing every congressional demand for information related to the special counsel's Russia probe (Allen, *Axios*). An outside adviser to the West Wing tells me: "Trump's statement that they will not comply with the subpoenas and document requests was not posturing or an opening negotiating position. It is administration policy." Why it matters: Multiple fights between the two branches of government will wind through the courts, with some likely to end up at the Supreme Court.

The bottom line: Damned if he does: If Trump allows Democrats to rummage through notes and witnesses, he risks new material surfacing that piles on top of the Mueller report, triggering impeachment. Damned if he doesn't: If Trump refuses all cooperation with Congress, Democrats increasingly see the opportunity to try to impeach him. Be smart: Some Trump advisers would love nothing more than Dems trying to impeach him before 2020. It's win-win in their minds

WHITE HOUSE: TRUMP WANTS SHANAHAN AT DOD - President Donald Trump will nominate acting Defense Secretary Pat Shanahan as the Pentagon's permanent leader, White House press secretary Sarah Huckabee Sanders said Thursday ([Politico](#)). Shanahan has led the Pentagon since former Secretary Jim Mattis resigned in December. A Defense Department probe recently cleared Shanahan of charges of favoritism toward his former longtime employer, Boeing, widely seen as the final hurdle to his nomination.

WHITE HOUSE: TRUMP 'TEMPERS' BOLTON - President Donald Trump said Thursday he is satisfied with advice he's been receiving from John Bolton on international affairs, repudiating recent reports that he's losing faith in his national security adviser ([Politico](#)). "He has strong views on things but that's okay. I actually temper John, which is pretty amazing," Trump said Thursday during an Oval Office press conference. "I'm the one that tempers him. That's okay. I have different sides. I have John Bolton and other people that are a little more dovish than him. I like John."

WHITE HOUSE: TRUMP 'VERY SURPRISED' BY DON JR. SUBPOENA - President Donald Trump said Thursday he was "very surprised" to learn his eldest son had been subpoenaed by the Senate Intelligence Committee to testify as part of the panel's investigation into Russian election interference ([Politico](#)). The president expressed frustration a day after it was revealed that Donald Trump Jr. received a subpoena from the Republican-led panel demanding a follow-up to his prior testimony before the committee.

WHITE HOUSE: TRUMPS SAYS KERRY 'SHOULD BE PROSECUTED' - President Donald Trump said on Thursday that John Kerry "should be prosecuted" for allegedly violating the Logan Act through his conversations with Iran, escalating a feud between his administration and the former secretary of State ([Politico](#)). "John Kerry violated the Logan Act," Trump said during a White House press availability. "He's talking to Iran and has has many meetings and many phone calls and he's telling them what to do. That is total violation of the Logan Act." In response, Kerry spokesman Matt Summers told POLITICO that "everything President Trump said today is simply wrong, end of story." "[Trump's] wrong about the facts, wrong about the law, and sadly he's been wrong about how to use diplomacy to keep America safe," the Kerry spokesman said.

WHITE HOUSE: KIM REQUESTED 'FAMOUS BASKETBALL PLAYERS' AT SUMMIT - Ahead of the second summit in Hanoi, North Korean dictator Kim Jong Un requested as part of the agreement between the countries moving forward that the U.S. send "famous basketball players" to normalize relations between the two countries, according to two U.S. officials ([ABC News](#)). The request was made in writing, officials said, as part of the cultural exchange between the two countries, and at one point the North Koreans insisted that it be included in the joint statement on denuclearization. The North Koreans also made a request for the exchange of orchestras between the two countries. "While we did not reach an agreement with the DPRK [North Korea] at Hanoi, we exchanged detailed positions and narrowed the gap on a number of issues," a State Department official told ABC News in a statement and declined to comment on ongoing conversations.

WHITE HOUSE: TRUMP SCHEDULE - President Trump and first lady Melania Trump will participate in a celebration of military mothers at 4:15 p.m. in the East Room.

PENTAGON: U.S. SEIZES NORTH KOREA SHIP - U.S. authorities seized a North Korean ship it alleges Pyongyang used to illicitly transport coal in violation of U.S. and international sanctions, the Justice Department said ([Wall Street Journal](#)). Officials said the seizure, which was disclosed on Thursday, was the first such U.S. action for sanctions violations. The 17,000-ton ship known as Wise Honest, which Indonesian maritime authorities detained off the island-nation's coast in April 2018, is on its way to American Samoa, officials said, after months of negotiations with international authorities. A U.S. federal judge in New York issued a sealed warrant for the ship's seizure last July, and the U.S. attorney's office in Manhattan filed a civil complaint on Thursday seeking the formal forfeiture of the ship.

MEDIA: SUNDAY TALK - CBS "Face The Nation": House Minority Leader Kevin McCarthy (R-Calif.), Robert Gates, Hank Paulson. **ABC "This Week":** Sen. Cory Booker (D-N.J.). Panel: Chris Christie, Chicago Mayor Rahm Emanuel, Maggie Haberman and Seung Min Kim. **"Fox News Sunday":** Panel: Josh Holmes, Jonathan Swan, Kristen Soltis Anderson and Juan Williams. Power Player: Howard Buffett. **CNN "State of the Union":** Sen. Kamala Harris (D-Calif.). Panel: Rep. Michael Waltz (R-Fla.), Jennifer Granholm, Rick Santorum and Stephanie Rawlings-Blake. **CNN "Inside Politics":** Julie Pace, Michael Bender, Laura Barrón-López and Phil Mattingly.

CLIMATE: MISSISSIPPI/MISSOURI FLOODING MORE FREQUENT - Floods are worsening and coming more often along the Missouri and Mississippi Rivers—the nation's great river system that helps drain some 32 states and generates hundreds of billions of dollars in economic activity on everything from grain shipments to fishing trips ([Wall Street Journal](#)). In Plattsmouth, Neb., where the Platte River spills into the Missouri River, four of the top 10 floods have come in the last nine years, including the one in March that broke the previous record from just eight years ago. In 2011, when it "was a 500-year flood, I was pretty sure I wouldn't see anything like that again in my lifetime," said R. Paul Lambert, mayor of Plattsmouth, whose sewer and water plants will take months to get back online. "This flood in March was 4 feet higher."

Local


CITIES: MUNCIE APARTMENTS TARGETED IN FED LAWSUIT - A Muncie apartment facility was one of 82 complexes sued Thursday by the U.S. Department of Justice over allegations of disability-based discrimination ([Muncie Star Press](#)). The Mill Pond complex in the 5300 block of West Keller Road was one of four Indiana facilities among the 82 defendants in 13 states named in the suit, filed by the U.S. Attorney's Office in the southern district of Ohio. The target of the suit is Ohio-based Miller-Valentine Operations and affiliated companies that built 82 multi-family housing complexes in Illinois, Indiana, Iowa, Kansas, Kentucky, Missouri, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas and West Virginia. The suit alleges the defendants failed to design and construct housing units to make them accessible to persons with disabilities in compliance with the Fair Housing Act and the Americans with Disabilities Act. It says the 82 facilities have "significant accessibility barriers," and seeks an order requiring the defendants to bring the properties into compliance with the FHA and ADA.

CITIES: FRANKLIN RESIDENTS SAY EPA LET THEM DOWN 0 Franklin homeowners say they were left in the dark by the EPA and other government agencies set up to protect them ([WTHR-TV](#)). Dozens took up an offer to meet with a team from the Office of the Inspector General to talk about the lack of warnings over toxins in their neighborhood. "No one told us. I'm frustrated. I'm angry. I'm hurt," explained Kathy Carlson, a 40-year resident of Franklin. "No one told me that my kids were being exposed. No one told my neighbors we were being exposed," said a tearful Kari Rhinehart, co founder of the grassroots group "If It Was Your Child." "I think they've done a very poor job informing," added Steve Records. One by one, Franklin homeowners shared personal stories of living near the contaminated Amphenol site not knowing their families could be at risk. Most say they never heard of the cancer-causing chemical TCE until 2015. That's when Stacie Davidson and Keri Rhinehart turned to 13 Investigates to try to find out why so many children in Johnson County were getting sick. Our reports revealed half of the children diagnosed with cancer lived or had close ties to Franklin.

CITIES: INDY SEEKS CASTLETON REVITALIZATION INPUT - The Department of Metropolitan Development recently launched a study aimed at the strategic revitalization of the Castleton area. This project represents a critical moment for surrounding neighborhoods and businesses to think forward and help shape the vision, brand, and future investment in the area (*Howey Politics Indiana*). A team of diverse consultants has been hired by the City to look at and analyze retail and market conditions, traffic patterns, adjacent planning efforts, recreational opportunities, infrastructure needs, and public opinions. This activity will help inform and prioritize both public and private investments, redevelopment initiatives, and coordinated community efforts. "We're thrilled to start conversations about long term solutions with walkability, traffic flow, and new uses in the age of e-commerce," said Emily Mack, the director of the Department of Metropolitan Development. "The state of retail is evolving and it's important that we start planning with neighbors and community stakeholders for how this area can be adapted."

COUNTIES: 2 TEMPORARY JUDGES APPOINTED IN CLARK - As Clark County judges Brad Jacobs and Drew Adams recover from being shot more than a week ago, two temporary judges have been appointed to fill in ([News & Tribune](#)). Senior Judge Steven M. Fleece will serve as Judge Pro Tempore for Clark County Circuit Court No. 1, Adams' court. Senior Judge Kenneth L. Lopp will preside over Circuit Court No. 2, Jacobs' court. Lopp will start Monday and Fleece will begin Tuesday, according to orders issued by the Indiana Supreme Court. Both temporary judges will serve until Adams and Jacobs notify the court that they are able to return. Lopp and Fleece will be compensated by the state at the same rate as the regular judges. According to Indiana's roll of attorneys, Lopp is based in Corydon and was formerly a judge in Crawford County. Fleece served as the Clark County Circuit Court No. 3 judge from 1985 to 2008 and is based out of Charlestown.

Community programs encourage culture of care as Indiana's drug overdose deaths decline

 thestatehousefile.com/community-programs-encourage-culture-care-indianas-drug-overdose-deaths-decline/38788/

By
jlkrull59

By Erica Irish

TheStateHouseFile.com



Executive Director for Drug Prevention, Treatment and Enforcement Jim McClelland as he calls to order a meeting of the Indiana Commission to Combat Drug Abuse.

Photo by Andrew Longstreth TheStateHouseFile.com

INDIANAPOLIS — The Indiana Commission to Combat Drug Abuse met Thursday to discuss how to combat drug abuse harming the state's workforce, infants and public security.

Jim McClelland, the state's executive director for drug prevention, treatment and enforcement, opened the commission meeting, which heard from representatives from a public and private groups implementing programs to treat and end rampant substance abuse in Indiana.

Healthcare providers, community stakeholders and lawmakers sit on the commission under McClelland, whose position was created in 2017 by Gov. Eric Holcomb on his first day in office to address the encroaching opioid epidemic.

In the years since, Holcomb and the Indiana General Assembly have integrated drug enforcement and rehabilitation initiatives.

The number of drug deaths in the state is decreasing, according to data provided by the federal Centers for Disease Control and Prevention (CDC). The agency's preliminary findings showed Indiana's drug overdose deaths declined since a peak in November 2017. Data provided by the CDC, for example, show an 18 to 20 percent reduction in drug overdose deaths between January and June of 2018, when compared to rates collected in the same period in 2017.

The rate at which healthcare providers are prescribing opioids is also lower, though the 2017 rate (approximately 75 prescriptions per 100 patients) was still higher than the national average at the time (an estimated 60 prescriptions per 100 patients).

But addiction persists across the nation, and Indiana is no exception.



Members of the Community Health Network outlines results of their program to combat Neonatal Abstinence Syndrome (NAS) which occurs when a pregnant women abuses drugs or alcohol.

Photo by Andrew Longstreth TheStateHouseFile.com

"The important message here, I think, is that we're on a good path. We're building some momentum," McClelland said. "But at the same time, there's a lot of meth use out there."

Devon McDonald, executive director of the Indiana Criminal Justice Institute (ICJI), confirmed McClelland's concern with findings collected by his organization last year. Among other developments, the ICJI found that alcohol remains the substance most commonly abused by Hoosiers, followed by prescription medications and methamphetamines.

"I know we've discussed this in the past, but we definitely need to stay focused on the other forms of substance abuse that are happening in the state," McDonald said.

While opioid abuse remains a focus for state spending, program leaders are not blind to other forms of addiction in need of attention, explained Rebecca Buhner, the deputy director of adult mental health and addiction at the Family and Social Services Administration's (FSSA) Division of Mental Health and Addiction.

Part of that process, Buhner said, involves equipping individuals struggling with addictions of all kinds with universal resources like health insurance and transportation to treatment services.

Through the DMHA program Recovery Works, an entity that provides grants to certified services to mitigate substance abuse, Buhner said the state should look more closely at Indiana's uninsured populations. She added that 65 percent of people calling the state's 211 hotline, which can refer individuals to treatment services, do not have health insurance. This acts as a barrier to immediate aid.

Recovery Works also launched a partnership with Lyft, a ride-sharing service powered by a smartphone app, in March 2019 to provide transportation receiving aid from the program. Buhner said data reveal the majority of individuals benefiting from this partnership needed transportation to their specific treatment services, with another large percentage using the ride service to attend drug court and avoid additional punishments.

That's an important development, Buhner said, because time in jail, even for a relatively short period, can derail a patient's path to recovery.

"A lot of folks are just serving one day," Buhner said. "That does impact their work, their environment, their family life, and everything else they are trying to build to gain stability."

Data show that a third of Recovery Works clients were previously incarcerated and that 40 percent return to jail at some point in their recovery process, with more than half of that same group serving less than a week in prison.

A fear of the system and legal punishment also shadows other programs designed to combat drug abuse with medication assisted therapy and psychotherapy, as expressed by Anthony Sanders, an obstetrician and gynecologist (OBGYN) with Community East Hospital in Indianapolis.

Sanders, alongside a team of physicians, first responders and social workers, helped start a program at the hospital designed to target and assist pregnant women addicted to substances and to reduce neonatal abstinence syndrome (NAS), a disorder that can pose life-threatening results to infants.

A baby diagnosed with NAS, which occurs after a mother has exposed it to drug or alcohol abuse in the womb, can exhibit "a constellation of symptoms," as explained by Community East Hospital OBGYN Indy Lane.

Sanders said the unpredictability of the disorder makes it even more important to treat early. But, he added, women facing addiction often delay or abstain from prenatal care and addiction services completely to avoid losing custody of their children.

"Our goal is not to get your kids taken away. Our goal is to help you recover," Sanders said. "Not just for the 40 weeks you'll be pregnant, but for a lifetime."

The next step, Sanders and commission stakeholders agreed, is to continue to reverse the state's culture of stigma to help the addicted receive treatment earlier.

"There are a lot of good pieces out there, all over the place," McClelland said. "This is what we have to do, and this is how we're going to get lasting impact."

Erica Irish is a reporter for TheStatehouseFile.com, a news website powered by Franklin College journalism students.



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INDIANA EDUCATION INSIGHT

Passing marks in primary school

Insightful takeaway from Elkhart found on page two applies statewide

Ten school property tax referenda seeking additional funds for student safety, mental health services, teacher compensation, transportation, and other essential services were at stake in the primary elections held Tuesday, May 7.

Six succeeded, and four foundered.

If you combine the results from the November 2018 and May 2019 election cycles, 14 out of 22 referenda passed, a 63.6% success rate. That's down sharply from November 2017 and May 2018 when a combined 17 out of 18 referenda were successful, for a sterling 94% pass rate.

The Winners

The largest school referendum in state history prevailed in the River Forest Community School Corporation. The \$1.19 property tax rate earned 56.6% of the vote – the first win ever for a school referenda larger than 80¢. RFCSC is now two-for-two on referenda (in May 2015, 68.9% of voters approved a 42¢ referendum rate). The new dollars will compensate for the steep Lake County property tax cap losses that will hit hard beginning next year.

The Frontier School Corporation sees 89.0% of voters agree to a 21¢ referendum tax rate that will largely support employee compensation. Located in the Town of Chalmers in White County, Frontier is among the smallest school districts in the state. This is the largest margin of victory in any referendum since November 2017 when the M.S.D. of New Durham took 92.1% of the vote. Frontier and M.S.D. of New Durham (in the Town of Westville in LaPorte County) enroll fewer than 1,000 students, showing that Hoosiers feel a strong allegiance to their small school districts . . . and are willing to pay more to preserve them.

The Franklin Community School Corporation will have an additional \$3.5 million per year to spend on employee compensation, school safety initiatives, and student mental health services after the 23¢ referendum passed 63%-37% in that Johnson County community.

The Duneland School Corporation in Porter County won handily in its campaign to extend the 22¢ referendum tax rate approved in May 2012 for eight more years. The referendum passed by a mere 150 votes last time, but earned a solid 73.2% of the vote on Tuesday.

Home owners in the M.S.D. of Decatur Township will save one penny per \$100 of assessed value after 65% of voters agreed to reduce and extend the referendum tax rate approved in May 2014. The new tax rate of \$0.2890 will run through 2025, coinciding with the sunset date of an Indianapolis airport TIF. The district plans to devote \$500,000 of referendum revenue to physical safety measures and wrap-around services, \$2.8 million to transportation, \$575,000 to building maintenance, and \$1.4 million to the electricity bill.

Voters in the M.S.D. of Wayne Township said yes to a 35¢ referendum tax rate that will generate \$10 million per year for the next eight years for the state's sixth-largest school district. The referendum is in addition to – concurrent with – a 35¢ referendum approved by voters in May 2015. The constitutionally enshrined property tax caps have eroded a staggering 69% of the non-debt service tax levies in the M.S.D. of Wayne. About 63% of votes cast Tuesday favored the tax increase. The median homeowner in the Indianapolis district will pay an extra \$10.00 or so per month.

For more, please see the following page . . .

Affordable caps (and gowns)?

ICHE calls for minimal tuition increase

Every two years the Indiana Commission for Higher Education is required by law to set non-binding tuition and mandatory fee targets.

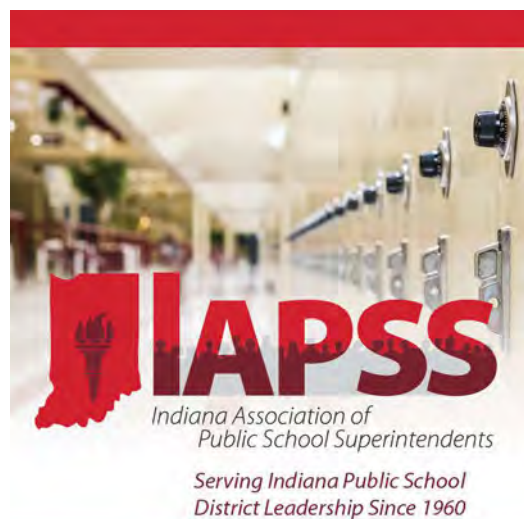
For the 2019-20 and 2020-21 academic years, the state agency recommends that the public colleges and universities cap tuition and fee increases for undergraduate resident students to no more than 1.65% per year. The targets were 1.4% for 2017-19 and 1.65% for 2015-17. Every year the caps are routinely disregarded by a handful of schools.

Trustees of each school must hold a public tuition and fee hearing by June 5 and formally approve rates no later than June 28.

Over the past 10 years, in-state tuition and fees at four-year public colleges in Indiana increased by an average of 1.4% per year, the fourth-lowest rate in the nation, according to data from the College Board and ICHE. The college wage premium has also increased.

In constant dollars, Indiana's state support for higher education per full-time equivalent in 2017 (\$6,601) trailed the level of support from 2000 (\$7,690), according to the State Higher Education Executive Officers.

Indiana is the only state among its neighbors where a year of undergraduate education at a public four-year institution consumes less than 50% of the disposable personal income of the average state resident, according to National Center for Education Statistics.



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The Crestfallen

The 19¢ referendum tax rate proposed by the Plymouth Community School Corporation was resoundingly rebuffed, with 64.1% voting no.

The 28-point loss is the largest margin of defeat this election cycle, and the largest margin of defeat since 2010 for any referendum of less than 20¢.

In the Elkhart Community Schools, 62.6% spurned the 58¢ referendum tax rate that would have replaced the expiring 13¢ referendum approved by 60.2% of voters in May 2014. The question had been tarred by opponents as a “341% tax hike.”

In an interview with the *Elkhart Truth*, Superintendent Steve Thalheimer, who joined ECS less than six months ago, talked about the communications challenge presented by the new Education and Operations funds. “The way the system had worked previously and then with the changes that took place in January, it’s a lot of nuance to the school funding formula and school funding question that in an age of social media, people don’t necessarily pay the attention they need to understand all of it,” said Dr. T. “So it’s difficult to combat soundbites and other information that isn’t necessarily presenting the true picture of what’s going on in our district.”

“There are rational reasons to oppose this referendum,” wrote area resident Terry T. Mark on Facebook, “but instead I’ve mostly heard anger at previous school administrations, distrust of current administrators, and a poorly informed perspective on the reality of education funding throughout Indiana. Many opponents of the referendum seem to feel that a no vote will punish the administrators. The only losers in a no vote are students. Administrators will come and go, as will teachers; the ones who have no choice are the kids, especially the ones from families who have few, if any, alternatives.”

Despite the omnipresence of red “Vote Yes” signs staked in front yards throughout Steuben and DeKalb counties, 58.3% voted no on the construction project proposed by the DeKalb County Central United School District.

School officials had emphasized that the project would be “tax-neutral” given the expiration of existing debt obligations. The 34¢ tax rate would have paid for \$37.6 million in improvements, including a new cafeteria and kitchen at James R. Watson Elementary; lighting, flooring, and aesthetic finishes to DeKalb Middle School (a building which hasn’t been touched in 15 years); new boilers at DeKalb High School; and a long list of athletic improvements including synthetic turf for the softball field and baseball field, new tennis courts, synthetic turf for the football field, additional track lanes, new press boxes, new concession buildings, new home bleachers, and a 45,000 square-foot field house.

The Hanover Community School Corporation lost a tight race, with just 68 votes making the difference – the slimmest margin of defeat since the tiny Cannelton City Schools came up three votes short in May 2017 (when enrollment was only ≈ 260) on a referendum for general classroom expenses.

Hanover’s loss on Tuesday was the closest vote ever for a construction referendum. The Lake County district in the town of Cedar Lake proposed a 56¢ tax rate for a \$44.09 million project to construct a new 30-classroom school building for grades 3-5; a new community building at the high school with locker rooms, public restrooms, and concessions; new high school practice fields so student athletes wouldn’t have to travel to the middle school to practice; a new roof for Lincoln Elementary School; school safety efforts; and a new Resource Center with service bays for school buses and offices for the transportation, food service, operations, and IT departments.

The Lake County district’s one previous referendum attempt (a 29¢ tax increase to support general education and operational expenses) passed in May 2015 by a seven-point margin.

IN Elementary & Secondary Ed

IN General . . .

- The Cass County Community Foundation funds the countywide adoption of Raptor school security systems at all 14 public school buildings.

- Raptor includes a visitor management component that scans ID cards to screen for unwanted guests. The system also comes with emergency management features including an app for instant notification of first responders.

- A state procurement on behalf of the Indiana Department of Education for an Early Childhood Assessment recommends contracting with The Johns Hopkins University for the Ready for Kindergarten assessment system. The KReady assessment system was seeded by Obama-era Race to the Top Early Learning Challenge Grants awarded to Maryland and Ohio.

- GreatSchools recognizes 78 public high schools in Indiana with the 2019 College Success Award for excellence in preparing students to succeed after high school.

- The Indiana Department of Education announces that 18 public schools earned the rigorous STEM Certification for 2019, bringing the total number of Indiana STEM Certified schools to 78.

IN Administration . . .

- In LaGrange County, law enforcement officers will ride school buses on random days to watch for stop arm violations.

IN Budgets & Finance . . .

- Amid confusion from executive branch officials, school districts, and the media about the legislative changes to the enrollment of kindergarten students, Indiana School Boards Association General Counsel Lisa Tanselle issues guidance confirming that whether a student who turns five after August 1 can enroll in kindergarten is still a determination made locally. The compulsory attendance law has not changed. The legislature did not change who is allowed to enroll in kindergarten.

□ Section 223 of the new biennial state budget provides that the state will pay for students enrolled in kindergarten if they turn five years old by September 1, 2019 and October 1, 2020. Prior to this budget, the state only paid for kindergarten students if they turned five by August 1.

● The state budget appropriates \$3 million annually to the Indiana Department of Education for “STEM Program Alignment,” a new initiative to provide grants to schools to underwrite rigorous STEM curriculum and professional development. IDOE and its STEM Advisory Council developed a six-year strategic plan to provide every Hoosier in grades K-12 with an evidence-based, effective STEM education by 2025.

□ IDOE and the STEM council had requested \$10 million per year to implement the strategic plan.

IN Charter Schools . . .

● The Signature School in Evansville ranks 10th nationally in the annual Best High School rankings published by *U.S. News & World Report*.

□ The school also ranked third in charter schools across the nation.

● The state budget signed into law by the Governor authorizes 5,975 adult charter high school seats per year, up by 250 seats from Fiscal Year 2019. Per-student funding for adult charter high school students was flatlined at \$6,750. Thus, Indiana will spend \$40.33 million on adult charter highs in FY 2020 and FY 2021.

Funded Seats Per Adult Charter High School

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Gary Middle College	200	250	250
Christel House	825	825	825
Excel Center	4,700	4,900	4,900

● GEO Academies submits an application to the Indiana Charter School Board seeking approval to open an Early College High School in Indianapolis in partnership with Ivy Tech Community College and the Indiana Black Expo. GEO Next Generation Academy-Indianapolis would locate on the far eastside of the city on the site of the former Crossroads Bible College, a property owned by Indiana Black Expo (and located within the M.S.D. of Warren Township).

□ The proposed GEO school would give students the opportunity to simultaneously earn a high school diploma and two years of college credit, or even an associate’s degree. Core high school courses are taken on the high school campus, but students will pursue their chosen college/career pathway primarily on the campus of Ivy Tech in downtown

Indianapolis. The predominant instructional focus in grades 11 and 12 will be students taking on-campus credit bearing courses taught by Ivy Tech professors and adjunct professors. At GEO’s 21st Century Charter School in Gary, students are required (beginning with the Class of 2022) to earn at least 24 college/career credits and/or a career certification prior to graduation. This demanding policy will be replicated at the Next Generation Academy-Indianapolis.

□ GEO has been working with Ivy Tech on plans to expand the Early College model beyond the Steel City to communities where Ivy Tech has a strong presence and where a demonstrated need exists, starting with Indianapolis. The Next Generation Academy-Indianapolis would launch in August 2020 with up to 150 ninth graders, adding one grade level per year until reaching full 9-12 enrollment of up to 700

students. In partnership with Ivy Tech and Indiana Black Expo, GEO envisions opening additional Next Generation Academies in Marion and Anderson in August 2022 and a school in Michigan City in August 2023. In August 2019, the 21st Century Charter School in Gary will expand significantly, growing from 900 to 1,550 students, and will relocate to the former Ivy Tech campus building (the K-12 charter school had a wait list of 400 students as of the end of April). GEO has served and supported charter schools since 2002.

□ The founding board of the newly formed non-profit entity that will oversee the emerging network of GEO schools includes William A. Smith, former chief of staff for Mike Pence (R) in the Governor’s Office and during Pence’s congressional career, and now president and CEO of Sextons Creek, a government relations,

business services, and media production firm. Smith and Kevin Teasley, the founder and CEO of the Greater Education Opportunities (GEO) Foundation, worked together in the early 1980s on the staff of then-U.S. Rep. Dan Burton (R).

□ GEO recently hired Emily Burke away from the Center of Excellence in Leadership of Learning (CELL) at the University of Indianapolis. She has been fine-tuning GEO’s early college model in collaboration with leadership at Ivy Tech (in particular, Caleb Westberg, director of K-12 initiatives for Ivy Tech in the Northwest region). GEO has also brought in attorney Jeffrey Lozer as chief operations officer. He’s a former senior director of the Independent Network of Indiana Schools (INISchools), the Education Service Provider (ESP) established in 2013 by Goodwill Education Initiatives that was acquired in 2017 by the Klipsch Educators College at Marian University and subsequently rebranded as the Center for School and Community Success.



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□ The Indiana Charter School Board meets May 14 to consider GEO's plan.

IN Programs & Curriculum . . .

● MGT and the Gary Community School Corporation receive approval from the Distressed Unit Appeal Board to shift the elementary students at Bailly Preparatory Academy to Glen Park Academy for Excellence and Learning, which will free up Bailey to become Bailly Middle School. Bailly Middle will be the middle school for STEM, while Gary Middle School will become the middle school for all arts programming. In addition to easing the severe overcrowding at Gary Middle School, the changes will save the district between \$1.3 million and almost \$1.9 million.

● Indy Achieves, tasked by Indianapolis Mayor **Joe Hogsett** (D) to increase enrollment in the 21st Century Scholars program, brought in KSM Consulting to help diagnose the gaps in enrollment patterns that exist between schools.

□ The KSMC team found that in schools with the highest percentages of eligible students enrolled in the program, counselors "relied primarily on handing out and collecting paper applications, thus eliminating the online barrier for families who didn't have easy access to the internet."

□ Indy Achieves tasked KSMC to analyze census data to drive a marketing and communications outreach strategy targeting households with children who meet the income eligibility qualification for the 21st Century Scholarship program. In addition, Indy Achieves and KSMC intend to design a longitudinal data system to track the outcomes of 21st Century Scholars from middle school all the way to employment. Indy Achieve's goal is to increase student enrollment in the 21st Century Scholars program to 60% - 70% of the eligible population for 2019-20 . . . and to achieve 100% enrollment in 2020-21.

● The Indianapolis Public School's Board of Commissioners passed on the majority of the applications submitted by charter schools seeking to join the district's Innovation Network in the 2019 school year, prompting chatter about whether the inaction is indicative of a policy change.

IN Policy . . .

● The M.S.D. of Washington Township invites parents to an event on the evening of May 15 to learn about the dangers of e-cigarettes and vaping. The Indiana State Department of Health will present research exploring why and how young people start using tobacco products, teenage perceptions of vaping and flavored tobacco, and the advertising strategies that manufacturers use to appeal to youth. The evening will also include a panel discussion with students and district administrators.

● U.S. Sen. **Todd Young** (R) planned a press conference at his alma mater, Carmel High School, on Friday, May 10, with students, the Indiana Hospital Association, and the Indiana Chamber of Commerce to call for raising the federal minimum age to buy tobacco products, including e-cigarettes, to 21. Sen. Young recently introduced the bipartisan Tobacco to 21 Act with U.S. Sens. **Brian Schatz** (D-HI), **Dick Durbin** (D-IL) and **Mitt Romney** (R-UT).

● At a crowded meeting, the Hamilton Southeastern Schools Board of Trustees on May 8 voted 5-2 to revise its nondiscrimination and equal opportunity policy to include gender identity and sexual orientation as protected classes. "Hamilton Southeastern School Corporation will not discriminate or tolerate any form of discrimination in its educational or employment activities for any reason or on any basis prohibited by applicable federal and state law, including race, color, religion, sex, sexual orientation, gender identities, national origin, age or disability," the new policy reads.

□ As we told you in our last issue, during a board meeting last month, a motion to add "transgender status, sexual orientation, and gender identity and expression" to the policy was defeated in a 3-4 vote. Board President **Mike Bottorff** said board members who opposed the LGBT language last month received death threats as the matter assumed an extremely high profile not only in the community (where Fishers Mayor **Scott Fadness** (R) urged the more inclusive policy during the late stages of his primary campaign), but also throughout Central Indiana.

□ With several board members up for re-election next year, HSE Equal organizers say that votes they have taken will be remembered at election time.

IN Referenda . . .

● The Zionsville Community Schools Board of Trustees plans to seek a pair of referenda in November. One would extend the 2015 operating referendum for eight years, and the other would ask for \$89 million for the construction of a sixth elementary school, expansion at the high school, and reconfiguration of Boone Meadow Elementary School.

● The \$191 million referendum proposed by the M.S.D. of Lawrence Township includes the construction of three-story additions containing approximately 150,000 square feet at both Lawrence Central High School and Lawrence North High School. Students would be housed in the additions while renovations to the main buildings take place. Based on an estimated maximum average interest rate of 5.0%, the project could cost a shade over \$300 million.

IN Construction & Facilities . . .

● The Carmel Clay Schools board of trustees moves forward with a project to create a more secure entrance near the swimming pool, reports *Current in Carmel*. "The renovations will include a ticketing counter in the vestibule and space for a school resource officer to help provide security. 'This way the school can have a way to pass out tickets and sell tickets without the patrons having to enter the building,' CCS Associate Supt. **Roger McMichael** said."

● Replacements for Carmel and Orchard Park elementary schools will look completely different, reports *Current in Carmel*. "Instead of long corridors with rooms on either side," classrooms will be clustered in "grade level neighborhoods." Construction is expected to start in December.

● To inform long-range planning, the Duneland School Corporation asks Tria Architecture to assess the condition of district facilities and prepare a report within 90 days.

- The M.S.D. of Lawrence Township will be issuing \$39 million in lease rental bonds this year for renovations to Amy Beverland Elementary School (\$12 million) and Sunnyside Elementary School (\$13 million); construction of a transportation/maintenance center (\$15 million); and a districtwide technology refresh.

- The Hamilton Southeastern Schools issued \$17,400,000 in bonds on May 1 to finance renovations and improvements to facilities across the district, including solar arrays. Stifel served as financial advisor. Construction will commence this Summer. HSE contracted with Ameresco to install ground mount solar modules from Jinco Solar at three sites. Annual electrical savings are estimated at approximately \$311,000.

- The Vigo County School Corporation Board of Trustees expects to select an architectural/engineering firm by the end of the month to develop a facility plan that includes the three high schools. The board has scheduled three public work sessions to interview Fanning Howey, Unesco, and Schmidt Associates/J. Lake Architecture.

- The North Spencer County School Corporation board approves a bid from Midwest Roofing - Sheet Metal of Evansville for installation of a new roof at Heritage Hills High School (HHHS). The \$700,400 cost is some \$200,000 below the board's conservative estimate.

- A bid for construction of a new HHHS locker room, this one from Jasper Lumber Company for \$93,454 also came in substantially south of NSCSC board estimates.

- The Northwestern Consolidated School District of Shelby County will ask the school board to vote in June to authorize a public hearing in July on expanding the fieldhouse at Triton Central High School, renovating locker rooms at Triton Central Middle School, and addressing the traffic flow in the middle school parking lot. The fieldhouse work includes "a concession and lobby area and building a second floor that would include the wrestling room and an observation deck. The deck would have glass walls that allow visitors to see the games being played on the three basketball courts," reports the *Shelbyville News*.

- The Goshen Community Schools issued \$25,300,000 in bonds on May 1 for capital projects that include construction of a new facility and safety, security, and efficiency improvements. Stifel served as underwriter.

- The Tippecanoe School Corporation is advertising bids to build a new road behind the Harrison High School football stadium in an effort to improve traffic flow around the school. The board hopes to be able to award a contract in time to begin construction early this Summer.

IN Transition . . .

- Dr. Steve Yager has not been reappointed to the State Board of Education. He was originally appointed in 2015 by then-Senate President Pro Tem David Long (R) of Fort Wayne, who has since retired. Dr. Yager's term is set to expire June 30, 2019. The former superintendent of the Northwest Allen County Schools and M.S.D. of Southwest Allen County Schools will be out of town on June 5 for what would have been his last board meeting.

- Senate President Pro Tem Rodric Bray (R) of Martinsville has yet to announce the new pick.

- The Board of Trustees of the Lebanon Community Schools hires Jon Milleman as superintendent. Dr. Milleman has been assistant superintendent in the M.S.D. of Washington Township since 2011 and is a former principal of Hamilton Southeastern High School and Franklin Community High School. He'll receive a base salary of \$145,000.

- After four years, Julie Moorman leaves her post as executive director of Communities in Schools of Clark County, a non-profit agency that provides academic support, mental health resources, and basic needs to at-risk students there to join the Harrison County Community Foundation as chief executive officer.

- Manchester Community Schools will hold a public hearing this week to consider a proposed three-year superintendent contract.

- The Indiana State Teachers Association elects Keith Gambill as president and Jennifer Smith-Margraf as vice president.

- Gambill had been serving his second three-year term as vice president. He has taught in the Evansville public schools for 26 years. He served as the Evansville Teachers Association president before his election to the ISTA vice presidency.

IN Government . . .

- The Indiana State Board of Education approves a transformation zone plan initiated by the South Bend Community School Corporation for one middle school and four elementary schools, all of which are struggling with performance issues.

- The five schools placed in the zone will operate under dramatically different governance conditions. Propelled by the idea of school-based management, the zone school principals and teacher leaders will have operational autonomy from the central office over budgeting, hiring, staffing, calendar, schedule, professional development, and curriculum. School-based autonomies are a hallmark of the charter school sector. The South Bend Empowerment Zone (SBEZ) will be independently governed and directly accountable to a newly formed seven-member non-profit board. The zone board will enter into a performance contract with the South Bend Community School Corporation. Each of the schools is expected to extend the length of the school day by at least one hour, reports the *South Bend Tribune*.

- SBCSC has partnered with Empower Schools, a Massachusetts-based non-profit, to assist with design and implementation of the transformation zone plan. Empower Schools has helped launch innovative Empowerment Zones in Massachusetts, Denver, and Texas. South Bend officials have traveled to Springfield, Massachusetts, to tour the Empowerment Zone there. In addition, Education Resource Strategies (ERS) has been hired to help zone school leaders take advantage of the enabling conditions as they develop school operational plans.



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- The Indiana Department of Education plans a series of regional training events on integrating Employability Skills Standards into classroom instruction, after the State Board of Education voted in May to approve the standards as required by SEA 297-2018. An abridged version of the standards: Mindset, Work Ethic, Learning Strategies, and Social/Emotional Skills.

□ The “soft skills” standards must be implemented by schools beginning with the 2019-2020 school year. They were developed by IDOE based on a combination of the National Employability Skill Standards from the Office of Career, Technical, and Adult Education (OCTAE); the Indiana Department of Workforce Development’s Employability Skills Benchmarks; the Governor’s Work Ethic Certificate; and IDOE’s Social-Emotional Learning Competencies.

- U.S. Rep. Jim Banks (R) introduces legislation (H.R. 2538) to create Child Safety Accounts (CSAs) – education savings accounts that parents can use to pay for tuition, fees, and other education-related expenses at public schools, private schools, and even homeschools.

□ “Unfortunately, too many students are trapped in unsafe schools,” says Rep. Banks. CSAs would allow parents the financial means to immediately transfer their child to a safer school. If approved, the tax-free accounts would only apply to the Washington, D.C. school system, but Rep. Banks says “it is my hope that the success of the program inspires more states to adopt similar policies and help children feel safe and free to learn at school.”

IN Courts & Conduct . . .

- The Johnson County Sheriff’s Office is investigating a former employee of the Center Grove Community School Corporation for a financial crime. No other details have been released at this time.

IN Higher Education

IN General . . .

- Many “small, private, remotely located colleges and universities” are struggling, but not Trine University, reports *The Atlantic* magazine’s national correspondent James Fallows.

□ Trine benefits from an “identity as mainly an engineering school that can equip graduates with marketplace skills” but also from the steady leadership of President **Earl Books**, who came to what was then Tri-State University in 2000. Trine is “the single largest employer in Angola” and “attracts students from around the United States and about 20 other countries (mainly India, China, Japan, and Saudi Arabia)—and in so doing gives these outsiders a reason to consider this corner of Indiana in their long-term plans. ... Trine has opened satellite campuses around the region. It refurbished a historic Angola church and turned it into a performing arts center. ... Trine has opened an ice-hockey arena, which has also become a home for community teams. It’s working in partnership with the city on a new innovation zone and has already fostered a number of start-up tech and manufacturing companies in the region.”

- Since he took office two years ago after running Northern Kentucky University, Ball State University President **Geoffrey Mearns** has embraced a credo of “civic stewardship” that runs counter to the traditional town-gown divide, reports *The Atlantic* magazine’s national correspondent **James Fallows**. “Mearns grew up mainly in Ohio, studied English at Yale (where he was a track and cross-country star, eventually running a 2:16 marathon and qualifying for the 1984 Olympic trials), and practiced law for more than 15 years, including nine years as a federal prosecutor.”

- Undergraduate students at Franklin College are conducting archival research through the papers of Indiana’s 42nd governor, Roger Branigan (D), to unearth materials for use in Indiana’s K-12 classrooms, as part of the Humanities Research for the Public Good initiative of the Council of Independent Colleges. Branigan, a 1923 Franklin alumnus, is the only Hoosier governor whose papers are not housed at the Indiana Archives and Records Administration.

- Indiana State University will digitize approximately 1,500 pages of letters and journals written by Saint Mother Theodore Guerin. English translations of her works, which were written primarily in French, will also be made available when the archive goes live through Indiana Memory and the Digital Public Library of America.

- Purdue University Northwest receives the National Center for Academic Excellence for Cyber Defense Education designation for the second time from the U.S. Department of Homeland Security and the National Security Agency. As a Center of Academic Excellence, PNW students and faculty members will be eligible to compete for National Science Foundation (NSF) and U.S. Department of Defense scholarships and grants. In the previous designation period (2014-2019), PNW received more than \$5 million in grant awards from NSF and NSA, which funded activities such as GenCyber Summer Camps, cybersecurity awareness and career training for high school students and teachers, and student research projects. The new designation runs through 2024.

- Look out for IUPUI Chancellor Nasser H. Paydar in the IPL 500 Festival Parade. He’ll be behind the wheel of a ceremonial Long Beach Red Metallic 2019 Corvette Grand Sport, escorting a yet-to-be named driver. The parade will also include a 45-foot-long IUPUI Jaguar balloon handled by 20 or more student volunteers.

IN Administration . . .

- In a decision issued Thursday in *Mikhail v. Manchester Univ., Inc.*, No. 1:17-cv-00269-HAB, Judge **Holly Brady** of the U.S. District Court for the Northern District of Indiana rules in favor of Manchester University on a summary judgment motion in an Americans with Disabilities Act claim by a former student in the Doctor of Pharmacy program. The student had Attention Deficit Disorder and severe social anxiety, and had been placed on academic probation four times after several course failures, despite assorted accommodations that included extended time to complete quizzes and exams; exams administered in a distraction-reduced environment, and “professors were only permitted to ask the Plaintiff questions during class if she had raised her hand to ask or answer a question.” After other issues arose, more academic problems resulted and the student was ultimately dismissed from the program.

□ “The Court finds that no reasonable juror would be able to conclude from the evidence that the Defendant dismissed the Plaintiff from the Pharmacy Program in retaliation for making requests for accommodations,” concludes Judge Brady.

IN Programs & Policy . . .

● Indiana Wesleyan University launches an associate degree in Occupational Therapy Assistant at its Greenwood Adult Education Center. Classes start this Fall.

● Indiana Wesleyan University introduces a Theatre Education major beginning this Fall that will prepare future educators of elementary, middle school, and high school theatre and dramatic arts programs.

● Grace College invites middle school students to its inaugural engineering camp this Summer. Created and led by the Grace College Engineering Department Chair Fred Wentorf, the first-of-its-kind camp will introduce students to engineering through hands-on application. Students will design their own CO₂ dragsters using computer-aided design and test them through wind tunnels and racing to learn the basics of mechanical engineering.

□ The day camp is open to students entering sixth through eighth grade, and will convene on from campus 8:00 a.m. to 5:00 p.m. from July 15 - 19. The cost per student is \$350, which includes lunch and engineering supplies. Need-based scholarships are available, and the camp is partially underwritten by Zimmer Biomet and other local partners.

● Indiana University home football games will be easier to stomach with the sale of beer and wine beginning this Fall. Ten percent of net sales from the adult beverages will fund campus alcohol safety programming.

□ IU’s decision follows similar popular policy changes at Purdue University and Butler University.

● Indiana University will erect a statue of the late George Taliaferro in the North End Zone plaza of Memorial Stadium. The long-time IU administrator was a three-time All-American and leading rusher on IU’s undefeated 1945 Big Ten Championship team was the first African American ever selected in the NFL draft.

IN Gifts and Fundraising . . .

● Grace College & Seminary raised \$38.5 million through its two-year ASPIRE campaign, exceeding the original \$37 million goal. The campaign launched in March 2017.

□ Grace recently launched new programs in agribusiness, mechanical engineering, digital marketing, and worship arts, and made investments in its first-ever track and field complex, a new competition-level soccer stadium, and a rebuilt softball diamond.

IN Construction & Facilities . . .

● The next state budget authorizes 12 higher education capital projects at a cost of \$389 million. Institutions had requested \$643 million for 21 projects.

□ The dollar value of the higher education construction projects in the FY 2018-19 budget totaled \$452 million.

□ Seven projects received bonding authorization:

- Indiana University Bicentennial Repair and Rehabilitation
- Purdue University Engineering and Polytechnic Gateway
- Purdue College of Veterinary Medicine Teaching Hospital
- Ball State University STEM and Health Professions Facilities Phase III
- Indiana State University Dreiser Hall
- University of Southern Indiana Health Prof’ns Classrooms
- Ivy Tech Community College Columbus Campus Main Building Replacement

□ Five projects were funded with cash appropriations:

- IU regional campus deferred maintenance (\$8.1 million)
- Purdue regional campus deferred maintenance (\$3.5 million)
- Vincennes University Electrical Substation (\$12 million)
- Vincennes University Mechanical Upgrades (\$10.3 million)
- Vincennes University Advanced Manufacturing and Product Design Lab Renovation (\$4 million)

● The Ball State University Board of Trustees approves a \$15 million indoor practice facility for football, softball, baseball, and soccer. About 90% of the cost of the privately financed building has already been committed. Pending state approval, BSU will select an architect and construction manager. The design and construction process is expected to take about 24 months, culminating with a grand opening in Summer 2021.

IN Research & Technology . . .

● Purdue University (with the Indiana Economic Development Corporation and the State of Indiana) is one of three finalists for the relocation of two U.S. Department of Agriculture research offices currently based in Washington, D.C.: the Economic Research Service (ERS) and the National Institute of Food and Agriculture (NIFA). We reported last month that the Indiana bid survived the first cut when the initial 136 expressions of interest were narrowed to 67.

□ The other two finalists are “Greater Kansas City Region” package offered by the Kansas City Area Development Council, and the Kansas City Animal Health Corridor . . . and the “Research Triangle Region,” a bid advanced by the North Carolina Research Triangle, Wake County, Durham County, and Research Triangle Park.

● The University of Notre Dame receives a \$42.4 million grant from Lilly Endowment Inc. to form the Labs for Industry Futures and Transformation (LIFT) Network. The five-year grant brings together Notre Dame, the South Bend-Elkhart Regional Partnership (SBERP), and other key regional stakeholders to advance the region as an economic leader in next-generation manufacturing, entrepreneurship, applied analytics, and technology. The LIFT Network is the sixth Indiana regional community and economic development initiative Lilly Endowment has supported since 2007. According to a 2019 Brookings report, digital automation and artificial intelligence will be most disruptive to jobs in the Midwest, with the South Bend-Elkhart region being identified as the third most vulnerable workforce in the nation. A critical component of LIFT will be focused on mitigating the risk through forward-looking workforce development and training programs designed to develop existing and future talent with advanced industry skills and knowledge while fostering a culture for lifelong learning in the region. The vision for the LIFT Network emerged from a report prepared in 2018 by TEConomy Partners LLC.

- Saab will spend \$37 million to construct and equip a manufacturing facility in Purdue University's Discovery Park District to support production of a new Air Force pilot training jet. The site will open next year with about 300 workers. In addition, Saab will collaborate with Purdue on research and development within possible areas such as sensor systems, artificial intelligence, and autonomous systems.

IN Government . . .

- U.S. Sen. Todd Young joins U.S. Sens. Maggie Hassan (D-NH), Tim Kaine (D-VA), and Bill Cassidy (R-LA) to introduce the "Innovation Zone (IZ) Act," a measure which would reform the under-utilized and inefficient experimental sites initiative within the Higher Education Act. The IZ Act would rename experimental sites as "innovation zones" to better reflect the program's mission of encouraging higher education institutions to experiment with strategies to increase student success. While the experimental sites initiative was first introduced in the mid-1980s, the bill authors are concerned that a lack of evaluation and transparent data collection has prevented Congress from using information from the experimental sites to make real policy changes. They call these experiments vital to understanding how to improve student success and reduce regulation within the framework of higher education. The IZ Act would require the U.S. Secretary of Education to establish a methodology for capturing data before an experiment begins, provide colleges with a clear direction for reporting data, and provide the higher education community an opportunity to submit suggestions for future experiments. "These experiments have the ability to promote innovation and access within our higher education system, but first we must have a way to measure what works and what does not. Our bill will improve data collection and accountability, and ultimately better serve our students," said Sen. Young.

- U.S. Sen. Todd Young (R) introduces bipartisan legislation with U.S. Sens. Debbie Stabenow (D-MI), and Doug Jones (D-AL) Wednesday that would ensure more students have access to higher education. Under current law, students only find out how much financial aid they will receive right before attending college. The "Early Pell Promise Act" would provide more financial certainty for families by pre-qualifying certain students for full Pell Grant support starting as early as the eighth grade. The measure would also provide families and students who pre-qualify for aid with additional information about the cost of college attendance and student financial aid. "My Fair Shot Agenda is focused on ensuring that all Hoosiers have an opportunity to succeed regardless of financial barriers," said Sen. Young. "The Early Pell Promise Act aligns with this mission by ensuring our youth is set up for success through pre-qualification for Pell grants. By locking in financing for college as early as the eighth grade, more students will be able to afford higher education and plan for a prosperous future."

- The General Assembly boosts higher education operating spend by \$13.6 million (1.0%) in Fiscal Year 2020 and \$34.00 million (2.5%) in Fiscal Year 2021. That compares to increases of 1.7% in FY 2016, 3.5% in FY 2017, 1.25% in FY 2018, and 2.5% in FY 2019.

□ The state also exacted an across-the-board base funding reduction of 6.07% in Fiscal Year 2020 and 4.68% in Fiscal Year 2021.

□ The new funding and the existing funds that are generated from the institutional base reductions are combined into a pot of money that then gets parceled out through a performance funding formula that rewards schools for making progress toward the state's higher education goals.

□ Almost half (47.80%) of the money in the performance funding pool will be allocated to institutions based on their improvement in on-time graduation rates. About one-fifth (19.03%) of performance funding is awarded for incremental gains in degrees completed, and another 15.20% of the performance monies flow based on degree completion and on-time graduation by low-income (Pell-eligible) students. Institutions also earn funds for increasing the number of STEM degrees conferred (13.80% of the formula). The fifth and final metric rewards institutions for improving student persistence rates (4.16% of the formula).

□ In the FY 2018-2019 biennium, six metrics went into the performance funding formula, and the six were weighed as follows: Overall degree completion (40%); On-time graduation (30%); At-risk degree completion (20%); STEM degree completion (8.0%); Remediation success (1.0%); and Student Persistence (1.0%). The remediation incentive has been eliminated from the formula beginning in FY20.

□ The two metrics of overall degree completion and on-time graduation have been in place since 2007 - but their respective weights change dramatically in the upcoming biennium. The relative importance of overall degree completion will be halved from 40% of the formula currently to 20% in FY 2020-21. On-time grad rate will be elevated to the top priority, surging from 30% of the formula in the current budget to nearly 50 percent. The formula added the Pell degree metric in 2009 and the student persistence and STEM degree metrics in 2013. The STEM incentive is currently limited to research institutions; however, the metric will be open to all schools for the first time beginning in FY 2020. Another change for the new biennium: the at-risk and persistence calculations have been tweaked to control for enrollment fluctuations. "Instead of raw amounts, we are now measuring percentage increases," says Alecia Nafziger, chief financial officer of the Indiana Commission for Higher Education. An idea whose time has not yet come: adding graduate wages/earnings data to the performance formula.

□ A record 7.00% of Indiana's higher education operating appropriations will be allocated on the basis of performance in each year of the upcoming biennium. The percentage of appropriations linked to performance has increased incrementally almost every biennium, growing from 1.0% to 3.0%, then to 5.0% in FY 2014 and FY 2015; 4.0% in FY 2016; 6.5% in FY 2017; 5.25% in FY 2018; and 6.5% in FY 2019. By paying for what it values, Indiana drives better results for student success and completion, or so the theory goes. The performance funding pool grows from \$80 million in FY 2019 to \$86 million in FY 2020 and \$87 million in FY 2021.

□ Three schools absorb a reduction in the first year of the biennium: Indiana University Bloomington, Purdue University West Lafayette, and Ivy Tech Community College. Six see state funding bumps of at least 4.0% in both years of the biennium: IU East, IU Kokomo, IU Northwest, Purdue Northwest, and Vincennes University.

□ Here's the breakdown of how each institution/campus fared in state operating support (\$ in Millions):

	FY 2020	vs. FY 19	FY 2021	vs. FY 19
ITCC	\$ 226.53	- 0.61%	\$ 229.89	0.86%
PUWL	\$ 219.50	- 1.08%	\$ 222.76	0.39%
IUB	\$ 199.01	- 0.94%	\$ 201.96	0.53%
BSU	\$ 132.44	0.06%	\$ 134.41	1.42%
IUPUI	\$ 109.48	3.41%	\$ 111.10	4.94%
ISU	\$ 71.01	4.54%	\$ 72.06	6.10%
USI	\$ 47.50	2.10%	\$ 48.21	3.61%
PNW	\$ 46.05	5.48%	\$ 46.73	7.05%
VU	\$ 42.92	4.39%	\$ 43.56	5.94%
PUFW	\$ 42.82	0.48%	\$ 43.46	1.97%
IUSB	\$ 24.51	2.20%	\$ 24.87	3.72%
IUSE	\$ 20.58	2.16%	\$ 20.89	3.68%
IUNW	\$ 18.59	5.44%	\$ 18.87	7.00%
IUK	\$ 15.82	12.92%	\$ 16.06	14.60%
IUE	\$ 13.84	18.33%	\$ 14.05	20.09%

□ The state budget funds 52 higher education line items in FY 2020 and 51 in FY 2021, at a cost of \$469 million in the first year and \$483 million in the second year. Institutions went into the 2019 legislative session seeking 11 new line-items at a cost of more than \$35 million per year, but lawmakers declined to approve any new line items (after approving five new line items in the current state budget).

□ Money for the 12 different tuition and fee remission programs that benefit family members of military and public service officers increases by \$5 million over the biennium. More than 5,000 Hoosiers participate in these programs annually. Outside of the state budget, legislation was passed in 2019 at the request of the Indiana Commission for Higher Education to unify the eligibility rules for the 12 tuition and fee remission programs. Moving forward, all participants will be required to maintain a minimum grade point average to maintain eligibility. About 500 recipients had a GPA of less than 2.0 in FY 2017, according to the Indiana Commission for Higher Education.

□ The budget increased funding for the state's main financial aid programs - 21st Century Scholars and Frank O'Bannon Scholarships - by almost \$75 million over the biennium. Indiana spent \$342 million on these three programs in Fiscal Year 2018. Students who enrolled at private colleges and universities accounted for 26% of state financial aid dollars in Fiscal Year 2018, according to the Indiana Commission for Higher Education. The three private institutions that were the largest beneficiaries of state financial aid programs were Indiana Wesleyan University (\$16.94 million received by 2,925 students), University of Indianapolis (\$10.81 million for 1,578 students), and Indiana Tech (\$9.58 million for 1,537 students).

IN Transition . . .

● **Danny Lopez** will leave his post as chair of the Governor's Workforce Cabinet to join Strada Education Network on May 20 as chief of staff and senior vice president. Lopez also spent the last two years serving as deputy chief of staff to Governor Eric Holcomb (R). Indianapolis-based Strata is a nonprofit organization focused on enhancing student success in postsecondary education and careers, an entity that grew out of the former USA Funds, one of whose leaders is former Indiana education and workforce development official Carol D'Amico, a former top Ivy Tech Community College administrator.

□ **P.J. McGrew**, policy director for the Workforce Cabinet, will become the new executive director. McGrew is a former teacher, former chief of staff for the State Board of Education, and former education policy director for Gov. Holcomb. He began his career as a teacher.

□ Commissioner of Higher Education **Teresa Lubbers** will serve as interim chair of the Workforce Cabinet while continuing with her current responsibilities.

● **Willie L. Banks Jr.**, vice president for student affairs at Indiana State University, is named vice chancellor of student affairs at the University of California, Irvine. ISU Dean of Students **Andy Morgan** serve as interim VP of student affairs through June 30, 2020, while a national search is conducted.

● **Jeff Papa**, chief of staff and general counsel to the Indiana State Senate, has been named as the newest Alumni Representative to the Board of Trustees of the Rose-Hulman Institute of Technology.

● As it preps for the "largest and most ambitious" fundraising campaign in school history, Ball State University appoints **Jake Logan** as president of the Ball State University Foundation and vice president for university advancement, effective June 3.

□ **Logan** is currently the assistant vice chancellor for the University of Missouri, and previously served as the executive director of development at the University of Oregon School of Law and in advancement positions for his alma mater, the University of Florida.

● **Bill Blizzard** steps down on May 31 from his position as executive director of the Indiana University Innovation and Commercialization Office.

● Purdue University identifies four finalists for the position of executive vice president for research and partnerships: **Tomás Díaz de la Rubia**, vice president for Purdue's Discovery Park; **Theresa Stellwag Mayer**, vice president for research and innovation at Virginia Tech; **Suvranu De**, head of the Department of Mechanical, Aerospace and Nuclear Engineering at Rensselaer Polytechnic Institute; and **Timothy J. Bunning**, chief scientist at the Air Force Research Laboratory's Materials and Manufacturing Directorate.

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INDIANA LEGISLATIVE INSIGHT

Pie in the eye means pie in the sky?

KFW loss, Illinois 3rd airport revival talk shades Buff transmodal effort

Lots of 2019 legislative discussion time – at least peripherally – was driven by the purported imperative to move the two Gary casino vessels and attendant physical facilities from their home since 1996 in Buffington Harbor to allow for a “transformational” transmodal project.

That effort was proposed to build on the potential synergy of a deep-water port there, the largely untapped potential of the nearby Gary-Chicago International Airport, freight railroad line traversing the property, and the ability to host truck terminals and warehouses on abundant brownfield property close to interstate highways.

Gary Mayor Karen Freeman-Wilson (D) brought key lawmakers to the site during the Summer of 2018, and top Senate leaders – particularly on the fiscal front – left impressed with the vision and committed to give Gary a hand up, as opposed to the proverbial handout. Sen. Eddie Melton (R) of Gary authored SB 66 as a companion to the gaming expansion bill to detail a working framework for the cleanup, transfer, and adaptive reuse of the property once the casinos floated away, and the overall project governance.

When Senate Republican leaders amended the bill to ensure more state control of the local project, it seemed to be an official indication that the project would come to fruition, and the bill looked like a lock as a trailer bill to the omnibus gaming legislation.

Sen. Melton fought detractors who said that the proposal was too ambitious to take root – and those who questioned whether it was a simply an excuse to move the casino vessels and start the dominoes – by insisting that this was not “pie in the sky,” and he and Gary city officials claimed that major unnamed developers were lined up to move dirt as soon as Buffington Harbor (or “Benton Harbor,” as one key senator referred to it on the Senate floor and subsequent interviews) was officially freed up.

Yet after it passed 43-6 in the Senate, when it then moved across the Rotunda to the House (sponsored by no less than House Committee on Ways and Means Co-chair Todd Huston (R) and the ranking Democrat on Ways and Means, Rep. Greg Porter(D)), SB 66 didn’t even manage to earn a committee hearing.

So with gubernatorial approval of the major gaming bill, the Majestic Star Casino vessels are expected to begin the process of vacating the Buffington Harbor property. Spectacle Entertainment, LLC should soon declare its formal intent to move one casino inland off the footprint within Gary and relinquishing the second license as it pursues the new Vigo County casino license. And that would seem to open up the underutilized Buffington Harbor property for offers, if not place it up for grabs.

But two major intervening events have occurred since Hoosier lawmakers returned home April 25, casting doubt on both the short-term prospects for and long-term viability of the Buffington Harbor project.

One of them took place in Illinois, and the other in Gary itself. Either can be devastating to the fledgling plans. Taken together, both could well prove dispositive.

For more, please see the following page . . .

Workforce developments

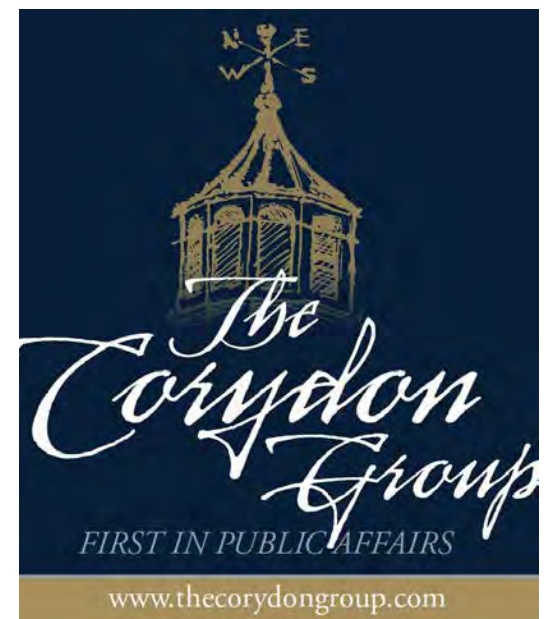
Lopez leaves; Lubbers leads; McGrew aids

A sea change occurs in the Governor’s Workforce Cabinet, as its chairman, Danny Lopez, will leave that post to join the Indianapolis-based Strada Education Network as senior vice president and chief of staff.

Commissioner of Higher Education Teresa Lubbers will serve as the interim chair of the Workforce Cabinet, and will continue her current responsibilities at ICHE, and P.J. McGrew, the cabinet’s director of policy, will become the executive director.

Lopez led the cabinet’s effort to realign and better coordinate the multiple state agencies that play a role in developing Indiana’s workforce. He leaves for Strata, a nonprofit organization focused on enhancing student success in postsecondary education and careers, an entity that grew out of the former USA Funds, one of whose leaders is former Indiana education and workforce development official Carol D’Amico.

McGrew, a former teacher, was the Holcomb Administration’s education policy director, and also served as the associate policy director for the Indiana Education Roundtable, director of special projects for the Department of Workforce Development and State Board of Education chief of staff.



The first big blow came from across the border.

Less than 48 hours after the gaming bill passed and the General Assembly adjourned *sine die*, three Illinois Democratic members of Congress, Illinois House Speaker Mike Madigan (D), and 52 south suburban officials – including two-dozen mayors, several state lawmakers and some Chicago aldermen – sent a three-page letter to new Illinois Gov. JB Pritzker (D) requesting his support for the long-simmering South Suburban Airport (SSA) proposal and surrounding infrastructure. The state reportedly currently controls some 90% of the land needed for a single-runway airport at the preferred site, and has secured funds for the remainder.

The SSA concept has been floating around since the late 1960s, heating up at times in the mid-1980s (as the Federal Aviation Administration first urged Chicago to build a third airport in 1985) and the 2000s, and ultimately cooling down as the underused Gary Regional Airport morphed into the Gary/Chicago International Airport under the administration of then-Chicago mayor Richard M. Daley (D) and local, state, and federal officials seemed to be more interested in an expansion of the O'Hare International Airport (whose lengthy runways extend literally as many feet close to Rivers Casino in Des Plaines, Illinois as Majestic Star Casino is to the Gary airport runways).

Outgoing Chicago Mayor Rahm Emanuel (D-IL) this month pushed back against the SSA revival, noting that “The significant modernization programs underway at O'Hare and Midway will keep passengers connected and fuel new economic opportunities for the region for years to come. In fact, when the O'Hare expansion is complete, it will be the equivalent of adding a third airport to the area. O'Hare is already number one and our modernization will secure it and the Chicago area's aviation future.”

Hizzoner continued, “If the state has an extra \$150 million to spend, schools, mass transit, libraries and parks could wisely use those resources.”

Note that Mayor Emanuel said nothing about the Gary airport, which his predecessor had pushed so hard.

The Gary facility has since undertaken key (and expensive) railroad relocations, environmental remediation, and runway expansions in the expectation that it would be accommodating regular scheduled passenger service and cargo flights.

Yet as the airport failed to meet expectations (more scheduled airline routes have started and failed in recent years than Gary has had mayors since SSA was initially proposed), provide dividends for the Windy City, SSA interest resurfaced and was advanced (in the form of a site in Peotone, Illinois) by then-U.S. Rep. Jesse Jackson, jr. (D) before he headed to federal prison.

The cause has now been taken up by Jackson's successor, U.S. Rep. Robin Kelly (D), whose district extends from Lake Michigan south along the Indiana border to the middle of Newton County. “The time has come to finally build the South Suburban Airport. We know it will create thousands of good-paying jobs, boost our economy and allow Illinois to reclaim its aviation pre-eminence,” said Rep. Kelly as she released the letter she led to Illinois' governor.

The officials wrote: “Just as Midway and O'Hare spearheaded Illinois' growth for the past century, SSA will be a cornerstone for prosperity in the 21st Century As proposed, it will create an economic engine south of Chicago that would generate tens of thousands of jobs, hundreds of millions in annual tax revenues, and billions in new economic activity for Illinois.”

Totally ignoring Gary and the Gary airport's agreement with the City of Chicago, the letter continued, “Chicago is the largest US market without three airports.” Acknowledging that airports take decades to plan – and rarely happen – the officials reminded Gov. Pritzker that “Thanks to the bipartisan efforts by five governors over decades, Illinois has secured the key components – land assemblage, legislative authority, and broad business, labor and political support.”

And while Chicago's outgoing mayor is an SSA skeptic, the incoming mayor focuses upon the impact on Chicago's other airport . . . and also fails to mention Gary. “Midway is an incredible economic force for the Chicago's Southwest Side. Its growth has been a major driver for development of the area and the city's tourism industry. I am committed to supporting economic development that transforms neighborhoods, but we must also protect the existing institutions which have been spearheading so much current investment and growth,” Mayor-elect Lori Lightfoot (D) said in a statement. She continued, “If and when the time comes, I will be actively engaged in the conversation about an additional airport while ensuring that our investments in Midway continue to provide economic development.”

The imperative for the letter from Rep. Kelly and crew was ostensibly not to preempt Indiana's decision to better capitalize on the Gary/Chicago Regional Airport, but rather to convince Gov. Pritzker to “apportion \$150 million in the 2020 capital bill for initial off-site improvements – a new interchange on I-57, local road upgrades, and connectivity to utilities.”

The airport itself, near Monee, would actually be financed with private dollars.

Crain's Chicago Business reports that Rep. “Kelly wants that road funding in the capital bill and wants the Illinois Department of Transportation to formally seek a private firm to build and operate the field. And it appears she's willing to turn over control of the field to officials in Will County. That could be a key concession, because Jackson and Will officials had feuded over whether a Jackson-controlled commission or the county should be in charge.”

Crain's also seems to suggest that a new Peotone facility would be competing for the same business and bucks as Gary: “Industry insiders say with new runways and gates at O'Hare, there likely is no room for a passenger airport at Peotone, but much potential for one aimed at handling cargo from the numerous warehouse and distribution facilities that have opened in the area in the past two decades along the nearby I-57, I-80 and I-55 corridors. ‘The connection between the south suburbs and the logistics industry grows every day,’ said Joe Schwieterman, an aviation expert who heads DePaul University's Chaddick Institute. ‘International investors are looking for the chance to get involved in a cargo airport. This one has possibilities.’ O'Hare's cargo business is more express cargo and perishables, Schwieterman added. ‘Peotone would be driven more by manufacturing.’”



So while Indiana's move to beat Illinois to the punch with a casino along the border between Lake Michigan and the Ohio River (Illinois had been considering a casino for Danville, Illinois, on I-74 at the Indiana border, but that should be off the table with the Vigo County authorization) seems to have paid off, the mega-modal mission simply seems to have awakened the giant again, and Indiana might have made a mistake by not immediately following the gaming expansion bill with Sen. Melton's SB 66 framework as amended by Senate Committee on Appropriations Chair Ryan Mishler (R).

A considerable number of political, regulatory, environmental, legal, and financial hurdles need to be overcome for SSA to be moved much further forward, but the same can be said about the Gary project, and both seem to be on equal footing now (recall that it will take a minimum of 18-24 months for Spectacle to receive all the approvals it needs to move and then ultimately build a new \$300 million casino complex on I-80/I-94, with additional demolition work required to clear the Buffington Harbor "pavilion," docks, and former Trump hotel).

BUT WAIT! In the vernacular of those late night television ads for overpriced products you don't need, the Illinois third airport action isn't the only potential category killer.

As we noted on the front page in describing the port package, this was the pet project of Mayor Freeman-Wilson . . . but she was handily defeated in a seven-way mayoral primary Tuesday, as were several Gary City Council members, meaning that she's a lame duck and Gary will have a new mayor and new priorities come January. Folks in Indianapolis have never warmed to the state's former attorney general, and without her being able to back up any rhetoric with a reminder that state government is stuck with her for another four years, she loses any clout she might have once carried – and that had been minimal.

If you think the casino deal was swung as a favor to her, or that assorted checks and balances and bells and whistles were ignored on her behalf, you're flat wrong. The number of lawmakers who voted for the bill just to help the City of Gary would certainly not even comprise the difference in votes between passage and failure.

So this was a Mayor Karen deal, and was perceived as such in the State House, and there was virtually no discussion of the proposed project in the Gary mayoral race, so we don't know quite where Lake County Assessor Jerome Prince (D), the new Democratic mayoral nominee for perhaps the toughest job in Indiana politics, stands on this, and how willing he is to go to the mat for the "not invented here" deal even before he would find himself elected.

If he does throw his full faith and credit behind the effort, he would likely be a better salesman – inside the city and in the State House – than Mayor Karen.

A former Marine who commands authority – "When Jerome Prince speaks, people listen," says Lake County Democratic Party Chair James Wieser of the Gary Democratic Party chair. He's a guy who tells people "This is what I want to accomplish," and then proceeds to tell them how he intends to accomplish it.

And Prince understands the city – he's a Lew Wallace High School alum who served on the Gary City Council – and the country, having also spent time on the Lake County Council. He has political chops that Mayor Karen lacked. As county assessor, he is intimately prepared for the impact of property tax caps to hit soon when Lake County circuit breaker relief runs out, and he is well aware of the taxable base in the city and that only about 40% of property taxes get paid.

The bottom line: This is a guy who not only can hit the ground running if he believes in the transmodal project, but probably do so a few steps ahead of where Mayor Freeman-Wilson leaves off.

But will he be committed? And, if so, would he be willing to sacrifice what is no doubt necessary to win approval from state authorities (and we'll make no bones about it, like many things these days, this will be directed via the Indiana Finance Authority and Office of Management and Budget, and not through the Indiana Economic Development Corporation)?

When we talk about sacrifice, we mean whether as mayor, Prince would be willing to relinquish control (recall how just a few months ago, Senate Committee on Appropriations Chair Ryan Mishler (R), one of the Republicans who truly believes in the value of this project amended the SB 66 governance concept to have it controlled from 206). But we're also talking about what we see as a grand

deal that could make it worthwhile for Prince and the people of Gary and Northwest Indiana.

If this can be pulled off (and we're back to that pesky Illinois-based third Chicago-area airport sticking its nose in under the tent again) the tradeoff that you will eventually learn about would likely entail Gary and its mayor giving up control of the Gary/Chicago International Airport and oversight of the new transmodal concept in exchange for state help in paving the way for the lakefront development and distressed tax relief for the city and its schools (the form is to be determined, with a combination of bonding and betting on the come likely to comprise the bulk of the financing).

One other item that could be negotiated going forward: Whether the State (and the quasi-state agencies like IFA and the Indiana Port Commission) can agree with Prince and Lake County leaders on appointing a Robert Moses-like figure to oversee the overall efforts, adding a key element of accountability.



There are a few former legislators from the area that could fill this role (Bill Fine, Hal Slager, or Tim Fesko, for example); or even a former mayor (such as outgoing Valparaiso Mayor Jon Costas (R)); or former attorney general Steve Carter (R), a Lake County native, even before business and industry or local association leaders come into play . . . but a single white Republican may not be the most “politic” appointment, so the board concept with an executive director is likely to carry the day.

The takeaway is that this transmodal project still could happen if the change in administrations were the only stumbling block, but there would still be a lot of negotiating and concessions ahead.

Unfortunately, there is still that Illinois thing, and we’ll leave you with a parting thought on that.

Illinois politicians frame their discussion of a new Chicago-area airport in the context of what their respective constituencies stand to gain from it, and not whether it makes sense from an aviation perspective – and without considering the *already existing* Gary/Chicago Regional Airport option – that stands to be enhanced by the transmodal port which could also relieve some pressure from related Illinois facilities (without necessarily interfering with money flowing to Illinois from intermodal logistics).

Regardless, it appears that once again Gary is being dissed – this time by its Chicago and Illinois airport authority partners . . . and perhaps by Hoosier lawmakers as well, who missed an opportunity to jumpstart Gary’s biggest economic development effort in generations, an oversight that could cost Gary a huge slice of the regional economic development pie that it sought . . . and render those plans the “pie in the sky” that Sen. Melton sought to counter.

IN Politics

Federal Office Races . . .

- Don Bates, Jr. (R) finally files termination report for his congressional campaigns . . . but leaves it a mystery as to how (or if) he’s paid off more than \$50,000 in loans he made to his own effort.

State Office Races . . .

- We Ask America was in the field in Indiana (04/29-05/05; 800 RVs, margin of error $\pm 3.46\%$), and one question asked was “[D]o you believe that Eric Holcomb has done enough to deserve re-election?” A hefty 54% seems to believe that he merits reelection at this point, and only 20% (about one-half of the core Democratic vote) feels otherwise.

Yes	Probably	No	Unsure
26%	28%	20%	26%

IN Mayoral Races . . .

- The primary elections are over, and it appears that there are no Kentucky Derby-like challenges or disqualifications, and there are a few generalizations we can make. Perceived mayoral arrogance – in the form of eschewing public participation or input (or even that of other governmental officials or bodies) may well attract challengers, but is typically insufficient to overcome large campaign war chests (see, e.g., Carmel), but where the mayor is seen as out-of-touch by voters and not “like

them” as part of the larger community, even typical conditions favoring the incumbent can’t carry them across the finish line (see, e.g., Gary, where the National League of Cities presidency and other national gigs don’t play quite as well as international climate change leadership does in Carmel). And where a mayor may have avoided a challenge but has still proven to be a lightning rod, voters may take out some of their frustrations on other related – city council – candidates on the ballot (see, e.g., Westfield, Lake Station, and Hammond).

- On the positive side of the mayoral primary ledger, a thoughtful, comprehensive, participatory, and well-communicated economic development plan (or at least one with most of those elements, and which didn’t depend upon offering unprecedented upfront economic incentives to lure a Keto distributor, Huawei, or Foxconn to town) can benefit mayors and candidates who have been part of such schemes (see, e.g., Greenwood, Fishers, Noblesville, Hobart) – as can related big picture quality of life initiatives (like parks and trails and festivals). And the only mayor promoting an aggressive economic development plan who lost a primary (Gary) was largely seen as selling snake oil, rather than a place through which snake oil could be profitably imported, warehoused, distributed, and transported.

- This may have been the most boring round of mayoral primaries in recent Hoosier history, with just a handful offering any reason for interest beyond municipal boundaries. The only truly competitive ones that some were watching from afar with broader implications were the Republican races in Carmel and Fort Wayne and the Democratic races in Gary, East Chicago, and South Bend. The Mitchell and Anderson races may have been interesting because of the history on the table, and Kokomo and Muncie saw open seat races with competitive races on both tickets, but broadly speaking, incumbents were not seriously opposed (one where the incumbent was pressed which we did not reference above was in Frankfort) and few races generated any sparks that fell outside the respective cities (Warsaw falls into that category).

- Here are some of the race results we thought you should know about: Mayor Pete’s endorsed successor, James Mueller (D), led the crowded field by about 12 percentage points over the second place candidate, former St. Joseph County Democratic chair Jason Critchlow (D) . . . Indianapolis Mayor Joe Hogsett (D) and Senate Majority Caucus Chair Jim Merritt (D) will face off this Fall after each handily won his respective primary, bleeding only one in five votes. Mayor Joe wants this race decided on Indianapolis’ conversion to a high tech workforce, road reconstruction, a larger and reenergized public safety force, and attention to neighborhood issues, while Republicans will seek to focus on the murder rate, potholes, and downtown homelessness (watch to see who uses mass transit and how as the controversial Red Line opens around Labor Day). Indianapolis Democrats assert that turnout shows increased Democratic voter enthusiasm and Republican struggles, with overall turnout up by almost eight percent, Democratic turnout growing by 20%, and GOP turnout down by nine percent from 2015 numbers . . . emerging from big fields with big names on both sides to battle for the open Princeton mayor’s office will be Princeton Common Councilmember Greg Wright (R) and Gibson County Councilmember Dan Beard (D). Wright defeats Mayor Brad Schmitt (R), who finished third in a field of four, with Wright taking 37%, Gibson County Councilmember Michael Stilwell taking 32%, and Mayor Schmitt just 24% (and a fourth candidate with seven percent) in a GOP primary marked by high

turnout. Beard takes home only 40% of the vote in winning his three-way race . . . Lebanon Mayor **Matt Gentry** (R) was renominated with an edge of some 17 percentage points over the second-place finisher, a county official and Republican county chair. He finished with less than a majority, but is currently unopposed in November . . . United Way President **Abbie Smith** (D) takes almost 60% in her Kokomo primary win, while Howard County Commissioner **Tyler Moore** (R) takes home 90% to set up a good general election contest in the City of Firsts . . . Carmel Mayor **Jim Brainard** (R) wins some 55% in a contentious contest over Hamilton County Councilmember **Fred Glynn** (R) that involved allegations of bribery and sexual harassment against the incumbent and saw Brainard on TV and in direct mail slamming Glynn alleging unpaid taxes, tax liens, resisting arrest and disorderly conduct, and even a lawsuit from his own homeowner's association (and Glynn responding with a hastily prepared mailer). Expect a Demo to file . . . we told you to expect the rank order as it ultimately turned out in Noblesville, with pro-development City Councilor **Chris Jensen** (R) earning just over 46% of the vote in a four-way contest for an open office, trailed by about 350 votes by old-city candidate **Mike Corbett** (R) with some 31%, and local school board member **Julia Church Kozicki** (R), an attorney from a prominent local family third with just under 20% of the tally. No Democrat has yet emerged, but the outgoing incumbent won his first term as an independent 16 years ago . . . there will be no umpteenth rematch in Anderson as Madison County Auditor **Rick Gardner** (R) defeats former mayor **Kevin Smith** (R) 46% to 41% to challenge Mayor **Tom Broderick** (D) in November. Mayor Broderick seeks to become the first Anderson mayor to be re-elected to consecutive terms this century (**Mark Lawler** (D) last pulled off that feat in 1999) . . . Warsaw's prickly Republican primary sees Mayor **Joe Thallemer** (R) prevail with more than 63% over **Ron Shoemaker** (R) in a campaign marked by social media incivility . . . founding Fishers Mayor **Scott Fadness** (R) scores an easy renomination win . . . East Chicago Mayor **Anthony Copeland** (D) wins renomination with about 3,100 votes (and 70%) over former Rep. **John Aguilera** (D), a former Lake County official who was the Democratic nominee for state treasurer in 2018. The actual election day turnout was extremely low, and even adding in the early votes (about 50% of the total, with the incumbent winning by more than 2.5:1 among these voters), the total number of votes cast was about the same as in the Town of Highland . . . Frankfort Mayor **Chris McBarnes** (R), who reversed his earlier decision not to seek a third term - even after an incumbent city council member jumped in - overwhelmingly won renomination, racking up 73% of the vote, and Mayor McBarnes, Indiana's youngest mayor when he was first elected at age 23 in 2011, currently faces no Fall opposition . . . in the Mitchell mayoral race, Mayor **John "JD" England** (R) won 56% of the vote over former mayor **Dan Terrell** (R) in his renomination bid (intriguingly, breaking down the votes, Terrell led in both the absentee and in-person precinct voting, but that lead disappeared when ballots from the five vote centers were counted). You may recall that this was a re-run of sorts of the 2015 general election (ultimately litigated for almost two years by **David Brooks** and Rep. **Ed DeLaney** (D)) when England - who ran then as an independent - eked out a four-vote win over then-incumbent Terrell on election night, a result that was contested all the way to the Indiana Supreme Court. Mayor England now takes on Eugene "Pud" Terrell (D) in November . . . Michigan City Mayor **Ron Meer** (D) wins a tight race over **Virginia Martin** (D) and will now face **Duane Parry** (R) this Fall in his bid to win a third term . . . Hobart Mayor **Brian Snedecor** (D) easily wins renomination for a fourth term . . . in Elkhart, where the

mayor's office is open, former city council member **Rod Roberson** (D) accrues 57% of the vote against opponent **Ashley Boling-Molyneaux** (D), and will run against former mayor **Dave Miller** (R), who ran unopposed, in a race that will likely feature lots of discussion about police and public safety . . . **Matthew Nicholson** (R) tops a field of five and **Rexanne Ude** (D) wins a three-way race for the open Seymour mayor's office . . . **Bob McCoy** (R) wins almost 65% of the vote and **Bill Richmond** (D) takes home about 67% to face each other for the open Winchester mayoral office . . . political newcomer **Bill Carroll** (D) tops veteran at-large Lake Station City Councilmember **Esther Rocha-Baldazo** (D) in the open seat mayoral race. Carroll will be on the general election ballot against **Cynthia Robbins** (R) . . . the contested Union City Republican race was won by **Chad Spence** (R) with more than three-quarters of the vote . . . Tuesday's open-seat Muncie mayoral primaries resulted in only 17% turnout (which might have equaled the number of candidates on the respective ballots). City Community Development Director **Terry Whitt Bailey** (D) won 43.7% of the vote in a five-way race, and she becomes the first African American to be nominated by a major party for Muncie mayor (Muncie has already had a female mayor). She topped the almost 38% share won by **J. Andrew Dale** (D), who held the same community development post under two other Muncie mayors. Muncie City Councilmember **Dan Ridenour** (R) led a field of three with 43.6% of the vote, almost identical to Bailey's share. Look for both nominees to emphasize transparency in a city beset by FBI investigations . . . veteran Tipton City Councilmember **Brett Curnutt** (R) comes out ahead of Tipton County Assessor **Jason Henderson** (R) in the primary for the open GOP office . . . Portage City Council President **Sue Lynch** (D) will face Mayor **John Cannon** (R), who took over the office in a caucus selection process a few months ago after the federal corruption conviction of his predecessor. Lynch won 44% of the vote in a field of four hopefuls . . . MedPro insurance executive **Tim Smith** (R) jumped in the race early and with lots of money and emerged with an easy 56% to 44% win over Dr. **John Crawford** (R), a veteran local government official in a surprisingly negative Fort Wayne campaign, for the right to take on Mayor **Tom Henry** (R) as hizzoner seeks a fourth term. Divisive GOP primaries have set back Republicans in their initial races against Mayor Henry . . . the open Valparaiso mayor's office will be contested between businessman **Bill Durnell** (D), a ValpoNext board member, and City Councilmember **Matthew Murphy** (R). Durnell defeated an at-



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large City Council member, **Deb Porter (D)**, a teacher. This will be the first time that outgoing Mayor **Jon Costas (R)** will not be on the mayoral ballot since his first (unsuccessful) bid in 1999; that was also the last year in which Valpo elected a Democrat to the top office . . . **Miles Hewitt (R)**, who has served on the Peru Police Department for almost 40 years, wins a three-way primary race with almost 60% of the vote and less than 14% turnout. He seeks to knock out Mayor **Gabe Greer (D)** . . . former Lawrence County sheriff **Sam Craig (R)** outdistances a wide field for the mayoral office being vacated by Mayor **Shawna Girgis (I)**, winning almost 43% in a six-candidate race. He will face retired foreign service officer **Rowena Cross-Najafi (D)**, president of the Lawrence County Historical and Genealogical Society, in November . . . New Haven Common Council President **Steve McMichael (R)** is selected by a majority in his three-way race for the open seat office (he is endorsed by the outgoing mayor), with the president of the East Allen County Schools board, **Bob Nelson (R)**, finishing second, with only 25% of the vote . . . **Chuck King (D)** wins about two-thirds of the vote over **Doug Sundling (D)** in the race to succeed long-time outgoing Bluffton Mayor **Ted Ellis (D)**. Common Councilmember **John Whicker (R)** earns the GOP nod . . . Greenwood Mayor **Mark Myers (R)** handily defeats **Dale Marmaduke (R)** in his bid for a third term (and first contested race), and no Democrats have yet filed there . . . the fourth try is the charm for Huntington County Commissioner **Larry Buzzard (R)**, as he finally captures the Republican nomination for mayor of Huntington rolling up a 223-vote difference over two-term Mayor **Brooks Fetters (R)**, a 54% to 45% margin in a race dominated by concern over city spending. Three of Buzzard's four runs have come against Fetters . . . with 64% of the votes cast, Logoootee Mayor **Noel Harty (D)** was an easy winner for renomination in his bid for a third term, outdistancing City Council President **Roger Downey (D)** . . . in Aurora, where its four-term GOP mayor is not seeking re-election, City Councilmember **Mark Drury (R)** topped fellow City Councilmember **Patrick Schwing (R)** backed by 61% of the vote, and will meet **Mel Kremer, Jr. (D)** in the Fall after Kremer won by a 53% to 47% margin over **Dan Valas (D)** . . . Angola Common Councilmember **Joe Hysong (R)**, a downtown business leader, will be up against Mayor **Dick Hickman (D)** this Fall, who seeks a fifth term. Hysong won nomination by a margin of more than 3:1 . . . **Diana Colbert Snyder (R)** is a big winner in the race for the Washington Republican mayoral nomination, topping city building inspector **Don Williams (R)** 964 to 302, while City Councilmember **Jerry Sidebottom (R)** placed third with only 182 votes. With the office open, Snyder, the first female nominee for mayor in the Daviess County community, will be up against city fire chief **Dave Rhoads (D)**, who was unopposed in his run . . . in the race for an open seat in Butler, political newcomer **Mike Hartman (R)** defeats a pair of city council members, earning almost double the number of votes of the second-place finisher. No others have yet indicated an interest in the general election . . . Richmond Mayor **Dave Snow (D)** was slow to announce a bid for a second term, but voters still renominated him by about a 2:1 margin over one of his former department heads, **Jack Cruse (D)**. **Jamie Lopeman (R)** becomes the GOP nominee . . . Auburn construction company owner **Mike Ley (R)**, a former city and county building inspector, won 80% support in his victory in his Republican primary race for the open office, which Democrats had not contested in 20 years, but **Sarah Payne (D)** jumped in last week (and **Patrick O'Brien** has indicated he will run as an independent) . . . Linton Mayor **John Wilkes (D)** wins 92% of the vote in his run against **Jerry May (D)** . . . Columbus Mayor **Jim Lienhoop (R)**, who was unopposed in the 2015 general

election, currently faces the same scenario after defeating his Republican primary challenger, **Glenn Petri (R)**, with more than 70% of the vote . . . law student **Josh Marsh (R)** wins the right to be the Republican mayoral standardbearer in Greensburg by just 29 votes over **Kenny Hooten (R)** out of almost 1,275 votes cast. He will take on Mayor **Don Manus (D)** . . . Lawrenceburg Mayor **Kelly Mollaun (R)** takes 51% of the vote in a three-way GOP primary in an odd race of sorts. He will face City Councilmember **Aaron Cook (D)** this Fall, after Cook bested former mayor **Dennis Carr (D)** with 62% of the vote . . . Tell City Mayor **Jim Adams (R)** will see a Fall challenge from City Councilmember **Chris Cail (D)**, who won the right by beating **Steve Goodson (D)** 655 - 629 . . . Marion Mayor **Jess Alumbaugh (D)** outpaces a three-candidate field to seek a second term, this time against City Councilmember **Dave Homer (R)**, who won his primary against fellow City Councilmember **Steve Henderson (R)** with just short of 56% of the vote . . . **Larry Watters, Sr. (R)** takes home almost three-quarters of the Jasonville vote over **Tony Towell (R)** to win the GOP nomination and run against Mayor **Roy Terrell, Sr. (D)** . . . as Evansville Mayor **Lloyd Winnecke (R)** earns 88% in his quest for a third term, **Bart Gadau (I)** jumps in, but Demos have yet to designate a candidate . . . in the open Salem race, three-term City Councilmember **Justin Green (R)** outpolls Salem School Board member **Ron Haendiges (R)** by 48 votes with 46% to run against **Bill Ackerman (D)**, who received 121 votes and more than 71% in his race against **Richard "Bobby" Longworth (D)** . . . Lawrence Mayor **Steve Collier (R)** outlasted **Bob Jones (R)** in his primary race, and will be up against **Jamar Cobb-Dennard (D)** in the November top feature . . . New Albany Mayor **Jeff Gahan (D)** survives a primary challenge by **David White (D)** with 56% of the vote. Looking to unseat Mayor Gahan this Fall will be **Mark Seabrook (R)** and **Dan Coffey (I)** . . . Rushville Mayor **Mike Pavey (R)** won the right to seek a third term with a 53% edge over **Brian Conner (R)** . . . former Rep. **Tom Dermody (R)** won more than 80% of votes in his primary, and will face **Matt Wilhelm (D)** in an open seat race . . . Jefferson County Republican Party Chair **Bob Courtney (R)** wins more than 60% of the vote in his primary and will face former Jefferson County commissioner **Julie Berry (D)**, who collected almost 90% in her race, for the open Madison mayor's office . . . Rochester Mayor **Ted Denton (R)** is renominated over former two-term mayor **Mark Smiley (R)**. Smiley lost the 2015 primary to Denton by 66 votes, but this year's margin was 326 votes as Mayor Denton fell slightly short of two-thirds of the votes.

- Gary experienced the only real upset statewide. Mayor **Karen Freeman-Wilson (D)** bookends two terms as mayor (winning in 2011 and 2015) with primary losses (in 2003, 2007, and 2019). She loses to Lake County Assessor **Jerome Prince (D)**. Mayor Karen earned lots of criticism for trying to stay above it all as her administration experienced a number of small scandals and incidents of financial mismanagement. Her work on the blocking and tackling of local government (improving fire stations, upgrading police cars, razing abandoned buildings, and attracting new economic development) was overshadowed by some of the eco devo work seemingly falling short and her efforts to redevelop Buffington Harbor - which finally saw some movement just late last month when lawmakers approved a casino move - still appeared to lack key details (like who was interested, who would pay, and how it would be facilitated). Her national efforts on behalf of the National League of Cities and assorted issues were not understood nor well-received locally, and she was not saved by the usual Lake County Democratic mayor political life preserver: A big field of challengers from every

racial and ethnic group. This was one of the few races in which the early voting numbers were not necessarily indicative of the final numbers, suggesting a lot of minds were made up late or that there was a big election-day turnout push by anti-incumbent forces (we pick the latter, as Prince is the Gary city Democratic Party chair). She lost by about 11 points to Assessor Prince, who fell just slightly under a majority of the votes cast. An articulate candidate who managed to peel away some of the campaign funding that would ordinarily side with the incumbent, Prince handily won the 1st District (the upscale Miller area); we don't believe that anyone has been nominated or elected in recent history without winning that district.

□ No Republican has been elected mayor of Gary in 80 years – since 1939. Assuming his election (which is effectively assured as of today; although Gary has had an independent mayor this century, that mayor, **Scott King**, left the Democratic Party after re-election) Prince will be faced with governing in an era when the tax caps finally hit Gary hard – and while only 40% of property taxes in the city are actually collected. Expect him to be more effective at reaching out beyond the borders of Gary (with a focus on Indianapolis, and not nationally, as Freeman-Wilson), and his experience as assessor will prove important on the property tax issue. A Marine Corps veteran with prior service not only on the Lake County Council but the Gary Common Council the Lew Wallace High School alum comes with local street cred and an innate knowledge and understanding of his city. He'll also have a largely new city council, with three incumbents defeated in renomination bids Tuesday, sending a message.

□ Prince will build some bridges to state government that have been lacking for Steel City mayors in the past generation (former attorney general Freeman-Wilson was surprisingly lacking in this) and will likely focus immediately on school and public safety funding before addressing the Buffington Harbor development package about which lawmakers were skeptical, not willing to give Sen. **Eddie Melton** (D) the benefit of the doubt if Mayor Karen and crew were in charge.

□ What will be interesting going forward for Lake County is the matter of replacing Prince as assessor. There aren't a lot of politically savvy (or acceptable) Level III-certified assessors floating around the county . . . but there is some time between now and January for someone to be tapped for the role and to become certified.

IN the Presidential Race . . .

● South Bend Mayor **Pete Buttigieg** (D) slips in the latest Morning Consult poll as former vice president **Joe Biden** (D) picks up additional support since his declared entry into the race, assuming 40% of the overall vote share and 44% in the early primary and caucus states. The Biden gain (particularly among older voters) and attendant Buttigieg decline might give rise to the "Now and Next" ticket we were first to speculate about in these pages last year: a Biden/Buttigieg combination in which the former VPOTUS would pledge to serve just one term, giving Mayor Pete a full term of OJT (some saw the Trump/Pence 2016 combo as the same thing, albeit with a two-term timeframe) . . . Team Pete brings aboard four top-level staffers in Iowa and three more in New Hampshire. New Iowa state director **Brendan McPhillips** was most recently the campaign manager for former Tallahassee mayor **Andrew Gillum** (D-FL) in his upset Democratic primary win for Florida governor, while his new state director in New Hampshire is **Michael Ceraso**, who was deputy New Hampshire state director for the campaign of U.S. Sen. **Bernie Sanders** (D-VT)

in the 2016 presidential primary . . . five Friday fundraisers across the Silicon Valley lucratively ended last week for hizzoner . . . CNN's **Chris Cillizza** writes that Mayor "Buttigieg's honeymoon won't last forever. And this may be the beginning of its end." He is referring to Mayor Pete's discussion of religion in politics and "the part about God not being a Republican – that's problematic for Buttigieg. Because he's trying to have it both ways. Either God is off-limits from politics or he's not. You can't claim that Republicans have been playing politics with religion for years and need to stop and then immediately follow that up by doing the exact same thing." The *Washington Post's* "The Fix" also suggests that "Buttigieg might be turning off supporters by so fiercely questioning Christians' allegiance to Republicans" . . .

● Indiana University alum **Marie Harf** leaves her Fox News commentary post to join the presidential campaign of U.S. Rep. **Seth Moulton** (D-MA) as deputy campaign manager for policy and communications. Harf had been senior advisor for strategic communications to then-U.S. Secretary of State **John Kerry** at the U.S. Department of State.

IN Political News . . .

● Indiana Democrats boast that more than 1,200 Hoosier Democrats appeared on the May 7 ballot or were uncontested for municipal offices, what the party refers to as "the next step in the Indiana Democratic Party's multi-year process to prime the pump of Hoosier Democrats running at the local level." Since late 2016, "the Party has retooled its approach to direct new energy into action," it says, with active recruiting and training generating "a nearly 10 percent increase in municipal candidates on the ballot from 2015 to 2019" as the party seeks to build its bench.

● U.S. Sen. **Jeff Merkley** (D-OR) will keynote the Indiana Democratic Party's June 7 Hoosier Hospitality Dinner.

● We Ask America was in the field recently in Indiana (04/29-05/05; 800 RVs, 280Ds; margin of error \pm 3.46%), the third in a series of statewide polls it has undertaken nationally. Some of the findings:

	Strongly Approve	Somewhat Approve	Somewhat Disapprove	Strongly Disapprove	No Opin.
Job Approval					
Trump	21%	25%	16%	32%	5%
Holcomb	17%	35%	15%	9%	22%

	Very Favorable	Somewhat Favorable	Very Unfavorable	Somewhat Unfavorable	No Opin.
Opinion					
Pence	25%	22%	13%	28%	12%
Buttigieg	15%	20%	12%	13%	40%
Hill	3%	10%	15%	11%	61%

	Right Direction	Wrong Track	Unsure/DK
National	39%	51%	10%
Indiana	50%	34%	17%

□ Hoosier Democrats were asked, "[I]f the Democratic primary election for President were held today, with (sic) whom would you vote for?"

Biden	33%	Harris	3%	Klobuchar	<1%
Sanders	23%	Warren	2%	Someone else	<1%
Buttigieg	20%	O'Rourke	2%		
Undecided	15%	Booker	1%		

IN Brief

IN Federal Circles . . .

● U.S. Sen. **Todd Young (R)** on May 4 called on the leaders of the Senate Committee on Foreign Relations to hold hearings in the coming days with key Trump Administration officials regarding use of military force in Venezuela. Sen. Young, who has long been outspoken on the need for updated Authorizations for Use of Military Force (AUMF) and Congressional approval of military activity, released this statement: “The brutal Maduro Regime has caused unspeakable suffering amongst the citizens in Venezuela and I commend the brave Venezuelans who are standing up for their freedom and for their basic human rights. However, I am concerned by reports of possible U.S. military intervention in Venezuela. “Given recent developments, I am calling on the Chairman and Ranking Member of the Senate Foreign Relations Committee to hold immediate hearings with key members of the administration next week (the week of May 6) to discuss their plans for Venezuela and to explain any plans to deploy U.S. forces to the country” . . . in an op-ed for CNN Opinion, Sen. Young and U.S. Sen. **Brian Schatz (D-HI)** advance the case for their legislation that would raise the federal minimum age to buy tobacco products, including e-cigarettes, to 21. They observe that “Nearly all smokers – an astounding 95% – start before the age 21. And, sadly, if the current rates of smoking continue, the CDC projects 5.6 million of today’s youth will eventually die from preventable, smoking-related illnesses – that’s ‘about one out of every 13 living Americans ages 17 or younger.’ There is also a strong financial case for passing our bill. Taxpayers continue to foot the bill for smokers’ health care in the form of higher Medicare, Medicaid and other health care costs . . . Bottom line: Raising the tobacco legal age of sale is smart policy to protect kids, improve public health and reduce health care costs” . . . Sen. Young and U.S. Sen. **Gary Peters (D-MI)** – along with U.S. Reps. **Dan Kildee (D-MI)**, **Bill Huizenga (R-MI)**, **Debbie Dingell (D-MI)**, and **David Joyce (R-OH)** – reintroduced bipartisan, bicameral legislation to update the Environmental Sensitivity Index (ESI) maps in the Great Lakes. The legislation would direct the Great Lakes Region ESI maps to be updated for the first time in more than 20 years, joining maps for the East Coast, West Coast, and Gulf Coast that have been updated more recently. ESI maps, which are coordinated through the National Oceanic and Atmospheric Administration (NOAA), document the potential ecological impacts to natural and human-use resources from possible oil spills, natural disasters, and resource damage assessments. This information is used in planning to create cleanup strategies before an accident occurs so that authorities are better prepared to take action if needed. These new maps will provide accurate assessments of coastal resources that are at risk of severe damage or a natural disaster, including endangered and threatened species, sensitive shoreline habitats, and widely used community resources such as beaches, parks and boat ramps. Sens. Young and Peters coauthored similar legislation that passed the Senate last September and Rep. Kildee led similar legislation in 2017. “The Great Lakes are one of America’s greatest natural resources,” said Sen. Young. “Hoosier families treasure our coastline along Lake Michigan and our close proximity to all the Great Lakes. It is in all of our interests to robustly protect them. Updating the ESI maps will allow us to better protect our natural resources and effectively respond in the event of a natural disaster” . . . bipartisan legislation is introduced by Sen. Young and U.S. Sens. **Cory Booker (D-NJ)**, **Tim Scott (R-SC)**, and **Maggie Hassan (D-NH)** to restore and strengthen reporting

requirements for Opportunity Zones, the tax incentive for individuals who reinvest unrealized capital gains into high-impact projects in underserved communities. These critical safeguards, which were included in the original Investing in Opportunity Act, were removed from the final measure by the Senate parliamentarian during the Tax Cut and Jobs Act process in December 2017. “When we passed tax reform, I was proud to support the creation of Opportunity Zones to incentivize new investment in distressed communities across the country,” said Sen. Young. “Our bill will help strengthen Opportunity Zones by increasing transparency within the program and creating metrics to measure and improve on its success.” Specifically, the bill would require the U.S. Department of Treasury to track the effectiveness of these efforts by collecting data on the number of opportunity funds created and the impact the funds are having on underserved communities. The data would have to be reported on an annual basis to Congress . . . Sen. Young introduces bipartisan legislation with U.S. Sens. **Debbie Stabenow (D-MI)**, and **Doug Jones (D-AL)** Wednesday that would ensure more students have access to higher education. Under current law, students only find out how much financial aid they will receive right before attending college. The “Early Pell Promise Act” would provide more financial certainty for families by pre-qualifying certain students for full Pell Grant support starting as early as the eighth grade. The measure would also provide families and students who pre-qualify for aid with additional information about the cost of college attendance and student financial aid. “My Fair Shot Agenda is focused on ensuring that all Hoosiers have an opportunity to succeed regardless of financial barriers,” said Sen. Young. “The Early Pell Promise Act aligns with this mission by ensuring our youth is set up for success through pre-qualification for Pell grants. By locking in financing for college as early as the eighth grade, more students will be able to afford higher education and plan for a prosperous future.”

● U.S. Sen. **Mike Braun (R)** signs on as an original cosponsor of the “Transporting Livestock Across America Safely Act,” legislation that aims to provide livestock haulers more flexibility under Hours of Service regulations that the bill’s backers contend threaten the safety and welfare of animals in transit. The measure would double the air-mile radius from the source for what is effectively “exempt time,” and extend the drive-time allowed from 11 to up to 18 hours.

● U.S. Sens. **Todd Young (R)** and **Mike Braun (R)**, along with 10 of their Republican Senate colleagues, introduced a resolution Wednesday to mark the anniversary of the United States’ withdrawal from the Joint Comprehensive Plan of Action (JCPOA) with Iran. The resolution highlights what they see as the shortcomings of the Iran nuclear agreement, reaffirms Congressional opposition to Iran ever acquiring a nuclear weapons capability, and rejects the reapplication of JCPOA sanctions relief.

□ “This resolution serves as a critical reminder of the deep flaws present in President Obama’s nuclear deal with Iran,” said Sen. Young. “From the beginning, this deal enabled the world’s leading state sponsor of terrorism to have relief from sanctions without dismantling their nuclear program. On this one year anniversary of our decision to withdraw from the deal, Iran has once again reminded the world of their true intentions by threatening to enrich its stockpile of uranium. Additionally, and despite Iran’s collapsing economy, the Iranian regime has also decided it would rather pursue nuclear weapons instead of selling their excess uranium and heavy

water to help its own economy. We must stand firm on our maximum pressure campaign and never permit the Iranian regime to develop a nuclear weapon.”

□ “President Trump made a courageous decision to withdraw from the Iran nuclear deal, which builds off his success of rooting out ISIS and keeping our country safe from the threat of global terrorism,” adds Sen. Braun.

● U.S. Sen. **Todd Young** (R) crosses the aisle to work with U.S. Sen. **Bob Casey** (D-PA) in introducing a bipartisan bill to simplify complex Medicare enrollment rules. The “Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act” would eliminate what the authors characterize as “needless” gaps in health care coverage, and help prevent lifetime, late-enrollment penalties paid by almost 760,000 Americans today, increasing their Medicare Part B premiums by an average of almost 30 percent. U.S. Reps. **Jackie Walorski** (R) and **Raul Ruiz** (D-CA) have introduced a bipartisan companion bill in the House. “Seniors who miss the sign-up deadline for Medicare Part B face onerous penalties that persist for the rest of their lives. The BENES Act will make the sign-up process more efficient and friendly to our seniors so they have the financial backstop needed to access quality medical care,” said Sen. Young. “As more and more Americans reach Medicare age, we need to simplify the Part B enrollment process and improve education and outreach to seniors,” said Rep. Walorski. “These bipartisan reforms will protect seniors from unnecessary late enrollment penalties, gaps in coverage, and unexpected health care bills.”

● No member of the Indiana congressional delegation has signed on to the bipartisan “Honest Ads Act” introduced to combat foreign interference in U.S. elections. U.S. Sens. **Amy Klobuchar** (D-MN), **Lindsey Graham** (R-SC), and **Mark Warner** (D-VA) introduced the Senate bill; U.S. Reps. **Elise Stefanik** (R-NY) and **Derek Kilmer** (D-WA) led the House version, cosponsored by 24 additional Republican and Democratic lawmakers. The bill is aimed at foreign disinformation campaigns in our elections and would implement a disclosure system for paid, online political advertising closely modeled on longstanding Federal Communications Commission rules covering paid broadcast political ads, and better enable voters to transparently know who is trying to influence their decisions.

□ Former U.S. Rep. **Tim Roemer** (D), co-chair of the Issue One’s ReFormers Caucus – a coalition of former members of Congress, governors, and Cabinet officials representing all 50 states and both major political parties – is one of three members of the 9/11 Commission who sign on as supporters of the measure, and ask congressional leaders to hold hearings on the proposal.

● U.S. Rep. **Jim Baird** (R) is among a bipartisan group of 35 lawmakers – largely from the Midwest – signing a letter urging U.S. Environmental Protection Agency Administrator **Andrew Wheeler** to stop granting small refinery exemptions for large or unqualified refineries and uphold the Renewable Fuel Standard (RFS), the 2018 federal biofuel blending mandates. They label the exemption practice and “unprecedented rate of granting waivers” as “a betrayal of our rural communities” that has contributed to a loss of more than 2.6 billion gallons in lost biofuels blending, and threatens the agricultural sector.

● U.S. Rep. **Pete Visclosky** (D), chair of the House Committee on Appropriations Subcommittee on Defense, should wield

control over a proposed Fiscal Year 2020 base budget spending level of some \$622 billion (and \$733 billion overall when other funding pots are added in) . . .

● U.S. Rep. **Trey Hollingsworth** (R) poses to constituents his “Question of the Week: Do you support updating our federal regulations to ensure they allow for start-ups and small businesses to access the capital they need to grow?”

● U.S. Rep. **Susan Brooks** (R) saw the full House on Wednesday pass the bipartisan “ACCESS BROADBAND Act” which she coauthored with U.S. Rep. **Paul Tonko** (D-NY). H.R. 1328, which would help expand broadband access in underserved areas and create a simpler process for small businesses and local economic developers to access federal broadband resources, was approved by a unanimous voice vote. Before the vote, Rep. Brooks took to the House floor to tell colleagues, “Reliable broadband internet access is an integral part of our American economy and modern way of life. Whether for students doing homework, job seekers training for a new career, doctors reading a medical scan or entrepreneurs starting a small business, we need to make sure nobody is being left behind. Sadly, despite the vital importance of internet access today, federal resources supporting broadband expansion are poorly tracked with little coordination across agencies or departments. As a result, those resources are left out of reach for many of our local businesses and community leaders who need them. The House took an important step forward today by advancing this common-sense bill. The Senate must act urgently to pass this critical legislation and move America closer to faster, more reliable broadband access for our communities and every American.”

● U.S. Rep. **Jim Banks** (R) introduces legislation that would establish a Child Safety Account (CSA) program for students facing safety issues at school. These accounts could be used for alternative education options to help ensure that no student would be forced to attend school in an unsafe environment. While the federal government only has jurisdiction over the Washington, D.C. school system, he says that this legislation will serve as a model for states and localities seeking alternative solutions in ensuring that every child has access to safe schools. Rep. Banks says “School safety and the wellbeing of children is every parent’s number one concern. In today’s complex world, school safety problems have become more prevalent. Unfortunately, too many students are trapped in unsafe schools. This Child Safety Account program will give families choices to pursue educational opportunities that keep their children safe and secure. While the scope of this bill is currently restricted to one city, it is my hope that the success of the program inspires more states to adopt similar policies and help children feel safe and free to learn at school” . . . Rep. Banks marked Wednesday’s one-year anniversary of United States withdrawal from the Joint Comprehensive Plan of Action (JCPOA.) by noting that “One year ago today, President Trump boldly withdrew the U.S. from a sham nuclear arms agreement with the world’s largest state-sponsor of terrorism, the Islamic Republic of Iran. The dishonest brokers in Tehran conned the U.S. out of hundreds of millions of dollars in cash in exchange for weak rules and delays to their nuclear program. This cash was funneled to their terror network, killing Americans and our allies. Today, tough sanctions have again been imposed on Iran, to stifle their terrorism-funding economy and their military operations in the region. We will not curb Iran’s deadly and destabilizing behavior through appeasement and sheepish diplomacy. I am thankful that President Trump and Secretary Pompeo are returning to

Reagan-era resilience and applaud their bold leadership one year ago today” . . . Rep. Banks leads a letter to House leaders – joined by 103 of his colleagues – urging them to defend the Hyde Amendment, the law that bars tax funds from being used to pay for abortions or insurance plans covering abortions. Said Rep. Banks, “The sanctity of life is under assault by the radical left. For over forty years, it has been widely believed that while *Roe v. Wade* may be the law of the land, that no taxpayer money should ever go to providing abortions. Now, the radical-left of the Democrat Party wants to dismantle the Hyde Amendment, which has codified this long-held recognition of decency. I wrote this letter to remind Speaker Pelosi and House leadership that should any legislation move forward that uses taxpayer money to fund abortions in any way, it will be met with the utmost resistance from me and over 100 of my colleagues” . . . with U.S. Rep. Susan Davis (D-CA), Rep. Banks introduces the House companion bill for the bipartisan “Portable Certification of Spouses Act,” led by U.S. Senators Tom Cotton (R-AR), Jeanne Shaheen (D-NH), and Martha McSally (R-AZ) in the Senate. This legislation seeks to improve the portability of occupational licenses from state to state. The bill would also help reduce the burden military spouses bear when having to re-register a small business in a new state each time a service member gets reassigned to a new military installation. This proposed legislation would allow the U.S. Department of Defense to use defense dollars to help states develop universal standards for such licenses. Rep. Banks says resolving the issue of military spouse licensing is a national security concern, helping alleviate the choice for service members between their career and the career of their spouses. “Military spouses are the keystone in any service member’s family, providing love, stability, and support to our military families,” says Rep. Banks. “They make enormous sacrifices, enduring long periods away from their loved ones and often are required to move from state to state, leaving behind jobs and friends. Currently, military spouses with careers requiring occupational licenses often face the burdensome task of professionally recertifying each time they must move out of state. This process severely impedes their ability to sustain their careers and increases the stress of frequent reassignments.”

● U.S. Rep. Larry Bucshon (R) released this statement after voting Thursday against H.R. 986, what his office describes as “Democrats’ latest attempt to confuse the American people with misleading legislation as they move closer to their ultimate goal of a one-size-fits-all government takeover of health care.” Said Dr. Bucshon: “As a physician, I am focused on bringing down the cost of health care for Hoosiers which is why I cannot support this misleading legislation that fails to address the real problem – Obamacare is not working for the majority of Americans. This bill is an attempt to eliminate state’s abilities to provide more health care choices that best fit the needs of their citizens. In 2018, President Trump issued updated guidance to the Section 1332 state innovation waiver that allows states to implement their own health insurance coverage as long as it meets the ACA’s terms. Seven states used these waivers to provide more health care choices for consumers resulting in premiums dropping on average of 19.9%. In their blind anger for President Trump, Democrats are focused on rolling back good policies rather than helping the American people.”

IN State Circles . . .

● Our sister Hannah newsletter, INDIANA EDUCATION INSIGHT, performs its usual deep dive into referenda results (and we’d encourage you to review that detailed and insightful coverage), but we’ll just scratch the surface here with some topline:

□ Ten school property tax referenda seeking funds for student safety, mental health services, teacher compensation, transportation, and other essential services were at stake in the primary elections held Tuesday, May 7. Six succeeded, while four foundered, the lowest passage rate in some eight years.

□ Lump together results from the November 2018 and May 2019 election cycles, and you’ll find that 14 out of 22 referenda passed, a 63.6% success rate. That’s down sharply from November 2017 and May 2018 when a combined 17 out of 18 referenda were successful, for an impressive 94% pass rate.

● Senate Majority Floor Leader Mark Messmer (R) runs the end-of-session tally and finds that of 1,344 bills filed, roughly one in five (22%) were enacted into law, with 130 (15%) originating in the Senate and 163 (24%) in the House. That also, of course, does not account for legislation that was combined or bills that were abandoned in one chamber because they were similar to a measure that was successful from the other chamber.

□ Of the bills passed by the Senate, almost two-thirds (62%) passed with unanimous votes, and, overall, 94% enjoyed bipartisan support on the Senate floor (and among them, he notes, frequently there was only a lone vote against, making them effectively unanimous).

□ For a second successive year, the Governor has also signed into law every bill that lawmakers sent to his desk.

● Attorney General Curtis Hill (R) filed suit Monday against Equifax in Marion Superior Court, Civil Division 11, seeking civil penalties, consumer restitution, costs and injunctive relief following the finance company’s well-documented 2017 data breach that compromised the sensitive personal information of 147.9 million Americans, including 3.9 million Hoosiers. *State v. Equifax Info. Servs. LLC, et al.*, No. 49D11-1905-PL-018398. “Data breaches such as this one cause real harm to real people,” General Hill said, noting that the data breach at Equifax, one of the world’s largest credit reporting bureaus, had been branded as “entirely preventable” by federal officials.

□ The 74-page Indiana complaint details how Equifax had pursued aggressive cost-cutting measures that included the outsourcing of some of the company’s mission-critical systems, and either ignored patching and vulnerability remediation, or treated those responsibilities as relatively unimportant. “At every logical opportunity to improve security measures,” the Office of the Attorney General contends, “Equifax’s leaders instead chose increasing revenue over protecting the safety of consumers’ sensitive personal information.”

● As the number of spoofed calls and consumer financial losses linked to these scams have increased by almost 50% in recent years, Attorney General Curtis Hill (R) last week joined a coalition of 42 state and territorial attorneys general calling on the Federal Communications Commission to take further action to stop the growing proliferation of illegal robocalls and caller ID spoofing. The AGs urged the Commission to adopt its proposed rules on enforcement against caller ID spoofing of calls to the United States originating from overseas, as well as addressing spoofing in text messaging and alternative voice services. “Hoosiers should be able to enjoy peace and privacy without the disturbance of unwanted calls and texts,” General Hill said. “Further, some of these calls are coming from scammers intent on stealing people’s identities or taking their money. We need stronger measures and better technologies aimed at stopping illegal robocalling.”

● While measles is getting the ink as Indianapolis welcomed visitors for the Mini-Marathon and now the two IndyCar races and related events during the Month of May (the Chicago area tops a new University of Texas study list of American cities likely to experience measles outbreaks), the Indiana State Department of Health is running radio public service announcements in Central Indiana to raise awareness of Hepatitis A causes, symptoms, and prevention . . . and our first glance at the latest outbreak numbers in a few months suggest why: Indianapolis has leapfrogged Wayne County for the lead in Hep A cases statewide, increasing by almost 85% since Valentine's Day, with the actual number of reported infections at 170, more than 15 times the 11 cases reported back in late September, when Wayne County led with more than 70 incidents. While the number of reported cases in Wayne County had more than doubled over the same period, infections appear to have been largely stalled over the past 2½ months – and Clark County has seemed to see infections plateau after it was in second place statewide in late September (a lack of growth similar to its next-door neighbor, Clark County). Grant County has seen a huge spike since September, and Monroe County shows a disturbing growth rate. The number of cases overall since January 1, 2018 has hit 1,325, up by 833 from 492 in late September, and by almost 30% statewide between Valentine's Day and Derby Day.

□ Outbreak deaths now number four, and about 54% (709) of the cases have resulted in hospitalizations (709, with 200+ of those taking place since Valentine's Day). Both public and private doses of vaccines administered total 145,876.

	Week Ended*		
	05/03	02/15	09/21
Marion	170	93	11
Wayne	146	141	71
Clark	82	82	74
Grant	74	61	?
Madison	72	50	?
Lawrence	54	52	52
Allen	50	49	30
Floyd	48	48	47
Monroe	46	29	?
Jennings	42	31	?
Total	1,325	1,023	492

* Only counties with more than 40 cases included

IN the Economy

● The Indiana Finance Authority will be headed to market on Wednesday with \$81,520,000 in State Revolving Fund Program Bonds, Series 2019C (Green Bonds) and \$18,480,000 in State Revolving Fund Program Bonds, Series 2019D (AMT) (Green Bonds), which have been given top ratings by both Moody's and Fitch Ratings.

● The U.S. Department of Agriculture (USDA) reveals that Indiana is one of three finalists for the relocation of two of its agencies: Economic Research Service (ERS) and the National Institute of Food and Agriculture (NIFA). The bid is a joint effort involving Purdue University, the Indiana Economic Development Corporation, and the State of Indiana, and while the State is being tight-lipped about the location for the possible relocation, USDA says that the Indiana proposal offers multiple potential sites for the moves that will involve almost 700 jobs.

□ Indiana is competing with two other bids to become the new home of ERS and NIFA: a bi-state "Greater Kansas City Region" package offered by the Kansas City Area Development Council, and the Kansas City Animal Health Corridor . . . and the "Research Triangle Region," a bid advanced by the North Carolina Research Triangle, Wake County, Durham County, and Research Triangle Park. Note that neither of the other two proposals have an official state imprimatur, although the Kansas City Area Development Council claims that the KC regional bid "has had broad unified support from federal and state officials in Kansas and Missouri." The Kansas City area is already home to more than 5,000 skilled USDA employees and contractors located throughout the region, and houses more than one-dozen USDA agency operations, which have strong connections with industry partners across the two-state area.

□ The trio of finalists came from a USDA selection process which generated 136 expressions of interest received from parties in 35 states. USDA says that the short list of locations "took into consideration critical factors required to uphold the important missions of ERS and NIFA," as well as "factors important to our employees, such as quality of life," says U.S. Secretary of Agriculture Sonny Perdue. As part of a "rigorous" site selection process, USDA narrowed the expressions of interest list using a set of established criteria defined by USDA, NIFA, and ERS leadership that included:

- Quality of Life: Subcategory examples include Diversity Index, Residential Housing Costs, Access to Healthcare, and Home and Community Safety Ranking.

- Costs (Capital and Operating): Subcategory examples include Commercial Real Estate Costs, CPI Index, and Wage Costs.

- Workforce: Subcategory examples include Labor Force Growth Rate, Unemployment Rate, and the Labor Force Population.

- Logistics / IT Infrastructure: Subcategory examples include Lodging Availability, Proximity to Customers, and Airport Accessibility.

□ While not among the top three, USDA disclosed that a pair of other options remain under consideration as alternative locations should the top three not suit USDA's needs:

- St. Louis, Missouri (St. Louis Regional Consortium, St. Louis Economic Development Partnership, State of Missouri, Missouri Department of Agriculture, Missouri Partnership)

- Madison, Wisconsin (City of Madison, the University of Wisconsin-Madison College of Agricultural & Life Sciences (CALS), University of Wisconsin-Madison Office of University Relations, University Research Park, State of Wisconsin Department of Agriculture, Trade and Consumer Protection, and 910 Mayer, LLC)

□ U.S. Sen. Todd Young (R) sent a letter to the President on May 3 suggesting that the Trump Administration could make an important statement and first step by relocating federal agencies outside of Washington D.C. He had introduced the "Decentralize Regulatory Agencies, Include the Nation (DRAIN) Act," a measure that would require federal agencies to relocate their headquarters outside of D.C. and closer to the communities they serve.

● ArcelorMittal plans to invest almost \$20 million in a rebuild of its Burns Harbor steel mill No. 2 coke battery . . . Cormo USA Inc., incorporated as a joint venture between Switzerland-based Cormo AG and Florida-based Sustainable Projects Group Inc. in 2018, plans to invest some \$29.5 million to establish its first U.S. production plant in Rushville, a facility that will use technology to turn corn field waste into sustainable products, expecting to create as many as 250 new jobs by the end of 2023. New positions are expected to offer average salaries 50% above the state's average wage. The state-of-the-art facility will be built on 10 acres in the Commerce Park at Rushville, and will process maize straw from up to 150,000 acres of corn fields each year into a 100% sustainable peat moss substitute (TEFA) for agricultural uses and into foam products (BABS) for material science uses. This patented process has been utilized at the company's pilot plant in France since 2016. The Indiana Economic Development Corporation is expected to will offer Cormo USA up to \$3.5 million in performance-based tax credits. The City of Rushville is considering additional incentives . . . Sweden-based defense and security company Saab plans to invest \$37 million to locate, construct, and equip a facility in West Lafayette to produce major aero structural sections and handle final assembly for the U.S. Air Force's next-generation T-X advanced pilot training jet aircraft, an all-new aircraft designed, developed, and purpose-built for the U.S. Air Force by Boeing and Saab. The facility, located in Discovery Park District Aerospace on the west side of the Purdue University campus, is anticipated to create up to 300 new jobs, with hiring starting in 2020. The expansion is a fundamental part of the company's strategy to grow its U.S. industrial and technology base. Saab also will collaborate with Purdue University to expand Saab's U.S.-based research and development within possible areas such as sensor systems, artificial intelligence and autonomous systems. IEDC will offer Saab up to \$3.9 million in performance-based tax credits, and up to \$1.15 million in training grants over two phases. IEDC also will offer up to \$200,000 in tax credits from the Hoosier Business Investment (HBI) tax credit program based on the company's planned capital investment in Indiana . . . Continental Diamond Tool, a producer of superabrasive grinding wheels and custom tooling, plans to invest \$5.5 million in a 15,000 square-foot expansion of its New Haven facility, expecting to create more than 225 new jobs over the next four years. IEDC offers Continental Diamond Tool up to \$1.2 million in performance-based tax credits. Northeast Indiana Works will provide the company with additional hiring and training assistance. The New Haven City Council approved real and business personal property tax abatements . . . Pretzels, Inc. plans to invest approximately \$70 million in a 120,000 square-foot expansion of its Plymouth peanut butter pretzel and bulk pretzel manufacturing facility, expecting to create 180 new jobs by mid-2020.

IN Transition

● Rep. Cherrish Pryor (D) is selected to serve another term as the Indiana state director for the National Foundation for Women Legislators. Pryor will serve as state director through the end of 2019.

● Indiana Horse Racing Commission Executive Director Mike Smith made his plans to retire public a while back, and the Horse Racing Commission will be accepting applications through May 24 to replace him, and Smith, a former legislator who has led the agency since leaving his leadership post with the Casino Association of Indiana in 2016, will assist with the process and transition.

□ Recall that despite some attempts in past administrations to make the position a gubernatorial appointment, the executive director (there have only been two in the 29-year history of the panel) continues to be an appointee of the Horse Racing Commission itself.

● Dr. Steve Yager has not been reappointed to the State Board of Education, reports our sister Hannah newsletter, INDIANA EDUCATION INSIGHT. Dr. Yager was originally appointed in 2015 by then-Senate president pro tem David Long (R). The term of the former superintendent of the Northwest Allen County Schools and M.S.D. of Southwest Allen County Schools is set to expire June 30, 2019. Senate President Pro Tem Rodric Bray (R) has yet to indicate his pick.

● Andy Mallon will leave his post as head of the Office of Corporation Counsel for the City of Indianapolis to become the new executive director of the Capital Improvement Board, the municipal corporation that owns and/or operates assorted high-profile local facilities including the Indiana Convention Center, Lucas Oil Stadium, Bankers Life Fieldhouse, Victory Field, and Hudnut Commons. Mallon will replace Barney Levengood, the longtime leader of the CIB, who announced his retirement earlier this year.

□ Donnie Morgan will become the new corporation counsel for the city. Morgan joined the office as chief litigation counsel in March 2016 after beginning his career as a litigator and appellate advocate at Faegre Baker Daniels.

● The President plans to nominate former U.S. Rep. Todd Rokita (R) to the remainder of a vacant term on the Amtrak Board of Directors that is set to expire January 3, 2021.

□ Rep. Rokita, a pilot who was involved in aviation issues during his service on the House Committee on Transportation and Infrastructure, is perceived as an opponent of federal funding for Amtrak, but he has voiced his support for Amtrak in public meetings in his old CD 04, and for the Hoosier State Cardinal Line in particular, on which he has traveled.

IN the Lobby

● Hanka Advisor LLC files a federal lobby termination statement for its representation of Anderson University.

● Former Indiana Republican Party chair and Pence advisor Jeff Cardwell of Sextons Creek files a federal lobby registration to "Explore opportunities for those with disabilities and enhance employment opportunities for those who are blind" for G2 Strategies (on behalf of Bosma Enterprises).

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[LegInsight May 17.PDF](#)

Cummins Announcement

Indy Star- [Cummins announces \\$68M expansion in Indy, Columbus and Greenwood](#)

AP- [Cummins Increases Presence and Footprint in Indiana](#)

Fox59- [Cummins celebrates 100th anniversary in Indiana at IMS](#)

Times Union- [Cummins plans expanded operations at 3 Indiana locations](#)

WTHR- [Cummins announces new commitment to Indiana during event at IMS](#)

RTV6- [Cummins plans expansion at sites between Indianapolis and Columbus](#)

Inside IN Business- [Big Investments Coming Along 'Cummins Corridor'](#)

Republic- [Cummins chooses city as HQ for new business segment](#)

Daily Journal- [Cummins coming to Greenwood](#)

Pillar 1- Diversify our economy

Inside IN Business- [Chamber Warns of Tariff Effects on Hoosier Businesses](#)

IN Public Media- [Chamber Says Chinese Tariffs Could Be 'Devastating' For Hoosier Businesses](#)

News and Tribune- [New website The Fouridor touts south-central Indiana as logistics hub](#)

News and Tribune- [Caesars gaming empire coming to Southern Indiana](#)

Pillar 2- Upgrade our infrastructure

NWI Times- [Planning for 2050: New regional plan approved](#)

Pillar 3- Strengthen our workforce

Indy Star- [Salesforce CEO pledges to train 1M workers during Ivanka Trump visit](#)

Inside IN Business- [Salesforce Chief: White House Pledge is 'What We Need'](#)

IN Public Media- [Salesforce Signs Trump's Pledge to American Workers](#)

Inside IN Business- [Hillenbrand Launches Workforce Initiative](#)

NWI Times- [HIP members may get state assistance for transition to commercial health insurance](#)

FW Business- [Northeast Indiana plans Career and Technical Education Awareness Month](#)

County Life- [READY NWI gathers to plan for region-wide student success](#)

Pillar 4- Attack the drug epidemic

US News- [Heroin ODs Have Started Declining in Some States](#)

Health Day- [Heroin ODs Have Started Declining in Some States](#)

CBS Chicago- [Indiana Awarded \\$1.2 Million To Fight Opioid Epidemic In Rural Areas](#)

FWNBC- [Fort Wayne man stopped for speeding, charged with possession of liquid THC](#)

Bloomberg- [As Suicides Rise, Insurers Find Ways to Deny Mental Health Coverage](#)

Consumer Reports- [Can You Take CBD and Pass a Drug Test?](#)

2019 Legislative Session

NLR- [Indiana Law Now Allows Paycheck Deductions for Uniform Rentals](#)

Misc.

Indy Star- [Indiana threw out ballot of woman with Parkinson's disease over signature, lawsuit says](#)
Hill- [Lawsuit claims hundreds of Indiana ballots were rejected without notifying voters](#)

Sincerely,

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TRUMP LIKES TO SEE MAYOR PETE, HUSBAND: In a break from some of his most conservative supporters, President Trump said that he thinks "it's great" to see Democratic presidential candidate Pete Buttigieg onstage with his husband, Chasten ([CBS News](#)). In an interview with Steve Hilton for "The Next Revolution" on Fox News, Mr. Trump, taking note of the fact that "some people" might object, the president said he thought it was a good thing to see the two together. "I think it's great. I think that's something that perhaps some people will have a problem with. I have no problem with it whatsoever. I think it's good," Mr. Trump said, in response to a question about Buttigieg's candidacy as a symbol for the progress gay rights have made in the U.S. Some of Mr. Trump's most prominent surrogates are evangelical Christian leaders who vehemently oppose same-sex marriage, like Jerry Falwell Jr. and Franklin Graham. Graham voiced his objection to Buttigieg in a tweet last month, suggesting that he should repent for being gay. Mr. Trump has expressed tolerance towards gay people since his campaign. However, the Trump administration has faced criticism for its policies towards LGBT Americans, such as the ban on transgender soldiers from serving in the military.

RED STATES SEE THEIR MOMENT ON ABORTION: With red states passing a record wave of abortion restrictions, Planned Parenthood Federation of America today will announce a six-figure digital ad buy over the coming weeks urging women voters to contact their legislators (Allen, *Axios*). The first ads will run in Arizona, Colorado, Georgia, Iowa, Kentucky and North Carolina. The message: "You deserve to know if the people who represent you in office support the Republican Party's dangerous agenda to ban all abortion, or if they stand against it, and will stand up for your health and rights." What conservatives are thinking ... National Review's David French: "Two generations of pro-life activism, persuasion, and argument have yielded pro-life supermajorities in state houses across much of the South and Midwest, and they recognize the fact that we have reached a moment of legal possibility we may never attain again — perhaps not for generations. It is possible (maybe not likely, but possible) that the Supreme Court could overrule *Roe v. Wade*, and these legislatures have chosen to go for broke."

REPUBLICANS LINING UP AGAINST ALABAMA ABORTION LAW: House Minority Leader Kevin McCarthy (R-Calif.) said Thursday that he opposes a new Alabama law that outlaws virtually all abortions, even in cases of rape and incest, arguing that it "goes further than I believe" ([Washington Post](#)). "I believe in exceptions for rape, incest and life of the mother, and that's what I've voted on," McCarthy said at his weekly news conference. The new antiabortion law in Alabama, the strictest in the country, has divided Republicans and put them on the defensive on the issue. Until this week, Republicans had been playing offense by casting Democrats as extreme due to a recent New York law expanding access to late-term abortion. In addition to not including exceptions for rape or incest, the law also allows a penalty of up to 99 years in prison for doctors who perform abortions. The other top Republican in Congress, Senate Majority Leader Mitch McConnell (Ky.), also parted ways with Alabama lawmakers on the issue, although he did not specifically weigh in on the new law. McConnell is up for reelection in 2020.

WILL SCOTUS ACT ON ALABAMA LAW? The authors of Alabama's new law criminalizing abortion have left no doubt that they passed it to provoke the Supreme Court into overturning *Roe v. Wade*'s protection of a woman's right to choose. But there's no guarantee that will happen (Williams, [NBC News](#)). Republican state Rep. Terri Collins, one of the law's sponsors, says it was intended to challenge *Roe* "and hopefully to let that decision go back to the states, so that states can make the laws that are most appropriate for their people." Planned Parenthood and the American Civil Liberties Union have both said they intend to challenge the law. They will file their lawsuits in federal district court in Alabama, seeking to block enforcement before the law takes effect in six months. Because the lower courts are bound by Supreme Court precedent, judges have no choice but to declare the law unconstitutional. Alabama would then take the law to the 11th Circuit Court of Appeals in Atlanta, which would also be bound to reach the same conclusion. But the state's right to an automatic appeal ends there. It would have to ask the Supreme Court to take the case, and such a move would face long odds. The justices most often accept an issue for review when the lower courts are divided — when there's a split among the circuits. But because the spate of recent laws so clearly violate *Roe* and follow-on Supreme Court rulings, it's most likely that all the appeals courts will declare them unconstitutional, leaving no circuit split. A second reason Alabama faces a strong headwind is that the law is quite blunt in asking the Supreme Court to overturn 46 years of legal precedent, beginning with *Roe* in 1973 and reaffirmed repeatedly. But supporters of the state law are hoping that President Donald Trump's newest appointment to the court, Justice Brett Kavanaugh, changed the court's fundamental arithmetic.

XI UPENDED TRADE DEAL WITH U.S.: China's leader, Xi Jinping, seemed confident three weeks ago that a yearlong trade war with the United States could soon subside, handing him a potent political victory ([New York Times](#)). He even made a speech saying China would protect intellectual property, encourage foreign investment, and buy more goods and services from abroad — all changes the United States had been demanding as the countries tried to negotiate a deal. But just a week after that speech, Chinese negotiators sent the Americans a substantially rewritten draft agreement, prompting President Trump to accuse Beijing of reneging on terms that had been settled. That has left hopes for a historic breakthrough in

tatters. In China's top-down political system, where President Xi has amassed formidable power, it's unlikely that anyone else would have had the authority — or, for that matter, the nerve — to fundamentally alter the emerging pact at this late date. Having apparently made that decision, it is clear that Mr. Xi misjudged Mr. Trump's eagerness for a deal and how far he could push the American negotiators, according to more than a dozen people, including current and former officials, researchers, lawyers, and trade experts familiar with the deal and how it fell apart. Now Mr. Xi risks being backed into a corner, unable to compromise between his own positions and Mr. Trump's.

CHAMBER WARNS OF TARIFF IMPACTS: The Indiana Chamber of Commerce says the recent increase of tariffs on Chinese goods, along with the subsequent retaliatory tariffs from China, could lead to "devastating effects" for Hoosier businesses. President and Chief Executive Officer Kevin Brinegar says the effects would be felt by companies from a variety of industries (Brown, [Inside Indiana Business](#)). Last week, the Trump administration increased tariffs on \$200 billion of Chinese goods from 10 percent to 25 percent. China responded on Monday saying it would impose a similar increase on \$60 billion in U.S. goods. "We are hearing from a variety of members — from all kinds of manufacturers to agricultural companies — that this latest tariff war with China could have serious business implications for them and even throw some into a fight for survival," Brinegar said. "This is such a big, big deal for Indiana, which annually exports \$1.1 billion of goods to China." Brinegar says the chamber agrees with President Trump that China "has gotten off far too easy over the last few decades," but adds "there has got to be a better way than putting American businesses and jobs on the line."

RESOLUTION HONORS LUGAR'S ARMS LEGACY: A group of U.S. senators has introduced a resolution honoring the legacy of the late Indiana Sen. Richard Lugar (Gong, [Fort Wayne Journal Gazette](#)). Specifically, the resolution recognizes Lugar's commitment to nuclear nonproliferation and arms control and reaffirms U.S. commitment to reducing nuclear dangers. The resolution was sponsored by Sens. Jeff Merkley, D-Oregon, Todd Young, R-Indiana and Rand Paul, R-Kentucky. "Today, as we honor the life of Sen. Richard Lugar, we also focus on carrying on his legacy with this resolution and our continued commitment to nuclear nonproliferation," Young said in a statement. "At a time when nuclear proliferation was civilization's greatest threat, Sen. Lugar helped save the world." The resolution calls for nonproliferation efforts by encouraging all parties to the Treaty on the Non-Proliferation of Nuclear Weapons to fully comply with the treaty, maintains support for the International Atomic Energy Agency and considers extending the New START Treaty, which will expire in February 2021. The resolution also condemns Russia's violation of the Intermediate-Range Forces Treaty. The resolution will be introduced in the U.S. House by Reps. Brad Sherman, D-California, Jim Banks, R-Indiana, Bill Foster, D-Illinois, Jeff Fortenberry, R-Nebraska, Ben Ray Lujan, D-New Mexico and Chuck Fleischmann, R-Tennessee. "Senator Lugar was one of the greatest statesmen of our time. His leadership on the Cooperative Threat Reduction Program and the New START Treaty led to an era of denuclearization and peace," Banks said in a statement.

SALESFORCE SIGNS PLEDGE AS IVANKA TRUMP LOOKS ON: The chairman and co-chief executive officer of Salesforce says signing the White House's Pledge to America's Workers is exciting for his company. Marc Benioff signed the pledge at an event this morning at Salesforce Tower in downtown Indianapolis, which was also attended by Ivanka Trump, advisor to President Donald Trump (Brown, [Inside Indiana Business](#)). Salesforce officially committed to help train 500,000 workers as part of the pledge, though Benioff said as he signed it that the company would increase that number to one million. "This is exactly what we need to transform all of our workforce throughout America," said Benioff. "We can't do this alone. We know that. We need to do it together in partnership not only with government, not only with industry, but with our community as well. I think that's our message." The Pledge to America's Workers was launched in July. Benioff and Salesforce were part of that launch and Trump says while more than 215 companies have taken the pledge since then, Salesforce is the first to take it a step further. "This was our way of getting our private sector to partner with us and say, 'You owe it to your community. You owe it to your workforce and by the way, it's good for you. This is a smart investment and there is a return on this investment and you'll see it the minute you offer somebody the opportunity, the minute you upskill somebody, the minute you give them a chance,' and the response has been incredible."

KHASHOGGI FIANCEE PLEADS FOR JUSTICE: Jamal Khashoggi's fiancée Hatice Cengiz offered pointed criticisms of the Trump administration's response to the slain Saudi journalist's brutal 2018 murder, pleading with the United States and other western governments to hold Saudi Arabia accountable through sanctions and an international investigation ([Politico](#)). "It has been more than six months since this horrible event, but there has been no truth, justice or accountability for those responsible for this terrible incident, to this stain on human rights and press freedom," Cengiz said at a House Foreign Affairs subcommittee hearing Thursday focusing on the heightened attacks on press freedom worldwide. "Every day, I have nightmares thinking of Jamal's suffering," she added. "Is it not natural for me then to demand that those responsible for his death are held accountable through the proper channels?"

HPI DAILY ANALYSIS: Throughout my 40-year journalism career, there was always the Lugar organization, or "Lugar World." Actually, it pre-dated my "pro" status when my dad informed me of a Lugarite, Lou Gehrig, who wasn't in the Cooperstown. During this journey of civic stewardship, the staff of Sen. Richard Lugar was always accommodating, friendly, factual and adroit in their understanding of a complex world. The senator was accessible, despite his arduous schedule. The staff would always go the extra mile, to the point where Kenny Myers was prepared to stay with me in Yekaterinburg if my passport hadn't miraculously turned up. The Lugar ethic matriculated into this very publication, with Mark Schoeff Jr. and

Cam Carter playing important roles. This past week, in the wake of the senator's passing, I witnessed what was, essentially, the last hurrah of Lugar's splendid staff, though most continue to make important contributions to our society. From Mark Lubbers to Bob and Ellen Whitt, Nick Weber, Andy Fisher, David Willkie and Emily Krueger, I watched these seasoned pros coordinate the final send-off for their beloved mentor, and it renewed in volumes my appreciation for the staffers who help make someone like Dick Lugar a truly great and generational public servant. Please accept, from the depth of my heart, this final tip of the hat. - *Brian A. Howey*

Campaigns

COMMON CAUSE SUES OVER ST. JOE ABSENTEE BALLOTS - An Indiana watchdog group says dozens of St. Joseph County voters had their ballots rejected in the 2018 election — wrongly in most cases — and were never told their votes didn't count, all because election workers decided the signatures on absentee ballots did not appear genuine (Sheckler & Bauer, [South Bend Tribune](#)). The nonpartisan group Common Cause Indiana filed a lawsuit Thursday asking a federal judge to strike down as unconstitutional the state law allowing election officials to reject ballots based on perceived mismatched signatures without allowing voters to prove the ballots are authentic. "Indiana's ... signature-matching requirements violate due process," the lawsuit said. "The voter is given no written or oral notice that his or her ballot has been rejected due to a signature mismatch and is thus given no opportunity to challenge the decision to reject their absentee ballot." The lawsuit alleged the "process of determining whether a voter's signature is 'genuine' is fraught with error and inconsistent application" because "ballot counters and members of county election boards are not experts in handwriting analysis and cannot make an accurate and reliable determination whether a voter's signature is 'genuine.'"

VOTE FRAUD CASE IN KOKOMO: Kokomo business owner Allen Wilson is facing financial ramifications after voter fraud allegations were leveled against him in the lead-up to Election Day. The latest development in Wilson's situation was revealed Wednesday during a meeting of the Kokomo Board of Public Works and Safety, when Kokomo Police Department Maj. James Calabro read a memo from Chief Rob Baker requesting a suspension of his company from the call rotation within the city's towing contract (Myers, [Kokomo Tribune](#)). Competition Towing & Recovery, located at 1101 S. Apperson Way, is owned by Wilson. Competition Auto Body is located at the same address, show online records. The memo cited the "voter fraud allegations" against Wilson and requested to the Board of Works a suspension of Competition Towing "while that investigation is pending." The email alleged Wilson illegally changed his voter registration on April 2 to the Apperson Way address, inside city limits, in order to vote in this spring's municipal primary election.

HANSCOM JOINING UNITED WAY: United Way of Central Indiana has named Peter Hanscom the organization's vice president of marketing. This role will be critical in the leadership and development of marketing and communication strategies, increasing regional presence and enhancing the overall brand of United Way (*Howey Politics Indiana*). Hanscom joins United Way of Central Indiana with several years of experience in the political arena. As the current president of Left Done Right Consulting, LLC and former campaign manager for U.S. Senator Joe Donnelly, Hanscom has overseen various large-scale projects and budgets with progressive outcomes, including his role as initiative director for Indiana Competes, a business-led coalition partnered with the Indy Chamber that advocates for nondiscrimination protections for Hoosiers across the state.

Presidential 2020

SWALWELL TO DISCUSS GUN VIOLENCE IN INDY: Democratic presidential candidate Congressman Eric Swalwell will meet with Indianapolis community activists at the Kountry Kitchen Soul Food Place in Indianapolis at 8 this morning to discuss how best to end the gun violence plaguing America (*Howey Politics Indiana*). "I'm meeting with Indianapolis leaders to hear their thoughts, and share my plan, on how to save American lives," Swalwell said. "I'll be doing the same soon in Iowa, Illinois, Maryland, Texas, and California — all Americans' voices must be heard, and we all must work together, if we're going to put a stop to gun violence and heal our communities." Kountry Kitchen is at 1831 N College Ave. Swalwell also will hold a public Town Hall, co-sponsored by the Bartholomew County Democrats, at 2 p.m. Sunday at the Factory 12 Event Loft, 1235 Jackson St., Columbus, IN. Doors will open at 1:15 p.m.

BIDEN SURGES IN FOX POLL; SANDERS FADING; PETE AT 6%: Former Vice President Joe Biden leads the race for the 2020 Democratic nomination for president, according to the latest [Fox News Poll](#). Among Democratic primary voters, Biden's 35 percent (up from 31 percent in March) leaves Bernie Sanders in a distant second place with 17 percent (down from 23 percent). Elizabeth Warren is next at 9 percent, Pete Buttigieg receives 6 percent, followed by Kamala Harris at 5 percent, Beto O'Rourke at 4 percent, Cory Booker at 3 percent, and Julian Castro and Amy Klobuchar at 2 percent apiece. John Delaney, Tulsi Gabbard, Jay Inslee, Tim Ryan, Marianne Williamson, and Andrew Yang each garner one percent. The highest priority of Democratic primary voters is defeating Donald Trump, as 73 percent feel that is "extremely" important. Next, 71 percent say it's extremely important their nominee has high ethical standards.

BIDEN UP 11% AGAINST TRUMP; PETE DOWN 1%: Joe Biden also performs best in hypothetical 2020 matchups in the [Fox News Poll](#). Among all registered voters, he leads President Trump by 11 points (49-38 percent), up from a 7-point advantage in March. Biden's is the only lead outside the margin of sampling error in the matchups tested -- and he is the only Democrat to push Trump's support below 41 percent. Bernie Sanders tops Trump by 5 points (46-41 percent) and Elizabeth Warren is up by two (43-41 percent), while Kamala Harris ties Trump (41-41 percent) and Pete Buttigieg trails him by one (40-41 percent).

BUTTIGIEG SPEAKS OUT AGAINST ALABAMA ABORTION LAW: In a speech to the City Club of Chicago on Thursday, South Bend Mayor Pete Buttigieg [addressed](#) the anti-abortion bill that was signed into law in Alabama, saying women can't be free "if your reproductive health can be criminalized" (*Howey Politics Indiana*). "Now, I come from Indiana as a democrat. There are people I love, people I trust, people who support me politically who view this issue differently than I do," Buttigieg said. "But I must say that I don't think that you are free in this country if your reproductive health can be criminalized by government. This is not an easy choice for anybody to face and I would be loath to tell anybody facing that situation what the right thing to do is but that's exactly the point. I'm a government official. I don't view myself as belonging in that conversation. And to see in Alabama that if someone is raped and she seeks an abortion, the doctor who treats her will be penalized with a longer prison term than her rapist, makes me question whether the discussion about freedom in this country has gone off the rails."

BUTTIGIEG UNVEILS RESOURCE PAGE: The Buttigieg presidential campaign unveiled a [new resource page](#) (*Howey Politics Indiana*). "Today we're launching a resource page that explains Pete's positions and grounds them in his values," the campaign explained. "We hope this page will be useful as you talk to your friends and family about what's at stake this election, and why you believe in Pete's bold vision for our future. As our campaign releases further policy ideas and initiatives, this page will continue to be a resource."

BUTTIGIEG GOT \$75K BOOK ADVANCE: Democratic presidential hopeful Pete Buttigieg has lots of student loan debt and received a \$75,000 advance for his political memoir, according to a financial document he filed this week (Sikich, [IndyStar](#)). Those details were part of an annual personal financial disclosure form that candidates must submit within 30 days of filing a president candidacy, which Buttigieg officially announced April 14. *IndyStar* obtained the document through a records request Wednesday, the day after he filed the form. Buttigieg, of course, lists his occupation as mayor of South Bend. His annual income for running the state's fourth-largest city is \$149,725, according to the document. That puts him among the highest-paid mayors in Indiana, likely the highest. While the state doesn't keep a list of mayoral salaries by city, *IndyStar* has reported Carmel Mayor Jim Brainard will make \$148,786 in 2019; Gary Mayor Karen Freeman-Wilson, \$142,000; and Fishers Mayor Scott Fadness, \$135,174. Buttigieg also plays the stock market. He, and his husband, Chasten, have invested as much as \$50,000 in Apple, and up to \$15,000 in Alphabet Inc., the parent company of Google. Income on those was between \$2,702 and \$6,000.

De BLASIO BOTCHES ROLLOUT: Bill de Blasio found a way to stand out. The 23rd candidate to enter the Democratic presidential field found a slice of the limelight by botching his carefully planned announcement rollout. First a high schooler in Missouri scooped de Blasio by tweeting that the New York City mayor would visit the Truman Club in Sioux City, Iowa, for the first stop on his "Presidential announcement tour," with the club initially misspelling the mayor's name ([Politico](#)). Then protesters appeared outside the windows as de Blasio was on nationally watched "Good Morning America" this morning for his first campaign appearance. His announcement video quickly drew a mocking tweet from his would-be opponent President Donald Trump. The announcement came just days after de Blasio faced protesters so loud that they drowned him out when he tried to make an climate announcement at Trump Tower. All this was only after he equivocated for weeks about whether he should run as the 2020 field grew increasingly crowded.

BANKS ACCUSES PELOSI OF HOLDING UP USMCA: Trade has been a hot topic this week in DC, but not just trade with China. Treasury Secretary Steven Mnuchin said on Wednesday that a deal is close to remove the steel and aluminum tariffs on Canada and Mexico. The United States-Mexico-Canada Agreement has yet to be sent to the House as the White House is waiting for assurance from Speaker Nancy Pelosi that it has the votes to get through (Pfeiffer, [Hoosier Ag Today](#)). Northeast Indiana Congressman Jim Banks said that her concerns about passing the agreement are nothing but political. "Who would benefit the most? Donald J. Trump, the President of the United States of America, heading into an election year, and Nancy Pelosi can't get beyond that. That's what is holding up this deal. If and when this is ratified and passed and goes into effect, it could potentially be the biggest win that President Trump has had his entire administration. That will only help him moving into election day." Banks said the deal is a good one for agriculture and manufacturing. He added the many moderate Democrats were calling on Pelosi to bring the deal to a vote, including House Ag Chairman Collin Peterson from Minnesota. Peterson had this to say on Wednesday.

BANKS STATEMENT ON EQUALITY ACT: U.S. Rep. Jim Banks (R-IN), released the following statement regarding his opposition to H.R. 5, the Equality Act, which is scheduled for a vote in the House Friday (*Howey Politics Indiana*). Said Rep. Banks, "The Equality Act represents the absolute worst of the radical-left's pro-infanticide, anti-conscience agenda. By amending the definition of 'sex' in the Civil Rights Act of 1964, this legislation codifies a fundamental right to an abortion up until the moment of birth. It also ensures that American taxpayers foot the bill for these abortions by effectively eliminating Hyde protections – protections I recently pledged to uphold in a letter to Speaker Pelosi." "Additionally, the so-called 'Equality Act' would undermine President Bill Clinton's Religious Freedom Restoration Act of 1993 by forcing health care providers to perform abortions and gender reassignment surgeries regardless of their religious or moral convictions. This egregious abuse of Americans' First Amendment rights is why I will be voting no without hesitation."

DISASTER AID BILL VOTE NEXT WEEK: Majority Leader Mitch McConnell says the Senate will vote on disaster relief next week, right before the lawmakers leave town for Memorial Day. He's hopeful that the Senate will vote on legislation that the president is willing to sign ([Hoosier Ag Today](#)). While the House passed a disaster bill last week, congressional leaders and the White House have been hard at work on a bipartisan bill that can get through both chambers easily. Senate Appropriations Chair Richard Shelby says that senators are on the verge of an agreement. Politico says McConnell, Shelby, and Trump all have interests that have been holding up the deal. McConnell is a big supporter of the hemp industry and is looking to make sure crop insurance by 2020 for hemp producers is in the legislation. Shelby wants more money for harbor maintenance, while Trump is pushing for more funds to address border security. Negotiators say the biggest points of contention yet to work through are nearly settled.

CORRECTION: VISCLOSKY OPPOSED TALIBAN FUNDING - A headline in Thursday's *Howey Politics Indiana's* Ticker Tape section said that U.S. Rep. Pete Visclosky and his House committee backed a plan to pay for Taliban travel during Afghanistan negotiations. Visclosky and the panel opposed the proposal from the Trump administration.

NTI BACKS LUGAR-TRAUSCHER ACT ACT ON START TREATY: Ernest J. Moniz, Nuclear Threat Initiative Co-Chair Sam Nunn, NTI Board Member and Admiral Michael Mullen (USN, ret.), NTI Emeritus Board Member former Secretary of Defense William Perry, and former Secretary of State George Shultz together expressed support for the bipartisan "Richard G. Lugar and Ellen Tauscher Act to Maintain Limits on Russia Nuclear Forces" (*Howey Politics Indiana*). The House bill, which would extend the New START arms-reduction treaty with Russia until 2026, is named to honor Lugar and Tauscher, NTI board members and giants in the field of global security who passed away last month. "Extension of New START will ensure that Russia and the United States maintain verifiable limits on their strategic nuclear weapons and delivery systems; exchange data about their strategic nuclear forces; and keep boots on the ground through on-site inspections," the leaders said in a statement.

BANKS LIKES TRUMP IMMIGRATION PLAN: U.S. Rep. Jim Banks (R-IN), released the following statement regarding today's immigration announcement by President Donald J. Trump (*Howey Politics Indiana*). Said Rep. Banks, "I was honored to be in the Rose Garden today as President Trump outlined his plan to create a fair, modern and lawful immigration system. Our current immigration laws are badly broken, do a disservice to American workers and jeopardize our national security. The President's plan is rooted in common sense principles that should be above the din of politics. I urge Speaker Pelosi to stop playing political games and bring this important legislation up for a vote."

BROOKS REFILES JAKE LAIRD ACT BILL: During National Police Week and Mental Health Awareness Month, U.S. Reps. Susan W. Brooks (R-IN05), Ted Deutch (D-FL22), Fred Upton (R-MI06) and Debbie Dingell (D-MI12) reintroduced the Jake Laird Act, a bipartisan bill named after an Indianapolis, Indiana, police officer who was shot and killed in 2004 in the line of duty by a man who struggled with mental illness (*Howey Politics Indiana*). This bill provides grants to encourage states to adopt laws, similar to Indiana's 2005 Jake Laird Law, that enable local law enforcement, with probable cause, to temporarily remove and retain firearms from individuals who are determined to be an imminent danger to themselves or others. "Red flag laws save lives and are already working in states across the country, including Indiana and Florida, to prevent devastating losses of life," said Brooks. "As our country continues to grapple with how to keep our communities safe, the Jake Laird Act of 2019 will provide local law enforcement officers the tools and training necessary to help prevent senseless

acts of violence from claiming more innocent lives. I am proud to reintroduce this bipartisan gun violence reduction tool that will help us better avoid situations that could jeopardize the lives of our loved ones, friends, and neighbors while also protecting individual constitutional rights."

YOUNG INTRODUCES EMPLOYEE FLEX ACT: U.S. Senators Todd Young (R-Ind.), Joe Manchin (D-W.Va.), John Barrasso (R-Wyo.), and Kyrsten Sinema (D-Ariz.) introduced the Employee Flexibility Act of 2019, which would change the definition of a "full-time employee" under the Affordable Care Act from someone who works an average of 30 hours per week to the traditional 40 hours per week (*Howey Politics Indiana*). Our nation has traditionally used the Fair Labor Standards Act (FLSA) as the standard of defining full-time employment as 40 hours per week. However, in 2010, the Affordable Care Act (ACA) enacted a full-time threshold for the purposes of requiring employers to offer their employees health coverage at 30 hours per week. This new threshold fundamentally changed workforce policy and business operations and resulted in employers cutting their workers' hours. This change primarily hurt variable-hour and part-time workers who have lost the flexibility to add or trade shifts to make ends meet or earn extra money for such things as school tuition and credit card payments.

YOUNG JOINS SURPRISES MEDICAL BILL: U.S. Senators Todd Young (R-Ind.), Bill Cassidy, M.D. (R-La.), Michael Bennet (D-Colo.), Maggie Hassan (D-N.H.), Lisa Murkowski (R-Alaska), and Tom Carper (D-Del.), members of the Senate Bipartisan Working Group, today introduced the bipartisan STOP Surprise Medical Bills Act, legislation to protect patients from surprise medical bills. U.S. Senators Dan Sullivan (R-Alaska) and Sherrod Brown (D-Ohio) are also cosponsoring the bill (*Howey Politics Indiana*). This legislation is a product of a nearly year-long effort revising proposals and requesting feedback on draft legislation released last September by Cassidy, Bennet, Young and Carper—and legislation introduced last Congress by Hassan. Examples of patients receiving surprise medical bills include a patient who received a bill of nearly \$109,000 for care after a heart attack, and a patient who received a bill for \$17,850 for a urine test. "Too many American families have been hit with costly surprise medical bills at their most dire time of need. This includes Hoosiers who have been caught off guard by huge unexpected medical costs despite doing their research in advance," said Senator Young. "Our approach protects families from financial strain by establishing a process that keeps patients out of these billing disputes and enables them to focus on their health rather than unexpected medical bills."

WALORSKI FILES EMPLOYEE FLEXIBILITY ACT: U.S. Reps. Jackie Walorski (R-Ind.), Dan Lipinski (D-Ill.), Mike Kelly (R-Pa.), and Collin Peterson (D-Minn.) today introduced the Employee Flexibility Act (H.R. 2782), bipartisan legislation would provide relief to middle-income families by restoring the traditional 40-hour work week under the Affordable Care Act. Companion legislation was introduced in the Senate by U.S. Sens. Todd Young (R-Ind.), Joe Manchin (D-W.Va.), John Barrasso (R-Wyo.), and Kyrsten Sinema (D-Ariz.) (*Howey Politics Indiana*). "The redefinition of full-time employment under Obamacare is hurting workers who want to earn more money by picking up extra hours or trading shifts, and it's placing unnecessary burdens on our Main Street job creators," Congresswoman Walorski said. "The Employee Flexibility Act will bring relief to hardworking Hoosiers by ensuring they have flexibility in the hours they work each week. This bipartisan, commonsense bill will also give businesses the certainty they need to expand, invest in our communities, and create more jobs."

State

GOVERNOR: STATE SEEKS HIP TRANSITION - The state is looking to ease the transition to commercial health insurance for Healthy Indiana Plan participants who obtain jobs with better wages after the HIP employment mandate fully goes into effect next year (Carden, [NWI Times](#)). The Indiana Family and Social Services Administration (FSSA) has requested federal approval to establish the HIP Workforce Bridge to assist individuals who lose HIP eligibility because they're earning higher incomes. Under the plan, HIP participants could use up to \$1,000 from their program-funded health savings account to pay premiums, deductibles, co-payments and co-insurance associated with commercial health policies for up to one year after losing HIP eligibility. "When you take a step forward in your career you should also continue to take steps to be healthy," said Gov. Eric Holcomb. "We want Hoosiers to pursue meaningful employment while continuing to see their doctor, take their medicines and maintain their overall health."

CORRECTIONS: PUTNAMVILLE OFFICER CHARGED - A Putnamville Correctional Facility officer has been fired amid allegations he trafficked drugs into the state prison ([WRTV](#)). Michael Miller, of Brazil, is charged with official misconduct, trafficking with an inmate, dealing in a schedule III controlled substance, all felonies, as well as misdemeanor possession of a controlled substance. A spokeswoman for the Indiana Department of Correction said Miller was dismissed from his position. "Putnamville Correctional Facility has a zero-tolerance policy for this type of misconduct," Warden Brian Smith said. "Anyone found trafficking will be prosecuted to the fullest extent of the law; this will be no exception."

GAMING: CAESARS COMING TO SOUTHERN INDIANA - As progress is made on Horseshoe Southern Indiana's land-based casino, officials announced today it will open as Caesars Southern Indiana — part of the internationally-known Caesars gaming and entertainment brand ([News & Tribune](#)). With completely new gaming facilities, increased amenities and new restaurant offerings on the way, Caesars Southern Indiana will elevate the entertainment experience to a new level for the Kentuckiana region. The \$85 million project creates a 100,000-square-foot integrated gaming and entertainment facility. The new project will allow Caesars to combine dining, retail, entertainment and all your favorite slot machines, table games, and poker in one space. "When guests visit our casino, it will be an entirely new experience," said Horseshoe Southern Indiana Senior Vice President and General Manager Brad Seigel. "Enhancements to the guest experience will include many new sights and sounds, but what will be familiar to them is our friendly team members, always ready to make their visit memorable."

EDUCATION: PURDUE FORT WAYNE RAISES TUITION - Purdue University plans to increase tuition at the Fort Wayne campus in each of the next two years, and anyone wanting to comment on the hikes may soon have their say, the university announced Thursday ([Fort Wayne Journal Gazette](#)). A public hearing is set for 11 a.m. May 29 on the West Lafayette campus, with videoconferencing available in Room 176 of the Science Building at Purdue University Fort Wayne. A 1.65% per year tuition increase is planned for Fort Wayne in 2019-20 and 2020-21, according to a news release. The proposed general undergraduate rate for residents is \$8,589 for this fall and \$8,730 in fall 2020. For nonresidents, the proposed rates are \$20,622 and \$20,961, respectively, according to Purdue.

MEDIA: VONNEGUT MUSEUM REACHES FUND GOAL - With hours to spare, the Kurt Vonnegut Museum and Library is closing in on a fundraising goal that will allow it to acquire and open a new home on Indiana Avenue in downtown Indianapolis ([IBJ](#)). KVML founder and CEO Julia Whitehead said late Wednesday morning that the not-for-profit museum was still about \$75,000 short of its goal of \$1.5 million. The remaining funds must be received or pledged before midnight, she said. The museum, which is currently homeless, signed a purchase agreement in February for a freestanding Italianate building at 543 Indiana Ave.

MEDIA: CSPAN BUS COMING TO FISHERS TODAY - C-SPAN's award-winning state-of-the-art, 45-foot customized Bus will visit Fishers High School on Friday, May 24 to honor local winners Sophie Foley and Lauren Higginbotham for their winning entry in C-SPAN's annual student video documentary competition, StudentCam ([Howey Politics.com](#)). In partnership with Comcast, C-SPAN will present a StudentCam certificate of merit and oversized check to the students during a school-wide ceremony of classmates, teachers, family members and elected officials. The winning video will also be viewed during the congratulatory event.

SPORTS: DAMON, BALE WILL BE INDY 500 STARTERS - Academy Award-winning actors Matt Damon and Christian Bale will wave the green flag as honorary starters for this year's Indianapolis 500 ([AP](#)). The two are co-starring in the movie "Ford v Ferrari" — which profiles the corporate battles waged by American car designer Carroll Shelby and British driver Ken Miles. They teamed up to use a Ford car against Enzo Ferrari's dominant team at the 24 Hours of Le Mans in 1966. The movie is scheduled for a Nov. 15 release. Indianapolis Motor Speedway President Doug Boles says the duo are used to performing under the bright lights and they should enjoy themselves.

Nation

WHITE HOUSE: TRUMP ROLLS OUT IMMIGRATION PLAN - President Trump on Thursday rolled out a new immigration plan that would move the U.S. toward a "merit-based" system favoring highly skilled workers over migrants with family members living here, saying it would make the nation "the envy of the world" ([The Hill](#)). But the president made it clear he views the plan, which has little chance of passing Congress, as a political cudgel against Democrats as much as a serious legislative proposal. "Today we are presenting a clear contrast," Trump said during a speech in the Rose Garden of the White House. "Democrats are proposing open borders, lower wages and, frankly, lawless chaos. We are proposing an immigration plan that puts the jobs, wages and safety of American workers first." The president said he would use his "common sense" plan to paint Democrats as unreasonable during the 2020 elections if they do not work with him to make it become law and predicted it could help propel him to a reelection victory.

WHITE HOUSE: TRUMP TAMPES DOWN IRAN WAR DRUMS - President Trump told a group of top aides including his acting defense chief that he doesn't want tensions between the U.S. and Iran to lead to war, administration officials said ([Wall Street Journal](#)). During a meeting at the White House on Wednesday, Mr. Trump made the comments to acting Defense Secretary Pat Shanahan as part of a conversation, the officials said, though they added he didn't issue a specific order. The comments came after Mr. Trump in recent days had told advisers that he is reluctant to start any kind of unilateral conflict with Iran, one administration official said. Instead, he has expressed his interest in a negotiated solution,

even if that means speaking to the Iranians directly, this person said, a move that would be counter to the recommendation of some top advisers. Last week, Mr. Trump in remarks at the White House suggested Iran's leaders also consider talks. "What I'd like to see with Iran, I'd like to see them call me," he said then. Iranian officials have said they don't see a reason to hold talks with Mr. Trump, who has pulled out of an international nuclear agreement with Iran and reimposed punitive economic sanctions. On Thursday, Mr. Trump again steered around talk of a confrontation. Asked at the White House if the U.S. would have a war with Iran, he replied: "I hope not."

WHITE HOUSE: TRUMP SEEKS OFF-RAMP ON WAR TALK - President Trump has sought to put the brakes on a brewing confrontation with Iran in recent days, telling the acting defense secretary, Patrick Shanahan, that he does not want to go to war with Iran, administration officials said, while his senior diplomats began searching for ways to defuse the tensions ([New York Times](#)). Mr. Trump's statement, during a Wednesday morning meeting in the Situation Room, sent a message to his hawkish aides that he does not want the intensifying American pressure campaign against the Iranians to explode into open conflict. For now, an administration that had appeared to be girding for conflict seems more determined to find a diplomatic off-ramp. Mr. Bolton's independence has rankled the acting chief of staff, Mick Mulvaney, and has even prompted rumors that his job might be in jeopardy — something the White House denies. "But Mr. Trump has poked fun at Mr. Bolton's reputation for hawkishness, joking in meetings with him. 'If it was up to John, we'd be in four wars now,' one of the senior officials recalled Mr. Trump as saying."

WHITE HOUSE: KUDLOW EXIT? WEST WING WORRIES ABOUT FARMERS - According to sources, Larry Kudlow, a famous supply-side free-trader, is burned out by the job (Sherman, *Vanity Fair*). (In June 2018 he suffered a heart attack). Kudlow's relationship with Trump has never been particularly close. "Any time the markets go down, Trump bothers Larry," a person close to Kudlow told me. While Kudlow is telling friends he's "having the time of his life," he's also eyeing an exit. According to sources, Kudlow wanted to leave the White House this summer, but Kudlow agreed to stay after Trump said he didn't want Kudlow leaving until the China trade war was resolved. "I need you here for the markets. We need a united front," Trump said, according to a source. (A White House official said Kudlow has no intention of leaving.) As the trade war drags on, daylight is appearing between the president and his G.O.P. stalwarts. "Trump is getting a lot of shit from Republican senators," a Republican close to the White House said. Speaking with reporters this week, Iowa Senator Chuck Grassley said "both countries are going to be hurt" if a deal isn't reached soon. "People are getting nervous about the farmers," a former West Wing official said. "Farmers are planting right now and farmers need to make sure customers are there when this is all over."

WHITE HOUSE: TRUMP PARDONS FORMER SUN-TIMES OWNER - They'd known each other for two decades, the New York real estate mogul and the Canadian-British owner of a transatlantic newspaper empire, working together as business partners on a Chicago skyscraper project ([Washington Post](#)). They showered praise on one another. Donald Trump was "a loyal friend in my late legal troubles," Conrad Black once wrote. Trump returned the favor, at times. He once called Black "a tremendously strong man," but in 2007, when Black was on trial for ripping off his own company, Trump was asked in a radio interview whether Black was his friend. "I just have to see," Trump replied. On Wednesday, President Trump granted Black a pardon, wiping clean the fraud and obstruction of justice convictions for which the former owner of the Chicago Sun-Times served three years and two weeks in prison.

WHITE HOUSE: TRUMP MADE \$434M LAST YEAR - President Donald Trump made at least \$434 million in 2018, according to his annual financial disclosure released Thursday by the White House ([CNN](#)). That includes \$40.8 million from his Trump International Hotel in Washington, DC, just blocks from the White House. Trump reported that his Mar-a-Lago resort in Florida generated \$22.7 million in income, a slight drop from last year's reported \$25.1 million. Overall, Trump's income appears to have gone down from last year, when he reported making at least \$450 million. The disclosure forms include income ranges rather than exact totals for some categories. Since taking office, Trump has broken presidential precedent by maintaining his interest in the Trump Organization, which is run on a day-to-day basis by his adult sons Don Jr. and Eric. He's also the first president in decades not to release his personal tax returns, though he has submitted his required financial statements each year to the Office of Government Ethics.

WHITE HOUSE: JIMMY, ROSALYN CARTER RELEASED FROM HOSPITAL - Former President Jimmy Carter has been released from a Georgia hospital after hip replacement surgery ([AP](#)). A spokeswoman for Carter said former first lady Rosalynn Carter also was hospitalized Wednesday in Americus after feeling faint but was discharged Thursday along with her husband. The 94-year-old former president injured his hip earlier this week when he fell at his home before a planned turkey hunt. He and the 91-year-old former first lady will continue recuperating at home. The former president also will undergo physical therapy. Jimmy Carter plans to teach Sunday school this weekend at Maranatha Baptist Church in his hometown of Plains, Georgia.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave Trump Tower at 9:10 a.m. en route to Washington. He will arrive at the White House at 11:15 a.m. via the South Lawn. Trump will leave the White House at 1:30 p.m. en route to the Marriott Wardman Park Hotel. He will deliver remarks at the National Association of Realtors legislative meeting and trade expo at 2 p.m. Afterward, he will return to the White House.

WHITE HOUSE: PENCE TO GIVE TAYLOR U. COMMENCEMENT ADDRESS SATURDAY - Vice President Mike Pence will be the featured commencement speaker at Taylor University on Saturday, May 18, 2019, at 10:00 am, in the Kesler Student Activities Center (Howey Politics Indiana).

BUSINESS: ANTHEM 33RD ON FORTUNE 500 - Indianapolis-based Anthem was 33rd on the 2019 [Fortune 500](#) list. It was the only Indiana company in the top 100.

MEDIA: GANNETT SHAREHOLDERS REJECT HEDGE CANDIDATES - Shareholders of the Gannett newspaper chain—the owner of The Indianapolis Star—backed all eight of the company's board candidates Thursday, turning away an attempt by New York hedge fund Alden Global Capital to populate the board with its own candidates ([Washington Post](#)). The vote, completed at Gannett's annual meeting in McLean, Virginia, amounted to a rejection—possibly the final one—of Alden's attempt to acquire Gannett through a hostile takeover launched in January by its Media News Group unit. Board chairman John Jeffry Louis pumped his fist after the vote to applause from the company's board members and employees in the company's auditorium. Gannett issued a statement afterward saying the outcome "demonstrates that Gannett shareholders recognize the continued progress we have made toward" transitioning its 100-plus newspapers, including USA Today, into predominantly digital businesses. MNG, formerly known as Digital First, initially proposed six board candidates, later narrowing it to three, including Heath Freeman, Alden's president. Alden owns 7.5 percent of Gannett's stock and controls more than 100 local newspapers.

MEDIA: SUNDAY TALK - "Fox News Sunday": Sen Amy Klobuchar (D-Minn.) Panel: Ben Domenech, Julie Pace, Katie Pavlich and Mo Elleithee. Power Player: Robert Caro (live from Claremont, N.H. ahead of a town hall with Mayor Pete Buttigieg at 7 p.m.). **CNN "State of the Union"**: Sen. Mitt Romney (R-Utah), Montana Gov. Steve Bullock, Panel: Rep. Pramila Jayapal (D-Wash.), Rick Santorum, Bakari Sellers and Mia Love. **CBS "Face the Nation"**: Rep. Adam Schiff (D-Calif.), Sen. Kirsten Gillibrand (D-N.Y.). Political panel: Peter Baker, Kristen Soltis Anderson, Jamelle Bouie and Ed Wong. **ABC "This Week"**: David Petraeus. Panel: Jonathan Karl, Chris Christie, Heidi Heitkamp and Yvette Simpson. **NBC "Meet the Press"**: Panel: Rich Lowry, Janet Napolitano, Heidi Przybyla and Eugene Robinson. **CNN's "Inside Politics"**: Maggie Haberman, Jonathan Martin, Seung Min Kim and Jeff Zeleny.

SPORTS: CUBS STAR DIVORCING WIFE - Chicago Cubs star Ben Zobrist reportedly filed for legal separation from his wife, Julianna, alleging she "has been guilty of inappropriate marital conduct" ([Fox News](#)). Zobrist, 37, filed for separation earlier this week in Tennessee and days after he announced he was taking a leave of absence from the team, the Tennessean reported Wednesday. Zobrist's wife, Julianna, filed for divorce Monday in Cook County, Ill., the Chicago Sun-Times reported. Julianna reportedly cited "irreconcilable differences."

Local

CITIES: CUMMINS TO BUILD IN GREENWOOD - Cummins Inc. announced Thursday that it plans to spend more than \$68 million to expand its operations in Columbus, Greenwood and Indianapolis as it grows its new Electrified Power Business segment ([IBJ](#)). Plans include constructing a \$35 million, 100,000-square-foot office building at the southeast corner of Interstate 65 and County Line Road in Greenwood that will serve as the hub for 500 digital and information technology employees. These will not be new jobs—the employees will transfer from Cummins' other facilities around the state, primarily from Indianapolis and Columbus. Columbus-based Cummins is not seeking a tax abatement for the Greenwood site, but the city is offering other incentives. Greenwood's Redevelopment Commission has purchased 83.5 acres of property in the area, and it will sell 31 of those acres to Cummins for \$10. The city says the true value of the land is about \$5 million.

CITIES: MUNCIE BUYING RUSHVILLE AMBULANCES - The fire chief for the city of Rushville says his department has a tentative agreement to sell two ambulances to the city of Muncie for \$85,000 ([Muncie Star Press](#)). While little information has come from Muncie officials, Muncie Fire Department Chief Eddie Bell confirmed that they have been in talks with Rushville officials about buying the ambulances, but there was no formal contract to make a purchase. If a purchase takes place, it would be the latest step in the city's effort to start a fire-based EMS. Mayor Dennis Tyler and Bell have wanted to purchase three ambulances for use by MFD since early February, a scaled-back version of a total takeover of EMS duties that first came up in 2017. The Star Press filed public records requests with both Muncie and Rushville on May 15 seeking email correspondence and contracts between officials regarding ambulances for the Muncie Fire Department.

CITIES: CIB APPROVES VICTORY FIELD PROJECT - Plans for \$8.3 million in upgrades to Victory Field are moving forward after getting approval from the city board that owns the stadium ([IBJ](#)). The Capital Improvement Board approved more than \$6.5 million in contracts for changes to the 23-year-old baseball stadium that's home to the Indianapolis Indians. The upgrades include an expansion of the Indians' administrative offices and the creation of a 4,500-square-foot Home Plate Club, which will replace four suites behind home plate. The club will also require the relocation of the stadium's press box and radio and control rooms. The indoor-outdoor club is expected to include amenities like beverage rails, televisions, movable seating, and a full bar, along with outdoor seating on three levels, giving more than 200 fans per game a more social viewing experience than what's generally offered with traditional seats.

CITIES: VALPO COUNCILWOMAN RESIGNS - Trista Hudson is resigning from the Valparaiso city Council after serving nearly 4 ½ years on the job, according to a city press release ([NWI Times](#)). Hudson is leaving to pursue "a new professional position," according to the release that did not elaborate on the move. "I enjoyed serving the city of Valparaiso and am proud to have provided fair representation to all," said Hudson, who intends to remain in the area following her resignation effective May 31. "Listening to all interested parties on each issue was a high priority for me."

CITIES: CENTURY CENTER RISKS BEING OBSOLETE - The Century Center could eventually slip into irrelevance if it doesn't eventually receive a major makeover (Semmler, [South Bend Tribune](#)). That's the opinion of Jeff Jarnecke, who oversees the Century Center and other sites as executive director of the city's venues, and a study that concluded that as much as \$85 million might have to be spent to keep the facility competitive with convention centers in other midsize cities. On Wednesday, the Century Center's board of managers asked Jarnecke to continue advancing the proposal by identifying possible sources of financing, partners and even groups that would be interested in using the revamped and possibly expanded facility to determine what is possible and justifiable. "The way people design and use convention centers is very different than 45 years ago when the Century Center was first planned," said Aaron Perri, executive director of the city's department of Venues Parks & Arts. "It's important that we're keeping up with the needs and expectations of meeting planners."

CITIES: HAMMOND SUPERINTENDENT TO CLOSE 3 SCHOOLS - Staring down a projected \$10.2 million deficit, the superintendent of the School City of Hammond made recommendations this week to close three elementary buildings and cut more than 130 positions districtwide by the start of next school year ([NWI Times](#)). The Hammond School Board will vote on Superintendent Scott Miller's recommendations in a public meeting next Tuesday. At a Wednesday night public work session, Miller recommended closing Columbia and Lafayette elementaries — serving kindergarten and pre-K programs through the fifth grade — and Miller School, offering Hammond's Head Start and special education pre-K programs.

COUNTIES: LAKE COUNCILWOMAN ELSIE FRANKLIN REMEMBERED - Public service wasn't just a promise to late Lake County Councilwoman Elsie Franklin, Lake County Sheriff Roy Dominguez told a crowd Thursday at the Genesis Convention Center (Dolan, [NWI Times](#)). He said she did it for living. Dominguez said he first met Franklin a quarter of a century ago when she worked for Gary Police as a radio dispatcher, answering calls for police, medical care and a myriad of other needs Gary residents had. He said she took that passion into local politics and county government where she oversaw the spending of public dollars for essential government services across the county. "She could interact with those in power and helped the poor and those who didn't have a voice. We will miss her strong voice. She left Lake County better than she found it," Dominguez said.

COUNTIES: HOWARD COURT MEDIATION FAILS - After a failed mediation session, a dispute over salary raises between the Howard County Council and Judge William Menges is headed to a special judge (Myers, [Kokomo Tribune](#)). Howard County Attorney Alan Wilson confirmed Wednesday "no resolution was reached" during mediation earlier this month but said he could provide no other details about the confidential process. The next step in the disagreement, which could lead to an expensive legal bill for Howard County taxpayers, is for the Indiana Supreme Court to appoint a special judge to preside over the case. The county has to pay the legal bills for both sides using taxpayer dollars, acknowledged Wilson. He said he cannot yet predict the total cost. "I would rather have been able to come to an agreement and end the process there. It just wasn't in the cards, I guess," said Howard County Council President Jim Papacek.



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INDIANA GAMING INSIGHT

Quarter pays no dividends

Q1 decline is largest in five years; lowest revenue since 2003

Through the first three months of 2019, statewide win of \$548,422,923 at Indiana's 13 gaming properties is down by almost \$11.35 million (- 2.03%) from \$559,768,486 during the same quarter of 2018, the largest percentage and real-dollar decline the state has seen during any first quarter in five years.

That dates back to January - March 2014, the noisome quarter which saw record cold, snow, and ice paralyze the casinos all across the state for a prolonged period.

In terms of total revenues, the first quarter of 2019 (which saw the first anniversary of the opening of the Native American casino in South Bend) produced the lowest numbers since the first three months of 2003 - the initial full first quarter of dockside gaming, a time when the state was home to one fewer commercial casino, and the two racinos had yet to open.

As we've told you before, this is an important quarter to Indiana's gaming properties. Casinos in the Midwest region have traditionally expected to post their top revenue quarter of the year in the January - March period.

After the first quarter of 2016 interrupted a depressing three-year losing streak, 2017 results took a step back, 2018 dipped further, and then 2019 took an even longer stride backwards . . . although the first quarter numbers in both 2016 and 2017 were better than any comparable January - March period since 2013. That year was also the last time in which first quarter results topped \$575 million (a streak that began in 2004, before the last casino and two racinos were added to the bottom line). So Q1 2019 was flat-out lousy.

First Quarter Casino Win by Month – Past Five Years

	Actual Revenue	% Change Previous Yr	Actual Change Previous Year
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,981)
02/19	\$ 172,158,594	1.20%	\$ 2,043,857
03/19	\$ 217,397,976	1.66%	\$ 3,659,437
01/18	\$ 168,596,335	- 2.38%	(\$ 4,117,775)
02/18	\$ 170,114,738	- 8.32%	(\$ 15,436,003)
03/18	\$ 221,057,413	4.60%	\$ 9,723,531
01/17	\$ 172,714,110	- 3.77%	(\$ 6,763,345)
02/17	\$ 185,550,741	- 3.45%	(\$ 6,622,543)
03/17	\$ 211,333,910	4.36%	\$ 8,831,602
01/16	\$ 179,477,454	1.75%	\$ 3,092,339
02/16	\$ 192,173,283	7.53%	\$ 13,463,446
03/16	\$ 202,502,600	3.08%	\$ 6,052,142
01/15	\$ 176,415,115	13.63%	\$ 21,154,388
02/15	\$ 178,709,837	- 3.73%	(\$ 6,928,332)
03/15	\$ 196,450,458	- 7.32%	(\$ 15,514,944)
01/14	\$ 155,260,726	- 21.89%	(\$ 43,509,003)
02/14	\$ 185,638,167	- 14.63%	(\$ 31,812,046)
03/14	\$ 211,965,405	- 11.53%	(\$ 27,618,906)

For more, please see the following page . . .

Guv wants law's impact studied

He waits, praises, signs, seeks monitoring

Governor Eric Holcomb (R) waited until about seven hours before the deadline for final action before signing HEA 1015-2019 and offering this statement:

"Gaming is a highly regulated industry that once had little competition, but now does from surrounding states and new technology. By modernizing our laws, this legislation will spur positive economic growth for our state and for an industry that employs over 11,000 Hoosiers. Additionally, it will bring in new revenue and create hundreds of new jobs - both permanent and in construction."

Beyond the banal and obvious, he served up a line indicating interest in its consequences: "I will direct the Indiana Gaming Commission to monitor for potential effects of this bill so that we can make necessary changes in future legislative sessions."

Bear in mind that such a study, requested by Rep. Holli Sullivan (R) in the House Committee on Ways and Means, was ultimately removed in conference. Even so, several House members kept suggesting such a study was in order, and assurances were continually provided by bill backers that the effects would be reviewed and that there would be two years in which to make any appropriate adjustments before the next budget.



So the Q1 doldrums continue, although the 2018 flooding in Southern Indiana that caused the closure of three different properties for assorted lengths in late February and early March was partially to blame, as was the 2019 flooding that shut down both Belterra Casino Resort and Horseshoe Casino Southern Indiana for four days each, albeit a briefer dark period than the 10-day Q1 2018 closure at the Harrison County property.

As Eldorado Resorts, Inc. CEO Thomas Reeg told analysts on the company's first quarter earnings call earlier this month, "The first quarter is typically my least favorite to talk about because invariably the conversation turns to weather, and this one was no exception," While he wasn't necessarily referring to events at his company's Tropicana Evansville, Reeg added, "I've heard enough about bomb cyclones and polar vortexes to last me for quite some time."

After the January - March 2015 period marked the first time since 2003 in which none of the months in the first quarter hit \$200 million, we managed to cross the \$200 million rubicon in March 2016, and continued that one-month March trend in each first quarter since (note, however, that in contrast to recent years, no single casino topped \$100 million in first quarter revenue in 2019).

While March 2019 again significantly outpaced the other months of the quarter, this year's March bottom line slipped from the prior year for the first time since 2015.

But after we broke the first quarter jinx in 2016 following over-the-year declines for an unprecedented three consecutive years, we're back where we started . . . or worse, falling to a first quarter low we have not seen since 2003.

First Quarter Revenue, Comparison to Prior Year

Year	Actual Revenue	% Change Previous Yr	Actual Change Previous Year
1998	\$ 368.359M		
1999	\$ 371.290M	0.80%	\$ 2,930,000*
2000	\$ 429.882M	15.78%	\$ 58,592,000*
2001	\$ 465.693M	7.69%	\$ 35,811,000*
2002	\$ 504.038M	8.23%	\$ 38,345,000*
2003	\$ 545.217M	8.17%	\$ 41,179,000*
2004	\$ 599.616M	9.98%	\$ 54,399,399
2005	\$ 610.149M	1.76%	\$ 10,532,532
2006	\$ 661.789M	7.80%	\$ 51,639,869
2007	\$ 682.336M	3.10%	\$ 20,547,194
2008	\$ 636.637M	(- 6.69%)	(- \$ 45,698,694)
2009	\$ 714.278M	12.20%	\$ 77,640,858
2010	\$ 706.248M	(- 1.24%)	(- \$ 8,029,555)
2011	\$ 696.684M	(- 1.35%)	(- \$ 9,564,755)
2012	\$ 705.524M	1.27%	\$ 8,840,121
2013	\$ 655.804M	(- 7.05%)	(- \$ 49,719,512)
2014	\$ 552.864M	(- 15.97%)	(- \$ 102,939,955)
2015	\$ 551.575M	(- 0.23%)	(- \$ 1,288,888)
2016	\$ 574.153M	4.09%	\$ 22,577,927
2017	\$ 569.599M	(- 0.79%)	(- \$ 4,554,607)
2018	\$ 559.769M	(- 1.73%)	(- \$ 9,830,267)
2019	\$ 548.423M	(- 2.03%)	(- \$ 11,345,563)

* Rounding is approximate

Since the first full year of the financial crisis in 2009, eight of the 10 first quarters have experienced revenue declines from the prior-year quarter.

By comparison, 10 years ago during the first quarter of 2009 - a period theoretically depressed by the impact of "The Great Recession" - January through March win of \$714,277,954 that year was not only a record for the quarter in Indiana history, but also \$165.86 million (23.22%) more than during the first quarter of 2019. But that 2009 first quarter didn't include competition from some 30,000 Illinois video gaming terminals and a shiny new casino in Des Plaines, four land-based casinos and seven racinos in Ohio, historical wagering machines in Kentucky, and a land-based Native American casino in South Bend.

At this juncture back in 2015, we opined that "The state's failure to make a first quarter recovery is far more problematic than most people realize, particularly as it seems to result from a combination of tough to resolve factors."

As we told you four years ago, we likely won't find ourselves back at such lofty levels given the rise of competition around us, although a new inland Gary casino site, a Vigo County casino, and live table games at the racinos could help draw us closer to the glory days.

The casino that most directly affects the trio of Indiana's Cincinnati market casinos, JACK Cincinnati Casino, generated \$52,965,641 in revenue for the 2019 first quarter, down from \$61,072,210 in Q1 2018, but up from \$51,330,806 in the 2017 first quarter (revenues were \$50,171,465 in January - March 2016 and \$48,305,525 during Q1 2015) . . . and when combined with the nearby Ohio racinos, the overall Q1 Buckeye State numbers in the local market are up substantially over the year.

Indiana's three Cincinnati market casinos generated just \$78,958,180 during the first quarter of 2019, vs. \$83,839,246 in first quarter 2018 win, down by \$5.2 million (-6.2%). This was also down from the preceding few quarters which had shown remarkable stability (\$84,160,759 in 2017 first quarter win and \$84,185,332 in Q1 2016).

Illinois recorded \$408,242,517 in first quarter revenues from its Video Gaming Terminals, more than \$40 million (10.88%) above the \$368,180,546 in Q1 2018 VGT revenues. Illini VGT receipts have grown progressively from \$269,330,390 in Q1 2016 and \$314,994,743 in Q1 2017.

First Quarter Performance 2017 - 2019

Casino	Q1 2019	Q1 2018	Q1 2017
Horseshoe Casino Hammond	\$ 97.43	\$ 104.62	\$ 106.87
Indiana Grand	\$ 74.57	\$ 70.67	\$ 70.59
Ameristar Casino East Chicago	\$ 56.22	\$ 58.74	\$ 56.99
Horseshoe Casino Southern IN	\$ 50.71	\$ 53.85	\$ 62.30
Hoosier Park	\$ 52.37	\$ 53.18	\$ 53.62
Hollywood Casino Lawrenceburg	\$ 42.53	\$ 43.58	\$ 42.67
Tropicana Evansville	\$ 38.57	\$ 40.13	\$ 32.63
Blue Chip Casino	\$ 37.55	\$ 36.74	\$ 40.00
Belterra Casino Resort	\$ 24.97	\$ 25.55	\$ 27.12
French Lick Resort • Casino	\$ 23.83	\$ 22.70	\$ 23.08
Majestic Star Casino I	\$ 22.44	\$ 22.91	\$ 24.78
Majestic Star Casino II	\$ 15.78	\$ 15.09	\$ 15.89
Rising Star Casino • Resort	\$ 11.46	\$ 12.01	\$ 13.05

Only two of 13 Indiana properties (French Lick Resort • Casino and Majestic Star Casino II) posted an improvement in first quarter win compared to January - March 2018, compared to four of 13 Indiana properties that enjoyed a gain in 2018 first quarter win compared to January - March 2017, and vs. the seven that improved from Q1 2016 to Q1 2017.

There were 10 properties which recorded a gain in 2016 Q1 win compared to 2015 January - March numbers. Only one property (French Lick Resort • Casino) managed to advance in first quarter revenue position from Q1 2018, moving ahead of Majestic Star Casino I to 10th in statewide Q1 win.

Eight of the 13 properties achieved their best first quarter over the past seven years well back in the rear-view mirror, in 2013, serving up further cause for concern.

Only two properties, Indiana Grand and French Lick Resort • Casino, posted their best quarter during the period in 2019, although that was one better than during the same quarter in 2018 (Tropicana Evansville, which was the only casino to debut a new gaming platform during those years, moving land-based in downtown Evansville).

Eight of the 13 properties also posted their worst first quarter in 2019, an ominous finding.

Four of the eight properties whose best Q1 last occurred in 2013 were southern tier properties, three were along Lake Michigan, and one was a racino.

Three of the seven which had their worst first quarter in six years in 2018 were on the Lake, three were along the Ohio River, and one was a racino.

Best/Worst First Quarter 2013 -19

Casino

Horseshoe Casino Hammond
Belterra Casino Resort
Majestic Star Casino I
Majestic Star Casino II
Rising Star Casino • Resort
Hoosier Park
Hollywood Casino Lawrenceburg
Horseshoe Casino Southern Indiana
Ameristar Casino East Chicago
Blue Chip Casino
Indiana Grand
French Lick Resort • Casino
Tropicana Evansville

Best Q1 Worst Q1

2013 2019
2013 2019
2013 2019
2013 2018
2013 2019
2013 2019
2013 2019
2013 2019
2016 2019
2016 2014
2019 2014
2019 2014
2018 2015

Although you may be crestfallen about the first quarter results, please take solace in what transpired in each of the last two years: First quarter revenues also declined in both of those years . . . and yet when we reached the end of both 2017 and 2018, the statewide returns were up overall.

IN General

● As the Governor dawdled in signing into law HEA 1015-2019, reporters pressed him at an event earlier that day and he responded, "There's a lot of day left. I have until midnight."

□ Rep. Martin Carbaugh (R) of Fort Wayne tweeted as part of a colloquy with those following the fate of the final three bills left on the list, "He's being so cagey. But would anyone take a bet that he will veto it?"

□ After the Governor signed the measure, Casino Association of Indiana President and CEO Matt Bell told Travis Robinson of WISH-TV *News8* in Indianapolis, "The industry will be healthier, the state will be healthier, we'll be more competitive, and better positioned for a bright future."

● Indiana Democratic Party Chairman John Zody requested the bipartisan Indiana Election Commission launch an investigation into the Governor's campaign activities related to a well-publicized pair of private jet flights in 2018 to Republican Governors Association events that the *Indianapolis Star* revealed were apparently effectively underwritten by the racino operator that eventually morphed into Spectacle Entertainment, LLC.

□ In a letter to the Election Commission, Zody called upon the panel to scrutinize almost two-dozen contributions received by the official campaign committee of Governor Eric Holcomb (R) as well as by Team Holcomb - Gov. Holcomb's joint fundraising committee - around the dates of the trips. Any of the contributions, if received at the out-of-state meetings, would directly

contradict the Holcomb campaign's argument for not disclosing the flights, Zody explains.

□ According to Indiana Democratic Party, "The Eric Holcomb for Indiana and Team Holcomb committees logged 21 contributions on the dates in July 2018 and November 2018 when the governor was at RGA meetings, according to campaign filings. Those contributions included checks from organizations that pumped as much as \$720,000 into the RGA in 2018. The Holcomb campaign also reported a fundraising expenditure on July 24, 2018. In a memo to the *Indianapolis Star*, Holcomb's campaign treasurer argued the campaign did not have to report the private jet flights because Holcomb did not directly benefit from the travel. In a May 3 letter to the Election Division, the Holcomb campaign evaded answering whether the fundraising agreement between Holcomb and the Indiana Republican Party, Team Holcomb, solicited contributions at RGA meetings. The contributions and fundraising expenditure paint a story that Zody believed demands additional scrutiny from the Election Commission."

□ Governor “Holcomb owes taxpayers the highest level of transparency and undisclosed private jet rides with lobbyists don’t give Hoosiers faith the governor is living up to that standard,” said Zody. “Holcomb should embrace the opportunity to clarify any fundraising activities on these trips and set the record straight.”

● Travis Robinson of WISH-TV *News8* in Indianapolis looks into the dollars from HEA 1015-2019 that will be directed toward problem gambling treatment, and Casino Association of Indiana President and CEO Matt Bell tells him, “We’re excited to see problem gaming funding committed from new sports wagering revenue to combat that, identify it, combat it, educate it.” Less sanguine was Indiana Council on Problem Gambling Executive Director Christina Gray. “It’s accepted,” she lamented. “It’s kind of, ‘it will become the norm and accepted,’ and that can cause problems for people who do have a problem with gambling.” Gray adds, “I would like to see more money go toward the treatment, the actual treatment of problem gamblers. And so, I’m very thankful that we’re getting some money, but I would like to see at least more of it dedicated toward problem gambling.”

● We’ve been telling you that Eldorado Resorts, Inc. has been the frontrunner in the contest to buy out Caesars Entertainment Corporation, and one of the potential (albeit minor) sticking points in the deal has been resolved with the enactment of HEA 1015-2019, which not only makes it clear that Caesars will be able to maintain ownership of the two racinos when they become full-fledged casinos next year, but that a combined Eldorado-Caesars would be able to keep all five of its combined Indiana properties in the event of a corporate joinder. Eldorado is the parent company of Tropicana Evansville, and the lack of a need for divestiture makes the corporate merger less complicated. Further, the new entity could own as many as six properties, which would allow a new combined Eldorado-Caesars to bid for the Vigo County license as well.

□ The *New York Post*, which has had more internal insight into the Caesars end of the deal than any other publication in recent months, reported Wednesday that “lead prospective bidder Eldorado Resorts [is] busy investigating ways to slash at least half a billion in costs to wring a profit out of the debt-ridden business,” and “has not pulled the trigger on a bid in part because Chief Executive Tom Reeg has been determined to find \$500 million in cost savings first,” even “as Caesars’ largest shareholder, activist investor Carl Icahn, has also complained of bloated expenses, including those at the executive level. Icahn, who owns a 28.5 percent stake in Caesars including swaps, has griped that the company’s \$332 million in 2018 corporate expenses – a category that includes executive salaries – needs to be reined in, according to people familiar with Icahn’s thinking. If Reeg finds ways to slash the \$500 million in costs, he plans to move forward with an offer to buy the owner of Harrah’s and Bally’s, which is worth \$24 billion including debt and equity, sources said. If not, he is expected to walk away, sources said. ‘My hunch is he’s not going to get there,’ said a source who knows Reeg and thinks the cost-savings quest is part of a desperate bid to offset the risk of the acquisition. Caesars has given Eldorado until the end of the month, or Memorial Day, to make a binding offer, two sources close to the situation told *The Post* Houston Rockets Owner Tilman Fertitta is also trying to put together a rival bid for Caesars but is still struggling to secure the funding, sources said.”

● Gaming contributed \$51.9 million in tax revenue to the state’s General Fund during April, the highest April amount since 2015. Gaming taxes account for 2.3% of total General Fund collections for the month. On a fiscal year-to-date basis, through the first three quarters of FY 2019, both the riverboat and the racino wagering taxes have out-performed the same nine months in the prior fiscal year by a double-digit percentage.

□ The riverboat wagering tax produced \$39.1 million in April, as the category topped the most recent (April 17, 2019) monthly estimate by \$3.6 million (10.1%) while growing on a year-over-year basis by \$2.3 million (6.2%). Likewise, the racino wagering tax provided \$11.6 million, beating the estimate by \$800,000 (7.6%) and surpassing April 2018 by \$1.0 million (9.8%). The riverboat admissions tax continues to dwindle, as expected. The tax brought in \$1.2 million for General Fund tax coffers, off from the prior April by \$1.2 million (- 50.3%).

FYTD Comparison to Monthly Targets

	Forecast	Actual	\$ Differ.	% Differ.
Riverboat Wagering	\$ 229.5M	\$ 234.5M	\$ 5.1M	1.2%
Racino Wagering	\$ 91.4M	\$ 94.7M	\$ 3.3M	4.2%
Riverboat Admissions	\$ 9.4M	\$ 9.6M	\$ 0.2M	2.5%

FYTD Comparison to Prior Fiscal Year-to-Date

	2018	2019	\$ Differ.	% Differ.
Riverboat Wagering	\$ 199.2M	\$ 234.5M	\$ 35.3M	17.7%
Racino Wagering	\$ 84.9M	\$ 94.7M	\$ 9.9M	11.6%
Riverboat Admissions	\$ 10.0M	\$ 9.6M	(\$ 0.3M)	(3.3%)

● The Indiana Department of State Revenue issues a Final Order Denying Refund: 01-20182137R in which it finds that an Ohio resident was not a professional gambler, thus while he was required to report his Indiana gambling winnings on his 2016 Indiana income tax return (the Indiana casinos withheld income tax on his wagering gains and issued W-2G forms for these withholdings, which overall totaled approximately \$9,100 on his Indiana wagering gains), he was disallowed from deducting his gambling losses.

□ While his gross wagering gains exceeded \$330,000, he had a net wagering loss of just over \$12,000. He filed an Indiana form IT-40PNR (Indiana Part-Year or Full-Year Nonresident Individual Income Tax Return), on which he reported zero Indiana income, and claimed he was entitled to a refund of the \$9,100 withheld by Indiana casinos on his Indiana wagering gains. Upon reviewing his 2016 return, the Department of Revenue increased his Indiana income, resulting in a reduction of his refund from \$9,100 to less than \$50. The taxpayer protested this reduction. An administrative hearing was scheduled, but the taxpayer opted to waive it.

□ After some other issues were resolved, it boiled down to this: a taxpayer with income from gambling activities in Indiana must report that income in Indiana and remit income tax to Indiana regardless of that taxpayer’s residency. Similar to the federal rules, Indiana treats losses generated from gambling activities differently depending on a taxpayer’s classification as a professional gambler or a casual gambler. Indiana does not allow casual gamblers to deduct gambling losses on the Indiana return as those losses are reported as Schedule A itemized deductions at the federal level. Professional gamblers may deduct gambling losses since those losses are business losses under I.R.C. § 62.

□ In the instant case, the taxpayer was required to report his Indiana gambling income on his Indiana tax return, which he did not. Whether he was then allowed to deduct his gambling losses turns on whether or not he was a professional gambler. Revenue applied the analysis which we covered at length in these pages in the recent case of *Popovich v. Dep't of State Rev.*, 90 N.E.3d 704 (Ind. Tax Ct. 2017). "The Indiana Tax Court set forth nine Treasury Regulation factors to help determine whether a taxpayer is engaged in an activity for profit. Those factors are: (1) the manner in which the taxpayer carries on the activity; (2) the expertise of the taxpayer or his advisers; (3) the time and effort expended by the taxpayer in carrying on the activity; (4) the expectation that assets used in the activity may appreciate in value; (5) the success of the taxpayer in carrying on other similar or dissimilar activities; (6) the taxpayer's history of income or losses with respect to the activity; (7) the amount of occasional profits, if any, which are earned; (8) the financial status of the taxpayer; and (9) the elements of personal pleasure or recreation."

□ Here, the Department asked the taxpayer to provide a log of his gambling activities, but he was unwilling to do so. From the W-2Gs provided, Revenue found that he had spent at least 59 days gambling in Indiana in 2016. "Further, Taxpayer provided a copy of his 2016 Federal Schedule C for both his gambling activities and an automotive business. On the Federal Schedule C for the automotive business, Taxpayer indicated that he 'materially participated' in the operation of the business and the business earned a profit in 2016. '[A] taxpayer's gambling activity is continuous and regular when the taxpayer gambles on a full-time basis and has no other source of employment or livelihood.' *Id.* at 711 (emphasis added). Despite the lack of a gambling log or other such documentation, the Department can determine that Taxpayer's gambling activities were not continuous and regular because Taxpayer had another source of employment or livelihood in the automotive business. Therefore, no further analysis is required. Because Taxpayer's gambling activities were not continuous and regular, Taxpayer does not qualify as a professional gambler; he is a casual gambler, and his gambling losses are not deductible on his Indiana return."

● The Indiana Department of Revenue issues Memorandum of Decision: 01-20190029R relating to an individual income tax issue for the years 2015 and 2016. What we presume to be an Illinois married couple filing jointly (the individuals live in Illinois but file Indiana income tax returns) was denied a refund of individual income tax in Indiana on the ground that they had not presented sufficiently reliable documentation justifying an offset of their gambling "losses" against their gambling "winnings."

□ In 2018, the taxpayers filed amended their 2015 and 2016 Indiana Part-Year and Full-Year Nonresident IT-40 PNR income tax returns seeking a refund of income tax withheld on Indiana gambling winnings. On their amended returns they reported approximately \$900,000 in winnings and \$928,000 in gambling and "offset" their Indiana gambling losses against their gambling winnings resulting in total losses of approximately \$28,000. The Department of Revenue reviewed the return, rejected their gambling calculations, and denied the originally claimed refund. The Department told the taxpayers the State "must deny it because a federal schedule C will need to be sent if the customer is claiming they are a professional gambler." The taxpayers submitted a protest, an administrative hearing was conducted, and this Memorandum of Decision results.

□ In its initial review, the Department concluded the taxpayers were not entitled to the refund because they were not "professional gamblers," and thus had erred in their calculations. The taxpayers disagreed, admitting that they were not professional gamblers but contending that their calculations were based on relevant federal tax guidelines. The issue was whether the taxpayers presented sufficient information justifying their assertion that they are entitled to offset their daily gambling losses against their daily gambling winnings.

□ The taxpayers argued that the Department's decision denying the refund was wrong because "[w]e are NOT professional gamblers and did not indicate such on our Federal Tax Returns." They explained that the only Indiana income reported on their Indiana returns was from "casual gambling" at an Indiana casino and contend that they are entitled to a full refund of taxes paid to Indiana for tax year 2015 (and 2016) as they had no reportable gaming income in the State of Indiana. They incurred losses in excess of the reported Indiana W2G winnings for gaming activity occurring solely in the State of Indiana. The taxpayers told the Department of Revenue, "[They] record each session win/loss in accordance with Federal tax guidelines: each maintaining a contemporaneously prepared gaming journal. Furthermore, [T]axpayers maintain all banking & credit records of withdrawals and deposits made for gaming purposes on a per session basis in accordance with Federal guidelines." here, they provided the Indiana casino's daily gambling activity report, the casino's ATM per-session receipts and deposits reflecting net losses each year, their own handwritten journal summarizing net winnings and losses by date and location, and their federal 1040 "calculation of Indiana [adjusted gross income]."

□ "The Department concludes that the documentation provided is sufficient for the Department to substantiate Taxpayers calculation of the net winnings and losses attributable to Indiana gambling activities and – after verifying the calculation – to issue Taxpayers any consequent refund. On the issue of whether Taxpayers have provided sufficiently reliable information on which to base their calculation of net gambling winnings and net losses, Taxpayers' protest is sustained. However, this Memorandum of Decision does not address the actual calculation of those winnings and losses and takes no position on any other issue which may be contained in the 2015 and 2016 returns." The final conclusion: "Out-of-State Individuals provided sufficient documentation permitting them to 'net' their 'per session' gambling losses and gambling winnings on a 'per session' basis in determining the amount of 'other income' reported on their Indiana income tax return."

IN Sports Wagering

● Look for the Indiana Gaming Commission to do its best to provide closure on proposed sports wagering regulations at its meeting tentatively slated for August 28.

HEA 1015-2019 allows wagering to begin September 1, in time for the September 2 University of Notre Dame football season kick-off against the University of Louisville in Louisville (providing a likely boost for nearby Horseshoe Casino Southern Indiana, in addition to those who will choose to gamble in-state on their personal electronic devices).

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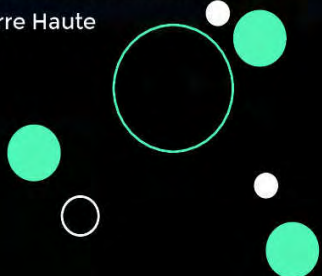
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□ Also close in time to the September 1 start date: The National Football League first game, a Thursday night event on September 5, with the Green Bay Packers playing the Chicago Bears at Soldier Field, likely driving traffic with hopeful fans of Da Bears to the four Lake County casinos.

□ Alas, there has been no talk about rescheduling the football game in which Indiana University hosts Ball State University on August 31 – but if you were hoping to bet on that one, you’ve got a problem! If you want to wager on the Purdue University opener on August 30, and you are traveling with the team, you’re in luck, because the Boilers are playing the University of Nevada Wolf Pack in Reno.

● The Board of Governors of the Indianapolis-based National Collegiate Athletic Association votes to rescind the “NCAA Championships Policy Related to Sports Wagering,” which prohibited hosting championship competitions in any state that allows single-game sports wagering. The decision follows the board’s temporary action last year to suspend the policy following the 2018 ruling by the Supreme Court of the United States to effectively legalize sports wagering . . . and provides more top-tier competition for Indianapolis in hosting the national championship football game and both men’s and women’s Final Four basketball games. While Vegas won’t likely host swimming and diving championships, they will have a better shot than the Circle City at being a Frozen Four hockey championship venue.

□ The NCAA board also reinforced its support for federal legislative sports wagering standards. While the board stressed that an exemption of college sports in any federal or state legislation is desired, it emphasized that any proposed legislation should protect student-athlete well-being and the integrity of games.

● When the Summer Meeting of the National Council of Legislators from Gaming States convenes from July 12 - 14 in Minneapolis, the results of the post-PASPA world of legal sports betting and lessons learned from the early state adopters will be the focus of the NCLGS Committee on Emerging Forms of Gaming. The committee, chaired by Sen. Jon Ford (R) of Terre Haute, will hear from a panel comprised of these experts:

- Kevin Braig, Partner, Shumaker, Loop & Kendrick LLP
- Steve Geller, Principal, Geller Law Firm
- Nicole Metzgar-Schall, Corporate Counsel, Sportradar
- Dan Spillane, Sr. VP, National Basketball Association

□ “Being from Indiana, a state that has just passed sports betting, our focus is on making sure that the state benefits in the best way possible for our constituents. It is our job to get this right,” said Sen. Ford, who is also an NCLGS officer. “We can learn from where other states have gotten it right and when they might have stumbled. We can get ahead of the curb thanks to those who came before us and gave us the blueprint.”

● Rep. Dale DeVon (R) of Granger reveals to WNDU-TV of South Bend that he voted against HB 1015 because of the mobile gaming component. Rep. DeVon had not previously spoken publicly about the bill or his vote. “I voted against the bill,” the lawmaker told *NewsCenter 16*.

□ “If we have casinos, casinos are a destination place, it’s a place of entertainment and place to go, but I was a little fearful of the mobile app provision of the bill that allowed you to make a bet from your living room,” Rep. DeVon said.

● Full House Resorts, Inc. President and CEO Dan Lee reviews the implications of legalized sports wagering for its Rising Star Casino • Resort for analysts on the company’s first quarter conference call. After detailing the impact of the other major components of HEA 1015-2019, he explains, “The other thing that’s in the bill is it legalizes sports betting. And does so that it has to be done through the licensees, and we get a certain number of skins and so on. And so we will now have a sports betting capability both at the property and online in the state underneath our license. And in fact, we’re treated the same way as some of the big casinos. So what might not be a very big plus for Caesars is actually a pretty big plus for us. So that’s in the bill.”

□ Full House Senior Vice President and Chief Development Officer Alex Stolyar told analysts, “we are looking to monetize those with market access deals as we speak.” CEO Lee adds, “We are unlikely to do it on our own. It’s a lot of software knowledge that a number of companies have that we don’t have. So we’re probably going to joint venture on that stuff.”

□ Lee adds, “And we’re trying to figure out it, it might make sense for us to actually put a race and sports book in the property just as an additional amenity, and we’ve got a couple places we could put that. So we’re exploring that it’s one of the things we’re trying to figure out. I think we can put it. I think we could put it on land.” Stolyar added that while the Gaming Commission will be developing regulations for sports wagering over the Summer, “we believe it will allow betting on the land-based part” of the property.” Lee picks back up, “We have a lot of space in either one. I mean, I’d rather put it on the land-based side, but we also have lots of space on our boat we could put it on if we had to. And with the drop in the price of large-screen TVs – I can remember when we built Bellagio, the cost for the race and sports book was a huge number because of these very expensive large-screens. And today you can put one together for a lot less money.”

● Dan Nita, regional president of Caesars Entertainment Corporation and general manager of Horseshoe Casino Hammond, tells us that his company’s Hammond property is “actively engaged to be operational for Fall in sports wagering,” and has already begun working with a design firm on an in-casino site “We’re close to finalizing our location,” he says, and it will be in a high-visibility, high-traffic area close to some of the casino’s popular food and beverage options. One constraint: The area will require significant wall space to accommodate big screen televisions to show sporting events and for display boards offering odds. Nita is excited about the opportunity to welcome a “brand-new” type of guest to his facilities, but acknowledges that no one quite knows what the dynamics of in-person versus mobile gaming might be.

□ Nita also tells us that in the plans for the land-based casino at Horseshoe Casino Southern Indiana, an area for a sports book was contemplated, and adjustments will be made in that property – which is “coming along” – to house a sports book, which will help it regain an edge over the Derby City Gaming facility in Louisville operated by Churchill Downs Inc. that has been eating into HCSI’s slot revenues, but will not yet be able to offer sports wagering.

□ Caesars has been the sports betting partner of the National Football League, and last week cemented a sports betting partnership with ESPN. “You’ll see more sports-related partnership opportunities in the future,” Nita told us the day before the ESPN deal was announced, and you can also expect more sport-celebrity appearances at casinos to promote sports wagering going forward.

● Look for Harrah’s Hoosier Park Racing & Casino and Indiana Grand Racing & Casino to undertake concurrent design and build-out of their respective sports books and new table game accommodations. While there may be a temporary sports book at each facility, both have bigger plans for table game venues and the sports book option will help drive that (although sports books could be located in parts of the “old” – or current – slot facilities as regular slot machines are moved around and the electronic table games are moved out).

● Trent McIntosh, senior vice president and general manager at Harrah’s Hoosier Park Racing & Casino, tells WTHR-TV 13 Eyewitness News political reporter Kevin Rader that Hoosier Park is exploring where to locate its new sports betting operations. “We have a couple of options. One is putting it in the racing side of our business. We feel that is a good crossover, good mix and a good use of space,” McIntosh tells the Indianapolis station.

□ Rader also reports that HP’s Winner’s Circle Pub, Grille & OTB in downtown Indianapolis is also evaluating how to configure its Pennsylvania Street facility to best accommodate sports wagering.

● GAN plc, a 15-year-old developer and supplier of enterprise-level B2B Internet gaming software-as-a-service solutions, and online gaming content, and other related services in the United States and Europe, is casting about for a mobile sports wagering partner in Indiana. GAN says that it “anticipates serving one or more land-based casino operators in Indiana with real money Internet gambling technology and supporting services in 2019.”

□ GAN developed GameSTACK™, a proprietary internet gambling enterprise software system, which it licenses principally to land-based U.S. casino operators as a turnkey technology solution for regulated real-money internet gambling, encompassing internet gaming, internet sports gaming and virtual simulated gaming.

IN Native American Gaming

● The Four Winds Casino South Bend ramps up advertising of its poker room on Indianapolis market broadcast media. “Trade up from ordinary to extraordinary,” listeners are told of “the Midwest’s premier entertainment destination” where “your table awaits,” and the live poker offerings include weekly tournaments.

IN Casinos

Northern Market News . . .

● Rep. Lisa Beck (D) of Hebron voted for the HB 1015 Conference Committee Report on its final passage, but did not speak publicly about her vote or rationale on the floor.

□ Rep. Beck, a freshman lawmaker who was born and raised in Crown Point and practices law in Merrillville, was asked about the hold harmless provisions of the legislation by Jim Dedelow and Verlie Suggs on WJOB 1230-AM in Hammond. “I think it was a good thing,” she said of the controversial hold harmless subsidies protecting the revenues of East Chicago, Hammond, and Michigan City, but not elaborating on the amounts or duration.

● Gary Mayor Karen Freeman-Wilson (D) sat down Tuesday for her first in-depth public interview since losing her race for renomination to a third term to Lake County Assessor Jerome Prince (D). She tells Jim Dedelow on WJOB 1230-AM in Hammond there was a concerted outsider effort to oust her, partly revolving around the Gary casino deal. “It wasn’t just Jerome Prince as an opponent,” she tells Dedelow. “It was Tom McDermott, Tom Collins, and Chris White,” respectively the mayor of Hammond, the head of Luke Oil, and the publisher of the *Times of Northwest Indiana*. Two of the three were lined up against her over casino considerations, she confides.

□ Mayor Karen explained that Collins, who “abruptly left” the Gary Economic Development Commission after leading it for just six months in 2011 “came to me last year” saying that he “felt bad” for having not been more involved, and could be helpful for the casino effort. After having “disappeared for seven years” he “showed up when the money showed up.” She says that he then told people in Indianapolis that “I wanted him to be part of the casino deal,” when she said all he had asked was “How can I help the city be assisted?” “I can’t insert you into a private deal,” she says she told Collins. “That’s not my job to do.” The mayor said Collins wanted her to then tell Spectacle Entertainment, LLC that she was “okay” with taking both casino licenses out of Gary, and asking the governor for a third license. Mayor Karen told Dedelow that “Anyone who knows anything about gaming knows it was a hard lift” simply to move one license off the Buffington Harbor footprint, and what Collins proposed was “simply naive, and frankly not in the best interest of the City” when the two licenses were “rightfully owned” by the City. “When I said no, his entire posture changed, and he went and supported Jerome it was revenge, pure and simple.” She added that she didn’t say anything about it during the primary race because “I didn’t want that to be the sum and substance of the campaign but it absolutely was the case.” She showed Dedelow a text she had received from Collins that indicated that Collins was not pleased with the way Buffington Harbor and the casino were being handled. Intriguingly, one of the earlier Luke Oil domos, Clay Potter, was a major local real estate developer (and top Hoosier Lottery retailer) who had made occasional exploratory forays into potential local casino ownership, land deals, and business-to-business partnerships before his death from a heart attack 15 years ago.

□ As for Mayor McDermott, “he was upset about the casino. That was the first thing,” and “He felt that he could work easier with Jerome.”

□ Asked why she lost even after the legislature approved the casino deal, opening the door for her Buffington Harbor transmodal plan, Freeman-Wilson simply responded, “People really didn’t understand the magnitude of what’s going to happen We didn’t do a good job of getting our message out. What does the casino mean? What does Buffington Harbor mean?” She said that she accepted ownership for not getting enough voters to sign on in her effort to get Gary moving forward in the direction she wanted to take.

Southern Market News . . .

● What's old is new. A strange #WeAreCaesar marketing campaign online and via billboards in Southeastern Indiana and the Louisville area consummated with a Wednesday announcement that **Horseshoe Casino Southern Indiana** will be rechristened as **Caesars Southern Indiana** when the new \$85 million, 100,000 square-foot land-based facility opens in December. The property was known as **Caesars Indiana** for its first several years of operation.

● A substantial portion of S.R. 156 was closed from May 7 - 13 due to yet another side issue east of **Vevay** (between **Tapps Ridge Road** and **Markland Pike**), cutting off the only direct route between the county seat of **Switzerland County** and **Belterra Casino Resort**. S.R. 156 reopened Monday, May 13, but restricted to just one lane, and regulated by a temporary traffic signal that allowed traffic to alternate directions. The Indiana Department of Transportation is working to establish a timeline for long-term stabilization of the site, a process complicated by utility lines.

● **Tropicana Evansville** could soon have a new corporate face against which it must compete. **Ellis Park** may be about to have its eighth different owner - virtually all of them in the past 35 years. **Ellis Park**, just a few furlongs from **Trop** on the north side of the **Ohio River** on **Kentucky** land, appears close to be cutting a deal with **Laguna Development Corporation** of **New Mexico**, which tells assorted local media that it can't comment - due to a non-disclosure agreement between the two entities. At least one other entity was reported to be in the market for the **Pea Patch** as well . . . but **Laguna** has been most prominently mentioned in recent weeks.

□ **Laguna** is the third-largest tribal gaming enterprise in the **Land of Enchantment** - but does not operate any racetracks (**Ellis** is home to historical horse racing machines as well as pari-mutuel horse racing). **Laguna** Vice President and Chief Operating Officer **Kevin Greer** is from **Ohio**, and before coming to **Laguna** in 2004, he was senior director of finance at **Belterra Casino Resort**, so **Greer** knows something about the **Southern Indiana** and **Greater Northern Kentucky** market.

□ In 2012, then-owner **Ron Geary** sold a 30% share of **Ellis** to **Saratoga Casino & Hospitality Group**, and **Geary** then unloaded the remaining 70% to **Saratoga** last July.

● A veteran table games dealer at **Hollywood Casino Lawrenceburg** was arrested and charged in **Dearborn County Superior Court 1** with two **Felony 6** counts of **Cheating** at a **Gambling Game** after surveillance video allegedly showed him advising patrons via hand signals in April on how to wager their hands at a **Three Card Poker** table, and revealing his hand to players at a **blackjack** table.

□ **Christopher Bayne**, 43, of **Burlington, Kentucky**, who has been licensed as a dealer since 2006, was brought in for questioning by **Indiana Gaming Commission** agents. According to the probable cause affidavit in *State v. Bayne*, No. 15D01-1904-F6-000171, after being **Mirandized**, and waiving his right to counsel, told agents "he has been viewing his cards while dealing ... for approximately the past week or so. Bayne stated he liked to know what was in his hand and act like he was playing the game himself." When advised "players could possibly see his cards when he flipped them up, he apologized and stated he didn't think anything of it."

□ **Bayne** denied knowing any of the patrons playing at his tables, and he "denied having any collusion or direct payback from any of the players." When **Bayne** was advised that "it can be interpreted he was aiding the players in the outcome of the game which is classified as cheating[,] Bayne showed no emotion to the fact and stated he did not mean to."

□ **Bayne**, who gave the court an address in **Alabama**, is now represented by **David Zerbe**. He is set for a **June 17** pre-trial conference, with a **Jury trial** slated for **October 21** before Judge **Jonathan N. Cleary**.

● **Full House Resorts, Inc.** reports first quarter 2019 revenues for its **Rising Star Casino • Resort**. **Full House** explains that net revenues during the three-month period decreased by 3.2% for the quarter to \$10.9 million from \$11.2 million due to "disruption caused by both flooding and the repaving of the main highway leading to the property, resulting in lower business volumes." The company's new ferry service helped offset the **U.S. 50** construction disruption and showed increasing usage during the quarter. The worst of the disruption is expected to be over in **May**. The ferry carried 2,240, 652, and 3,042 vehicles in **January**, **February**, and **March**, respectively. The ferry was, however, closed for 18 days in **February** due to seasonal flood-stage river levels. In **April**, the ferry carried 6,037 vehicles. **Casino** revenue decreased by 2.4% during the quarter, attributed mostly to a 2.3% decrease in slot revenue, and, to a lesser extent, a 2.8% decline in table games revenue. **Food and beverage** revenues were down due to the shortfall in guest volumes and a reduction in operating hours for the property's buffet. **Hotel** revenues increased by 2.5% for the quarter, reflecting both a higher average daily room rate and the implementation of a daily resort fee.

□ **Adjusted Property EBITDA** of \$404,000 in the first quarter of 2019 compares to \$493,000 in the prior-year period. **Flooding** and other adverse weather affected operations in both periods. **Adjusted Property EBITDA** for the three months ended **March 31, 2019** decreased by 18.1%, due in part to the revenue declines, and to costs associated with the ramp-up of the property's new ferry boat operations. As a result, **Adjusted Property EBITDA Margin** declined to 3.7% from 4.4% in the prior-year quarter.

Rising Star First Quarter Results 2016 - 2019

	2019	2018	2017	2016
Net Revenue	\$ 10.868M	\$ 11.227M	\$ 12.205M	\$ 12.246M
Adj. EBITDA	\$ 0.404M	\$ 0.493M	\$ 1.319M	\$ 1.301M
EBITDA Margin	3.7%	4.4%	10.8%	10.6%
Depreciation & Amortization	\$ 0.606M	\$ 0.630M	\$ 0.631M	\$ 0.669M
Operating				
Income/Loss	(\$ 0.202M)	(\$ 0.145M)	\$ 0.668M	\$ 0.632M
Net Gain/Loss	\$?????	\$?????	\$?????	\$ 0.58 M

Rising Star First Quarter Results 2012 - 2015

	2015	2014	2013	2012
Net Revenue	\$ 11.12M	\$ 13.25M	\$ 19.61M	\$ 22.63M
Adj. EBITDA	\$ 0.21M	\$ 0.60M	\$ 2.70M	\$ 3.09M
EBITDA Margin	1.84%	4.53%	13.8%	13.7%
Selling, Gen'l & Admin. Expsn.	\$ 3.90M	\$ 3.88M	\$ 4.41M	\$ 5.02M
Depreciation & Amortization	\$ 0.69M	\$ 0.85M	\$ 0.75M	\$ 1.03M
Operating				
Income/Loss	(\$ 0.48M)	(\$ 0.25M)	\$ 1.96M	\$ 2.06M
Net Gain/Loss	(\$ 0.52M)	(\$ 0.25M)	\$ 0.97M	(\$ 1.04M)

Rising Star First Quarter Disaggregated Revenues

Revenues	2019	2018
Casino	\$ 7.343M	\$ 7.525M
Food & Beverage	\$ 1.813M	\$ 2.057M
Hotel	\$ 1.423M	\$ 1.388M
Other Operations	\$ 0.289M	\$ 0.257M
Total	\$ 10.868M	\$ 11.227M

● Full House Resorts, Inc. officials provide some color on first quarter results at its **Rising Star Casino • Resort** during the company's earnings conference call with investment analysts. Chief Financial Officer Lewis Fanger details the weather and related infrastructure problems that led to decreased visitation and revenues. "At Rising Star, we had some flooding issues. In the month of February as an example, we had 18 days where the road to the ferry boat was flooded. So while the boat could go, you couldn't actually get to the boat via the roads. And on top of that, (U.S.) 50 was under construction towards the end of the quarter." He noted that "We're also in the early innings of some marketing changes over at Rising Star including a brand new campaign that just launched. It highlights **Lucky Ben**, our general manager there." Fanger reminded analysts of the "ferry boat operation that's starting to ramp up now that the weather is better. In the winter, you can get delayed by fog or snow or rain and in the summer, it's a bit easier for us to have a consistent ferry service. And you're seeing that in a result so with April we had three times more cars that used the boat ... than in January of this year."

□ President and CEO Dan Lee picks up where Fanger left off in praising the potential of the ferry operation and adding more color on this and other operational changes. "I think if the ferry had operated every day in February which it just couldn't because river was flooded. And if the main road there wasn't under construction, we probably would have been up there as well, but hard to quantify." With "better weather, one of the things we're finding with this ferry is the number of cars that show up to take it depends a lot on the weather. It's a little bit surprising because 2,000 feet across the river, the ferry's just as fast whether it's raining or sunny, but I guess people are more likely to get on a ferry when it's sunny than they are when it rains. And certainly as we get into this spring, the trip numbers are up quite a bit. That's masked by the fact that they're repaving (U.S. 50) the highway that leads to the property – and so if you're driving past our competing casino and you (have to) get 11 miles further to go to us. And there's construction disruption in that 11 miles so you may be a little more likely to stop at the competition. So that construction is supposed to be ... not finished until later this year, but the major disruption of it is supposed to be done this month. And so we think we're mostly past that."

□ And more detail on the ferry comes as an analyst runs some numbers by Lee. The analyst notes that in the Full House earnings release, management disclosed that the ferry transported 6,000 cars in April, and while it had earlier anticipated just 25 or 50 cars per day, the actual carriage rate is about 200 cars per day, and he asked about seeing benefits from this traffic, or whether they were using the ferry to cross the Ohio River, but not going to the property. Lee told him, "We're scratching our own heads wondering how we get more of those cars to go to the property. We're not really running this ferry to collect \$5 a car. And in fact, we're just announcing

that for the month of May we're not going to charge at all. And let's see what that does to it. It's kind of a little bit of an experiment, but while the road's under construction we're just going to say, 'Hey, come on down and try the free ferry,' and let's see what it does. And then so we're playing with lots of different tools to try to figure out how to do it. The good news is, carrying a couple hundred cars a day is a good number. That's a great thing. Now that's both ways. And so that's 100 cars coming in our direction each day. And if you work backwards, a ferry runs 14 hours a day and takes four trips an hour, so it's far from that capacity, it can carry quite a few more cars. But, yes, we are – look, the good news is there's people there. We're just trying to figure out how to have it help the casino more, because when you look at the casino revenues, they've been kind of weak for a while now. And so we're doing a lot of things to try to figure out how to improve the casino revenues. And the fact that the ferry is there and is carrying cars is certainly good. And hopefully we could figure out how to translate that into an increase in casino win."

□ Full House Senior Vice President and Chief Development Officer Alex Stolyar added that it reminded him of the experience that he and Lee had shared when they were at **Pinnacle Entertainment, Inc.** early in the century, running **Belterra Casino Resort**, and "we had a road that went across the **Markland Dam** on the way from Cincinnati to Belterra. And I remember when that road first opened, Dan and I went a month after it opened, and we were like, 'Why isn't anyone using this road?' And then a year later, everyone was using the road. And it took some time before you saw the road usage, and then saw as well the impact on Belterra's results, and these things take a little bit of time. It's nice to see as Dan said, the car is coming across. Dan is right. Those are two-way numbers that we gave, not one-way numbers. But the promising part is people are using it, and so now we've got to work on a part two which is getting those guys actually in the casino as well."

□ Lee continues, "We're also refurbishing a restaurant at the property converting a deli into a bistro – the first refurbishment we've done to that property in 25 years. As part of that we had a little coffee place like a Starbucks and it takes time for this stuff to show up and I think the ferry is one of those. The **RV Park** is another one. That the RV Park opened kind of late in the summer of 2017. We couldn't do much with it in 2017. In 2018 pretty much throughout the summer the occupancy that RV Park built gradually over the summer. And we think it's likely to have a good summer – this summer is the word-of-mouth as passed around the RV community. It's actually a very nice RV park – short walk from our casino, from our golf course, from the cute little town of **Rising Sun**. So I think that will continue to be a benefit. We've made quite a few management changes there, and trying to look forward and Ben – who worked for us for many years in **Colorado** and then ran **Stockman's** for a couple years – is a good guy, smart guy, and good personality and has lots of good ideas. So we're going with that. And in the casino among those ideas, there's – we've introduced the inner block stadium gaming just came up a few weeks ago. That allows us to not operate the table games 24/7 as we had for decades. Many times at five and six in the morning we had more employees in there than we had customers, which doesn't make any sense And so we decided we could save money by doing the same thing here (as in Colorado), and \$5 blackjack tables, if you run the math, you don't make money but even if the table is filled,

if everybody's only betting \$5 a hand, you don't cover the payroll costs of operating the table. Now if somebody's betting more than \$5 a hand, you do. And so like other companies, we're looking at trying to push the person who might want to gamble \$5 a hand - we'll even let him gamble \$3 a hand at the inner block or IGT's got a similar unit that's kind of a table game experience, but in a machine context and so it doesn't take as much payroll. And then we still long for live table games during most periods during the week. Just in the very slowest periods we won't."

□ Lee turns back to the food and beverage operations. "Similarly for decades, we've operated over 33 meals a day seven days a week. Buffets need high volume to make any sense. Otherwise the food sits are getting dry while you stand around looking at each other. And we started analyzing it, realized that a lot of our competition does not operate their buffet during slower periods, and so we no longer do either. We only operate buffets during peak periods and this kind of ties in a little bit with converting the deli into a bistro. So we have a good alternative that's easier to operate - and frankly offers better food because it's cooked to order. And then we will operate the buffet at lunch and dinner on weekends and holidays which are when we have volumes make sense with it."

□ The Full House CEO adds that on the lodging end, "we've introduced a \$10 'resort fee' in our hotel, (a) pretty common thing in the hotel business and certainly here in Las Vegas. And with that you get a free buffet, but it's not the buffet we've operated for years. It's a buffet similar to a Fairfield Inn or a lot of budget hotel chains where you have to pour your own coffee, and maybe even make your own waffles. That allows us to operate breakfast buffet with two employees instead of a dozen employees, and people are paying us because we're charging a 'resort fee' for it. We get some grumbling, but I think overall we're still providing a better breakfast experience than most of our competition, and we do so at a much lower cost. So that's something we've recently implemented and we're looking at things kind of across the board to try to be more efficient there and make money."

□ Lee addresses the recent legislative changes in Indiana, including the sports wagering beginning in September, a reduction in certain gaming tax rates beginning in mid-2021, and a change in free play deductions (which are still transferable), and concludes that while these changes should benefit Rising Star's operating results in the long term, there could be a short-term negative hit to the Ohio County property from the acceleration to January 1 of live table games at the Central Indiana racinos. He explains that the new law "has some pluses and minuses for us. The principal minus is that the two racetracks outside of Indianapolis which Caesars bought out recently are scheduled to get table games a couple of years from now. Under this bill that accelerates to year end. As of January 1st, 2020, they can open live table games. That's a negative force. It's hard to know how big a negative it is. The closest of those is about an hour away from us. We don't get a whole lot of customers from that direction, and frankly we don't do a whole lot of table games business. The thing that's hard to quantify is there could be somebody who lives midway in-between, where the husband plays table games, and isn't really a high roller, but the wife is a major slot player. And when they come out of their driveway and turn right instead of left. And that's very hard for us to know. We

don't think it's huge. Also, if you were to go to those racetracks today, they have a large number of blackjack type games where you sit at a blackjack table and there's basically an iPad built into the table. You make your bets on that iPad, I'm simplifying this right. And even have a person standing there dressed as a dealer, but the person doesn't actually act as a dealer. They're there to like smile and offer you a drink or something right. But it very much gives you a blackjack playing experience. And so when they're now allowed to take that table out and put in a traditional blackjack table. That's certainly a plus for them and somewhat of a negative for us. But I don't think it's as big a plus as they think it is. And I don't think it's all that big a negative for us, but that's in this bill, they get to do that sooner than they would otherwise."

□ Lee turns his attention to the change in tax rates. "Now somewhat offsetting that effect - probably significantly offsetting - is that it alters the tax rates for casinos at the lower end of the tier. There's a progressive tax scheme here and for any casino with under \$75 million of gross gaming revenue. We do about \$45 million gross gaming revenue. So we're significantly under that and there's one other casino in the state that is also significantly under that. And right now the tax rate on the \$25 million of revenues is five percent, and under this bill it goes to 2.5 (percent). Under the next \$25 million, it's currently 20% and goes to 10 (percent). And then on the next \$25 million which for us is kind of an aspirational target, it goes from 25 to 20 (percent). So that's a pretty significant reduction in our tax rate. Unfortunately, it doesn't take effect until July 1st 2021. So it's two years out there. They didn't want to affect the current fiscal budget. They do two-year fiscal budgets there, but at least on the horizon we would get a pretty significant decrease in gaming tax to offset the fact that the tables are coming sooner to the tracks."

● Evansville Mayor Lloyd Winnecke (R) tells WFIE-TV in Evansville that approval of a new casino for Terre Haute could prove to be a financial blow to both the City of Evansville and Tropicana Evansville. Mayor Winnecke, who is seeking a third term in November, tells the tri-state's *14 News*, "If a new gaming facility opens in Terre Haute, our corporate partners at Tropicana believe it would be a six to \$12 million annual hit to them in revenue." The mayor says that translates to a \$600,000 to a \$1.2 million dollar hit to the Pocket City, but the bill does serve up at least a minimal degree of short-term protections. He explains, "This bill contains what's called 'hold harmless' language, which allows that over a three-year period, we would get \$1.2 million dollars, \$900,000 dollars, and then \$600,000 dollars if, in fact, a new facility is open in Terre Haute, and we do start to see a loss in revenue because of that from a competitive standpoint."

□ After that three-year subsidy expires tax revenue would be lost "unless the casino can come up with a way to replace it and it may require a little bit of thinking outside the box. Mayor Winnecke said, 'What this bill does is protect us for a period of three years, it's only three years of protection, but hopefully in that three year period Tropicana can adjust marketing strategies to offset any potential loss in business.'"

IN Vigo County Casino News . . .

● Lots more (unsubstantiated) talk is percolating about the serious potential for more than one operator not currently licensed in Indiana bidding on a Vigo County casino license.

□ Why? Look at it from the perspective of someone outside Indiana. The state is viewed as providing a long-term stable legislative and regulatory environment – the April change is viewed in the industry outside Indiana as evolutionary and not revolutionary; the cost of entry is low; there is no need to build or float a silly riverboat; the competition within the state is collegial and not cutthroat; the market is discrete enough that a substantial return on investment can be expected; since none of the current commissioners have ever been involved in granting certificate of suitability – remember those?; the state-level licensing process is expected to be fair, even if some high-profile local investors have locked in with Spectacle Entertainment, LLC.

□ We're hearing that there are several big- and medium-sized operators out there who have previously sought an Indiana license and may still be interested . . . if only to protect a particular flank).

□ Our advice to any outside operator seeking a local edge over Indiana operators: propose a damn Target store on an outlot so local residents don't have to drive all the way to Plainfield.

● Dan Lee, president and CEO of Full House Resorts, Inc., parent of Rising Star Casino • Resort, sets aside some time on the Full House first quarter earnings call to comment for investment analysts on the Vigo County casino authorization that his company first fought for two years earlier. "The [bill] calls for a new casino in Terre Haute. We have spent a couple years getting to know Terre Haute and all those civic leaders and so on. It will be a competitive process and to be the developer of that casino, we think it's a pretty good opportunity. And we'll probably look at doing it. The Gaming Commission will choose who gets to do it. And so we don't have an inside track other than we know where it is. We know a lot of people there. That doesn't necessarily mean we still will (not) have to come up with the best proposal. I'm sure that we will look at doing that, but that's in the bill.

□ Lee assesses the chances of Spectacle Entertainment, LLC, the widely perceived front-runner for the Vigo County license. He believes "They ended up without any advantage in Terre Haute, except that they are well-known in Indiana. Well-known, and Rod Ratcliff, I think is the largest single contributor to the state Republican Party. But ultimately this isn't being determined by the politicians, being determined by the Gaming Control Board (sic). I will tell you in Indiana the Gaming Control Board has always been pretty apolitical. It's a pretty straight-up board and always has been. So in a state where sometimes things do get political, I'm optimistic that this would be an open process, but it's also open to anybody. So you could have some Malaysian casino company commit an offer to build something huge or anybody. And so I think it'll be an open process. I guess the advantage we have is it's a relatively small market. So said Malaysian company's probably not going to be interested just because of that. We know the market. And we're pretty good at proposing new places I think the Gaming Commission knows us, we've been a good licensee and we have a good relationship with them." Another plus, Lee says: "[I]f we were to get Terre Haute, we don't have to close Rising Sun to do it. We're not moving a license. It's a totally new license."

● Terre Haute Mayor Duke Bennett (R) speaks to WTHI-TV in Terre Haute about the Governor signing HEA 1015-2019, authorizing a local casino license. "We're very happy about it," hizzoner says. "We've been working hard on this for many months – actually, a couple of years. Now, we've taken that next big step to be able to put it in front of the voters."

□ "We have already started the conversation as to what ballot to put it on—these things take time and have to be done right," Vigo County Clerk Brad Newman (R) explained to WTWO-TV in Terre Haute. "I will speak with the state and get guidance on exactly how things have to be worded and to reassure that we are doing everything right in the process. It's a county wide vote, so as for the timing – we are still putting together a plan for that."

□ Terre Haute business leader Greg Gibson, part of the Spectacle Entertainment, LLC ownership group that hopes to be awarded a license to develop the local casino, told the *Terre Haute Tribune-Star* Monday that "he hopes for a November vote. Although this fall would normally bring only municipal elections, a referendum question can be added to extend the ballot countywide. 'The community and the Chamber [of Commerce] and a lot of people are putting their heads together trying to figure out when that will take place,' Gibson said of the referendum. 'I think there's a good chance it will be this fall, which is when I think it should be, if for no other reason than it gets us in ahead of another legislative session. It's no secret that there were some communities unhappy with our bill, and who knows what may happen,' he continued. 'There could be changes made if we haven't made any moves, so I think it's important for the community to move ahead as quickly as possible.'"

● More than two years ago, when a casino was being pushed for Terre Haute, your favorite gaming newsletter told you to keep an eye on land on the east side of the city, around a new highway interchange at I-70/U.S. 40 and S.R. 46, just a chip's throw southwest of Terre Haute Regional Airport (which everyone still calls Hulman Field). The land was controlled by local business leader Greg Gibson, and Gibson last year became a part of the Spectacle Entertainment, LLC ownership group, which forced the issue of a Vigo County casino in the 2019 session.

□ Our 2017 site hunch has proven right so far, as during a ribbon-cutting ceremony for a new Home2 Suites by Hilton extended-stay hotel (with 91 suites) on Monday, "community leaders also looked north toward adjacent empty acreage as the possible site of a new casino," reports the *Terre Haute Tribune-Star*. "I'd like it to go right out there," said Terre Haute businessman Greg Gibson about the proposed casino," as he "acknowledged the spot he pointed to is his ideal planned location, as it's in the midst of commercial development along the U.S.40/Indiana 46 corridor adjacent to Interstate 70 The eastside location will attract traffic from Indianapolis and central Indiana, Gibson said, adding to the traffic already coming from Illinois 'A casino in this area as we picture it, we think, will provide four to five hundred jobs to the community, which will be fantastic for this area, so we are very hopeful,' Gibson said Mayor Duke Bennett said more development on the city's east side is expected. 'This is our growing area out here on the east side, and it's just great to see another addition' " "We're always thinking ahead. I believe there will be more hotels out here," added Gibson. "The area is growing fast, and I believe the population will continue to move this way. We're excited for the opportunities."

IN Other Casino News . . .

- The Indiana gaming industry quietly crossed a historic milestone in April 2019: \$50 billion in casino win. That's the total amount of money the industry has racked up since the first riverboat opened for business as Casino Aztar Evansville on December 8, 1995.

□ According to those of us on the team at your favorite gaming newsletter who are not mathematically challenged, at the current pace (we've averaged \$2.2 billion in revenue per year over the past five years), Indiana will hit the \$100 billion mark around mid-October, 2041. Since we're not sure if PASPA or the Wire Act applies, we're not going to establish a pool (even for jellybeans) or encourage anyone else to do so, but if anyone does do so, we'd be glad to publish any odds, as well as any over/under stats you might provide.

- Senate Majority Floor Leader Mark Messmer (R) of Jasper, the author of SB 552 (that morphed into HEA 1015-2019), tells 18WJTS in Jasper about how the moving parts in the gaming bill worked. He says that the casino move was "part of an overall economic development program in that Benton Harbor (sic) area. There's an international company that wants to come in and set up a barge-rail-trucking intermodal site there at the [Buffington] Harbor location of the two Gary boats, but the first part of that was getting the boats moved; and then how do we set up the rules for letting them move - what are going to be the parameters; what are they going to pay (for relocation). This really sets up the mechanism for how that's going to happen: Relinquish their license, pay \$20 million, and then the Terre Haute license that's open to competition with any casino company, pays \$5 million." He notes that referendum approval is required for a Vigo County casino.

□ He refers to the \$20 million Gary fee as "basically a early transfer fee," observing that "We had a \$50 million transfer fee in the two racinos; and those were two casinos - basically bigger than the one that's going to be in Gary - but we had a \$50 million transfer fee that when those were sold last Summer from the current operators to Caesars. So historically, (there was) precedent for that and dollarwise, (it was) equivalent."

- Sen. Eddie Melton (D) of Gary expressed his delight with the official enactment of HEA 1015-2019, even though his SB 66 companion measure to detail a process for redevelopment of Buffington Harbor failed to gain approval. "I am pleased that the governor chose to sign this monumental bill into law," said a grateful Sen. Melton. "The impact it will have on Gary, Northwest Indiana as well as the entire state is widespread, and I look forward to the historic changes that will take place. This is something our community has been working on for over a decade, and with this signature, hundreds of Hoosiers will find employment. Gary now has the opportunity to become an intermodal gateway for the United States."

□ In addition to his formal statement, Sen. Melton tells Lakeshore Public Radio's Chris Nolte that approval of the legislation "sets the tone for economic development and growth in the City of Gary." He adds that Spectacle Entertainment, LLC is "very optimistic" that its proposed project "is going to take place," and this will create additional major opportunities for development along the I-80/I-94 corridor in Gary and neighboring jurisdictions.

- The hold harmless hullabaloo has not abated in the mind of Rep. Randy Frye (R) of Greensburg, whose district is home to Rising Star Casino • Resort.

□ Rep. Frye delivered the most passionate speech of the final night debate on the Conference Committee Report on HB 1015. He became emotional about the impact the measure would have on Rising Sun and Ohio County, and he has not lost that edge since *sine die*. Rep. Frye told Eagle Country 99.3-FM morning show host Bubba Bo that he "is still irked by the lack of consideration given to southeastern Indiana casino host communities." The projected impact of HEA 1015-2019 on Rising Sun "is a decline of more than \$600,000 in annual gaming revenue. That figure is nearly half of the city's annual revenue from riverboat gaming," the Lawrenceburg station's news team calculates. Rep. Frye actually apologized in person to the Rising Sun City Council May 2 for his inability to save the dollars - at least for now.

□ In describing the events of the final hours of the session to Bubba Bo, Rep. Frye agreed that "It was a kick. I think you're being polite by calling it a kick in the shins. It was done in the very last minutes" of the session (he told the Rising Sun City Council that he only learned of the language at 5:00 p.m. on the final day of session, about 2½ hours before debate on the Conference Committee Report commenced). He explained that he had no problem with the portion of the measure that allowed an off-footprint move within Gary nor the effective move of a license from Gary to Vigo County. "Terre Haute is a long way from here, and I didn't think it would bother us, so I was okay with that. Terre Haute needs some economic development." The bill also included authorization of sports wagering, "which I thought needed to be done."

□ But Rep. Frye remains distressed over what transpired in the "last few minutes of conference committee" deliberations. He explains, "Normally there is no new language that gets put into a bill (in conference committee). Normally the things that got put in get deleted out until you get an agreement. But in this case, our held harmless money - your listeners are aware held harmless is money (casino host communities) receive back from the state - it is an agreement we have had for years that provides local riverboat gaming revenue to our local communities. That hold harmless (subsidy) was cut and it was done without testimony. It was done in about two hours, and Sen. (Chip) Perfect and I testified against it and we talked to our colleagues against it, and we voted against it, but in the end it passed. What happened was, there was so many things in the bill that other representatives from other districts wanted that there was enough votes to pass it. I don't believe that language could have passed on its own. but they knew that, those who wanted it, so that was the strategy."

□ Rep. Frye, however, has let no grass grow under his feet since session ended, telling listeners that "the good thing is that it doesn't take effect until July 1, 2021, and so Sen. Perfect and I will be working to try to turn it around, and we have a couple of plans - let's hope one of them works - and we've already begun working on what could we do to rectify this issue. The folks down here believe that that held harmless money is something that goes as long as the gaming goes down here, but the General Assembly doesn't agree - at least some people don't."

□ Frye reminds Bubba Bo and the audience that the damage amounts to about \$500,000 for Lawrenceburg, but that amounts to a much smaller drop in the bucket given the millions more the Dearborn County community receives from gaming than does Rising Sun. But the hit is “a little over \$600,000 to Ohio County, the smallest county in the state, and if you heard my testimony on the floor, we’re giving tax incentives to some of the wealthiest people in the world, these gaming entities, and yet we’re going to take \$600,000 from some of the poorest and smallest county in the state. So again, my testimony didn’t get enough ‘no’ votes. It passed with 59 yes votes.”

□ Bubba Bo asked Rep. Frye if the bill itself – aside from the hold harmless controversy – would help Rising Star. Rep. Frye told him, “One of the things Rising Sun’s casino testified to in the General Assembly, and I believe it was probably a good thing that we did, because we gave them additional tax break, which should make them profitable. We cannot have that casino leaving Rising Sun – (it is) the largest employer in the county. But they paid for it – they being some of my colleagues in the General Assembly – by taking money away from Rising Sun and Ohio County instead of taking it out of the General Fund or across the state. There’s \$33 million a year that goes to counties that don’t have a riverboat from that fund. They could have easily taken it from there.” And that’s where you might look for Rising Sun relief going forward – from that statewide pool, where the hit would be only about \$7,500 per county from that revenue-sharing distribution. “We have two years to turn it around, and I’m confident we can get it done,” Rep. Frye concluded. Rising Sun Clerk-Treasurer Rae Gipson (D) told the Rising Sun City Council, “Some of these communities have gotten more than us for years, and they don’t even have a gaming boat.”

□ Another notion Rep. Frye and Sen. Perfect are pondering: Enter into a new intralocal agreement between the casino, city, and county to work outside of any tax implications.

□ Rep. Frye wants the locals to engage in a letter-writing campaign to lawmakers. “Write letters now! Every few weeks! Or at least every month. Let them know how you feel, and that you are not going away.” Not only does he want his colleagues to know that Rising Sun residents (remember those ubiquitous yellow shirts back in 1994-95?) won’t go relent, he wants his fellow lawmakers to see his constituents, asking them to schedule some days in January and March where they can travel to Indianapolis to serve as human bumper stickers.

April State Summary

April win was just downright depressing . . . so much so that we didn’t even want to bring you all the bad news while you were still on a high from passage of the big change to the gaming rubric.

□ April win of only \$182.88 million was down by almost 6.4% from the prior year, a \$12.47 million shortfall. And did you know it was the most miserly April win since 2003? The over-the-year percentage and real-dollar decline was the largest in more than a year, it was the largest April real-dollar decline in five years. We’re going to stop here and wait until our next issue to tell you about all the record lows when we break down all the summarizes and summarize performance for you. Steel yourself for the ugliness as the first quarter jinx lingers.

Hoosier Lottery

● The Hoosier Lotto jackpot for Saturday, May 18, grew to \$37.4 million, a \$300,000 jump over the previous jackpot. This came after the May 1 and 15 additions to the pool served as the lowest incremental growth for the jackpot since the April 10 draw. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players, but this jackpot is now climbing slowly toward record territory . . . and the next big psychological milestone – a \$40 million pot – is about a month away.

Recent Hoosier Lotto Jackpot History

Day	Date	Jackpot Amount	Change
SAT	05/18/19	\$37.4 Million	\$300,000
WED	05/15/19	\$37.1 Million	\$200,000
SAT	05/11/19	\$36.9 Million	\$300,000
WED	05/08/19	\$36.6 Million	\$300,000
SAT	05/04/19	\$36.3 Million	\$500,000
WED	05/01/19	\$35.8 Million	\$200,000
SAT	04/27/19	\$35.6 Million	\$400,000
WED	04/24/19	\$35.2 Million	\$300,000
SAT	04/20/19	\$34.9 Million	\$500,000
WED	04/17/19	\$34.4 Million	\$300,000
SAT	04/13/19	\$34.1 Million	\$400,000
WED	04/10/19	\$33.7 Million	\$200,000
SAT	04/06/19	\$33.5 Million	\$500,000
WED	04/03/19	\$33.0 Million	\$200,000
SAT	03/30/19	\$32.8 Million	\$300,000
WED	03/27/19	\$32.5 Million	\$200,000
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000
WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000

WED 11/28/18	\$22.5 Million	\$200,000
SAT 11/24/18	\$22.3 Million	\$300,000
WED 11/21/18	\$22.0 Million	\$200,000
SAT 11/17/18	\$21.8 Million	\$300,000
WED 11/14/18	\$21.5 Million	\$300,000
SAT 11/10/18	\$21.3 Million	\$400,000
WED 11/07/18	\$20.9 Million	\$500,000
SAT 11/03/18	\$20.4 Million	\$600,000
WED 10/31/18	\$19.8 Million	\$500,000

□ The Hoosier Lotto jackpot continues to reign as the largest up for grabs since the matrix was revised in May 2014, topping the \$25.5 million jackpot of October 14, 2017. This jackpot is the largest available in Indiana in almost 12 years (having topped the \$34.50 million jackpot hit on February 18, 2012 and a similar-sized jackpot that was won on October 30, 2010), but still significantly lags the record \$54.5 million collected on November 7, 2007. Second place is closer: \$42.0 million (won on June 5, 1999). The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for more than 15 months.

□ When the jackpot exceeded \$35 million, internet users saw a ramping up of web ads promoting the new bottom line.

□ The Hoosier Lotto jackpot ranked as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game from January 24 until the draw dated April 10. That's when the Golden State game posted a \$34 million jackpot compared to Indiana's \$33.7 million stake - illustrating the power of \$1 million increments in each draw, sometimes five times as much as Indiana was offering each time out.

□ For the May 18 draw, the California jackpot hit \$45.0 million to Indiana's \$37.4 million.

□ The Commission outlines requirements for the post, telling prospective applicants that the executive director must have a background in the horse industry, a high level of management skills, and possess previous experience with pari-mutuel horse betting administration. The successful applicant must also have "extensive executive level experience in leadership and communication skills necessary to successfully communicate with commission, staff and all sectors of the horse racing industry and public."

□ Recall that despite some attempts in past administrations to make the position a gubernatorial appointment, the executive director (there have only been two in the 29-year history of the panel) continues to be an appointee of the Horse Racing Commission itself.

● Caesars Entertainment Corporation Chief Financial Officer Eric Hession takes a moment during the company's first quarter earnings conference call to brief investment analysts on the performance and positive contribution of the two Indiana Centaur Gaming racinos to the larger Caesars portfolio. "Key operational highlights in the quarter include ongoing strength at the recently integrated Centaur properties," Hession begins. "At Centaur, performance continues to provide solid EBITDAR growth as we realize benefits from implementing our Caesars Rewards database and our centralized cost structure. The performance of Centaur remains in line with our expectations, and we've exceeded our internal plan in the first quarter. We're pleased with the progress in - of pending legislation in the State of Indiana. If enacted, the legislation would enable us to introduce table games earlier than anticipated, and would allow sports betting within the state. We remain confident in delivering our continued synergies and achieving our goal of \$200 million in EBITDAR contribution from Centaur by July of 2020."

IN Horse Racing & Racinos

● Indiana Horse Racing Commission Executive Director Mike Smith made his plans to retire public a while back, and the Horse Racing Commission will be accepting applications through May 24 to replace him, and Smith, a former legislator who has led the agency since leaving his leadership post with the Casino Association of Indiana in 2016, will assist with the process and transition.

□ "Deciding to retire has not been an easy decision to make, especially when working in an industry which I have grown so passionate about. However, I'm looking forward to spending time with family and focusing on my existing business ventures," Smith noted on his impending retirement. "I believe I can speak for the entire industry in saying Mike's departure will certainly leave big shoes to fill," noted Dr. Phil Borst, the Commission chair. "His leadership skills have fostered an environment of open communication and consideration for the benefit of all sectors within our industry."

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INDIANA LEGISLATIVE INSIGHT

Counties look to help themselves

As resources, populations dwindle, smaller counties seek alternatives

Despite encouragement to consolidate school districts to save on costs and improve opportunities for students, action toward such reform has largely been ignored in recent years, with only Parke County seeing results . . . and we all know how those Kernan-Shepard Commission recommendations for townships turned out. But we're picking up more urgent consolidation talk on a surprise front: the county level.

Smaller counties are struggling to provide basic services to residents for a plethora of reasons. Their rural cities and towns continue to lose population – or, at best, stagnate. A 2016 Indiana University Public Policy Institute report forecasted “From 2010 to 2050, rural county population in Indiana is expected to remain relatively stable (around 1.6 million individuals), compared with roughly 15 percent growth elsewhere in the state,” and urban and suburban counterparts grow.

Employers of consequence (and even small employers are of consequence to small counties concerned about jobs and a property tax base) continue to close local operations and new employers are difficult to land. Indiana Public Media's Brock Turner reported Tuesday that “Estimates show most rural Indiana counties will lose a significant portion of their workforce by 2040,” and “only 14 counties are expected to grow their workforce population over the next 25 years – many of which surround large metropolitan areas.”

The rural population is also aging, straining already limited local medical and human services resources. “In rural areas, the 65+ population is expected to grow by nearly 62 percent, while every other age cohort is expected to decline,” the IU PPI report noted. And “In the 45-to-64 age group, an age when many grow into community leadership roles, rural Indiana is expected to lose nearly 20 percent of its 2010 population by 2050.”

But beyond the losses of and changes in human capital, there are also some practical day-to-day impediments to growth – cost increases for necessary items like salaries, benefits, and pensions; equipment; and insurance. And you will hear complaints about the state and federal governments and schools and not-for-profit entities taking more property off the tax rolls.

The latest blow to some of these smaller rural counties: the new farmland base rate assessment the General Assembly implemented to provide property tax relief for farmers. The base rate started to drop for taxes in 2017, will continue through 2020, and the base rate decrease for 2021 is projected to be even larger.

And the law of unintended consequences (which some in government with long memories complain began with elimination of the inventory tax) means that as farmland assessments decrease, there will be a transference of property taxes onto residential taxpayers, which, in turn, raises the prospect for the property tax circuit breaker law to kick in, adding to the hurt for governmental units serving smaller population bases.

The shift to local income taxes as a financing tool isn't as practical for counties in these circumstances when that requires a base of wage-earners that may not be quite as easy to rely upon in low-wage, high-unemployment jurisdictions.

For more, please see the following page . . .

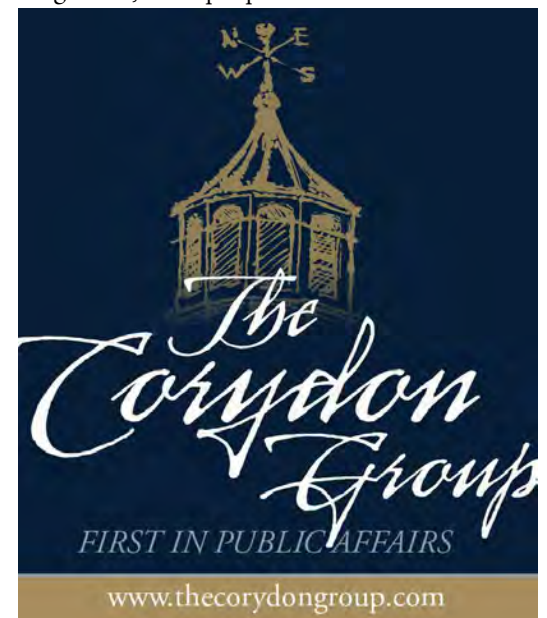
AGrivating GOP establishment

Hill fights back on legal, political fronts

As a May 22 pre-hearing conference on his disciplinary charges approaches, Attorney General Curtis Hill (R) is back in the public eye, and goes on the offensive against charges he faces. His attorneys filed a formal response denying all of the substantive *sine die* party harassment allegations and sought dismissal of the disciplinary complaint over what his team contends is failure to provide adequate notice of certain allegations and evidence.

The AG's office has kicked up its promotion of cases – many of which involve *amicus* joinder with other GOP AGs – in which AG Hill has involved the state, most of which have appeal to social conservatives, the target-rich delegate pool he needs in the 2020 Republican convention to undermine GOP establishment resistance to his renomination.

He also has become more publicly visible – and more willing to at least obliquely answer questions about the disciplinary charges. In just the space of a few days, he appeared on radio shows in Hammond and Indianapolis; answered website queries from Abdul; and spoke Monday night to a GOP Grassroots Conservatives meeting in Monroe County. To WIBC 93.1-FM's *Hammer & Nigel*, he said the special prosecutor “cleared me” of the allegations, and “people understand what it is.”



Some rural counties which have relied largely upon property taxes from coal-fired electric plants may soon face the prospect of life without that long relied-upon tax source as major utilities start to phase out those facilities, and while counties such as Benton and White have some success in bolstering their tax rolls with alternative energy production (windmills), several other counties have recently seen public backlashes and remonstrances against similar potential projects.

The state's smallest county, Ohio County, is facing another potential major hit to its top employer and business and property taxpayer, Rising Star Casino • Resort, thanks to HEA 1015-2019, which accelerates the date for live table games at the racinos, perceived as a threat to jobs and revenues at the state's smallest-grossing casino, and which did not include Rising Sun among the communities that would be "held harmless" from a drop in gaming revenues.

A few counties north, Union County is contemplating relegating a retinue of employees to part-time status thanks to continuing budget issues - and an inability to find new resources - with county health department workers the initial focus. Officials are also looking at perhaps contracting with nearby counties or communities for 911 and emergency communications and dispatch services.

Faced with these circumstances, some counties may be forced to look for an alternative to their current state of independence.

There had been quiet internal discussions late in the Pence Administration - when Governor Eric Holcomb (R) was lieutenant governor and overseeing rural affairs - with a decade-ahead focus about which counties could find themselves so short of cash and resources that they would be unable to provide basic services to citizens . . . and thus simply cease to function absent state intervention.

Out of our 92 counties, 27 (just short of 30%) have fewer than 25,000 people. Those 27 host a combined population of 481,410, according to the most recent Census of Governments report from the U.S. Census Bureau. That represents barely seven percent of the statewide population, while the six largest counties cover just under 40% of the statewide population. Four Indiana counties are home to populations under 10,000: Benton, Warren, Union, and Ohio.

While elimination of counties as governmental units seems not to be on anyone's agenda today, there is increased attention to functional consolidation and more regionalization of assorted efforts, the Association of Indiana Counties' David Bottorff tells us.

The long-time AIC leader points to several services which different counties have teamed up to offer, including 911 and public safety dispatch; animal care; and health departments. Bottorff also notes the just-passed legislation providing for regional public defender commissions, and the effort by Rep. Tom Saunders (R), a former county official himself, to pave the way for privately run regional jails.

Bottorff also notes the success of some recent (as well as ongoing) regional planning efforts, including some outside the state's Regional Cities and Stellar Communities initiatives.

"People want their local officials," Bottorff notes, recalling unsuccessful efforts to pare township officials, but, he adds, "they want them to work efficiently."

Some counties are also creating fire districts at the request of townships to provide a larger tax base and efficiencies for township fire departments, and some sheriffs are patrolling smaller communities under special agreements, some of which add revenue - albeit minimal - to county coffers.

"We believe in a quality of place strategy," says Lieutenant Governor Suzanne Crouch (R) touting the State's Next Level Connections as a means of advancing counties into the next decade and beyond. "A place where you want to play is a place where you want to stay," she says, but the LG would also be first to add that the foundation of a quality of life rubric involves provision of basic services at an acceptable level.

So while you may hear increased cries of county poverty moving forward, don't expect any structural change in governmental units on the horizon . . . but you should also expect state officials to watch for the proverbial canary in the county coal mine, and for rural and regional development researchers at Ball State University, Indiana University, and Purdue University to be planning for contingencies.

IN Politics

State Office Races . . .

• As Democrats talk amongst themselves about the 2020 gubernatorial race and how to contrast the vision they want to present to voters for 2021 and beyond, they look back at what will be 16 years of Republican control of the Governor's Office (and largely the General Assembly as well, the latter chunk with supermajorities), and see that even though they have chided Republicans from the left over assorted social issues (and social conservatives have hammered away at the incumbents from the right), they also see Republican governors pushing the state further left on assorted "sin" issues (although some would suggest that the swing has really been moving more toward the libertarian philosophy), at least by signing or allowing certain pieces of legislation to become law (even if some emanated from Democrats). Among the issues cited:

• Gaming Expansion

- Licensing a French Lick Casino
- Allowing slots at the tracks
- Permitting land-based gaming
- Allowing live table games at the "racinos"
- Legalizing sports wagering (with mobile option)
- Authorizing a Vigo County casino

• Social Concerns

- Allowing same-sex marriage
- Permitting driver's license gender flexibility
- Approving a RFRA "Fix"
- Passing a bias crimes law
- Preventing consideration of fetal heartbeat law
- Allowing felony conviction record removals
- Passing "ban the box" job application law
- Protecting coverage for pre-existing conditions
- Empowering local gov't syringe exchanges

• Drugs and Alcohol

- Expanding numbers/type of alcohol licenses
- Legalizing Sunday sales of alcohol
- Approving Type II gambling in bars/taverns
- Allowing certain CBD product sales
- Legalizing hemp production for farmers

- The Power PAC (affiliated with Indianapolis Power & Light Company) makes a \$15,000 contribution to the Governor's campaign committee on Monday.

IN Mayoral Races . . .

- The entire Indiana Democratic congressional delegation (both of them) will host a June 13 fundraiser for Indianapolis Mayor Joe Hogsett (D) in Washington, D.C.

● Three races on the Sunny Side of Louisville that we failed to tell you about last week: in Charlestown, Mayor Bob Hall (R) defeated challenger David Abbot (R) by only about 100 votes, a much closer contest than had been anticipated Treva Hodges (D) will be the general election standardbearer for Democrats in a campaign likely to revolve around growth and transparency . . . Jeffersonville voters have a pair of familiar names facing them on the Fall ballot. Mayor Mike Moore (R) seeks his third consecutive term, while the man he beat in 2011, then-three-term mayor Tom Galligan (D) is the Democratic nominee . . . New Albany Mayor Jeff Gahan (D) wins again in his rematch with David White (D), but while White loss by about 700 votes in 2015, the margin was only about 385 this time out of the blocks. Mark Seabrook (R) was unopposed for the GOP nod.

IN the Presidential Race . . .

- U.S. Rep. Eric Swalwell (D-CA), a presidential hopeful, was scheduled to host a town hall meeting Sunday, May 19, in Columbus, his wife's home town, following a Friday a.m. gun violence roundtable at the Kountry Kitchen in Indianapolis.

● South Bend Mayor Pete Buttigieg (D) is grappling with how to win over black voters, reports POLITICO, a conundrum that has also been examined by assorted other media and individual cable pundits . . . Mayor Pete sends a Wednesday email to supporters reminding them that "Alabama just passed a cruel attack on women's health, autonomy, and freedom, and last week, Georgia enacted a ban on abortions before most women even know they are pregnant. So far this year, twenty eight states have introduced, passed, or signed restrictive abortion bills into law. Abortion is a woman's decision - one she must have the freedom to make, and lawmakers have the responsibility to protect. Our next president must stand up to protect American freedoms. And let me clear: reproductive freedom is an American freedom" . . . POLITICO reports that Team Pete adds the "advertising firm that aided Barack Obama's 2008 rise to the national stage. Larry Grisolano and John Del Cecato of AKPD Message and Media, are joining Buttigieg's team," and the "mayor's presidential campaign is also bringing on Tyler Law, a former Democratic Congressional Campaign Committee national press secretary who handles communications strategy for AKPD, and pollster Katie Connolly of Benenson Strategy Group. Grisolano, who also worked on Joe Biden's 1988 presidential campaign and was the director of paid media for Obama's presidential efforts, said he had talked to numerous campaigns about the coming presidential election before settling on Buttigieg" . . . the FOX News Buttigieg town hall was scheduled for Sunday, May 19.

IN Political News . . .

- Indiana Democrats boast that more than 1,200 Hoosier Democrats appeared on the May 7 ballot or were uncontested for municipal offices, what the party refers to as "the next step in the Indiana Democratic Party's multi-year process to prime the pump of Hoosier Democrats running at the local level." Since late 2016, "the Party has retooled its approach to direct new energy into action," it says, with active recruiting and training generating "a nearly 10 percent increase in municipal candidates on the ballot from 2015 to 2019" as the party seeks to build its bench.

- U.S. Sen. Jeff Merkley (D-OR) will keynote the Indiana Democratic Party's June 7 Hoosier Hospitality Dinner.

- The Prosper Group, which Hoosiers have come to know as a Greenwood-based data-focused public affairs firm that develops communications approaches and digital strategies for political campaigns, advocacy efforts, and trade association initiatives, launches a new digital firm focused on corporate and financial sectors: Everest Communications. Zack Condry, who worked for The Prosper Group from 2010-14, reunites with the agency's founders, Kurt Luidhardt and Kristen Luidhardt, to partner on the launch of Everest. Condry, a former senior digital leader at Brunswick Group and Edelman, will serve as president of Everest.

□ The new firm's areas of practice and capabilities include executive and corporate positioning; reputation analysis and repair (social, SEO, and Wikipedia); crisis preparedness and management; and in-house graphic design, video, and web development.



IN Brief

IN Federal Circles . . .

- U.S. Sen. Todd Young (R) and U.S. Sen. Cory Booker (D-NJ) last week reintroduced their "Federal Retirement Commission Act," which calls for the creation of a federal retirement panel charged with reviewing private retirement benefit programs and submitting a report to Congress on how to improve private retirement security in the United States. The commission, comprised of the secretaries of Treasury, Labor, and Commerce; two presidential appointees, six U.S. Senate appointees; and six U.S. House of Representatives appointees, would not review the Social Security program. "With many individuals reaching retirement with little to no savings of their own, we must take a serious look at our current retirement programs and make the changes necessary to help secure the futures of so many hardworking Americans," said Sen. Young. "Our bill would enact a commission to better understand how we can strengthen private benefit programs and ensure our current and future generations have the tools necessary to plan for retirement." The panel would be charged with undertaking a comprehensive review of private benefit programs existing in the United States, with a particular focus on moving from defined benefit to defined contribution models; private retirement coverage, individual and household accounts balances, investment

trends, costs and net returns, and retention and distribution during retirement; and societal trends, including wage growth, economic growth, unique small business challenges, serial employment, gig economy, health care costs, life expectancy, and shrinking household size, that could lead future generations to be less financially secure in retirement compared to previous generations . . . Sen. Young and U.S. Sens. Bill Cassidy, M.D. (R-LA), Michael Bennet (D-CO), Maggie Hassan (D-NH), Lisa Murkowski (R-AK), and Tom Carper (D-DE), members of the Senate Bipartisan Working Group, introduce the bipartisan “STOP Surprise Medical Bills Act” on Thursday, legislation to protect patients from surprise medical bills. U.S. Sens. Dan Sullivan (R-AK) and Sherrod Brown (D-OH) are also cosponsoring the bill. “Too many American families have been hit with costly surprise medical bills at their most dire time of need. This includes Hoosiers who have been caught off guard by huge unexpected medical costs despite doing their research in advance,” said Sen. Young. “Our approach protects families from financial strain by establishing a process that keeps patients out of these billing disputes and enables them to focus on their health rather than unexpected medical bills.” The STOP Surprise Medical Bills Act would address three scenarios in which surprise medical billing (also known as “balance billing”) would be prohibited: (1) Emergency services: The bill would ensure that a patient is only required to pay the in-network cost-sharing amount required by their health plan for emergency services, regardless of the patient being treated at an out-of-network facility or by an out-of-network provider. (2) Non-Emergency services following an emergency service at an out-of-network facility: This bill would protect patients who require additional health care services after receiving emergency care at an out-of-network facility, but cannot be moved without medical transport from the out-of-network facility; and (3) Non-Emergency services performed by an out-of-network provider at an in-network facility: The bill would ensure that patients owe no more than their in-network cost sharing in the case of a non-emergency service that is provided by an out-of-network provider at an in-network facility. Patients could not receive a surprise medical bill for services that are ordered by an in-network provider at a provider’s office, but are provided by an out-of-network provider, such as out-of-network laboratory or imaging services. Providers would automatically be paid the difference between the patient’s in-network cost-sharing amount and the median in-network rate for these services, but could to appeal this payment amount through an independent dispute resolution process from which the patient is completely removed.

- U.S. Sen. Mike Braun (R) joins a fellow freshman colleague, U.S. Sen. Kyrsten Sinema (D-AZ) in introducing the “Consider Teachers Act of 2019,” a bipartisan bill aimed at what Sen. Braun’s office characterizes as “fixing a broken system burdening teachers with unfair loans.” While the TEACH Grant program provides grant assistance to students who serve four years as a full-time teacher in high-need, often underserved communities, his office explains that “often due to basic clerical mistakes, thousands of teachers have found their grants converted into loans that must be paid back with interest. The Consider Teachers Act aims to fix this broken system permanently.” Sen. Braun says “The TEACH grant is an important program to incentivize teachers to serve in neglected communities, but 12 years of poor government management has turned these grants into groans for thousands of teachers. To show our appreciation for America’s great teachers, let’s get off the sidelines and fix this broken system once and for all” . . . Sen. Braun teams with U.S. Sen. Ed Markey (D-MA) on a pair of bipartisan bills to help combat the opioid epidemic.

The first measure, the “Lessening Addiction By Enhancing Labeling (LABEL) Opioids Act,” calls for labeling prescription opioid bottles with a consistent, clear, and concise warning that opioids may cause dependence, addiction, or overdose. The second piece of legislation, the “Safe Prescribing of Controlled Substances Act,” would require any prescriber of opioid medication to undergo mandatory education on safe prescribing practices. The bill would specifically require all prescribers applying for a federal license to prescribe controlled substances complete mandatory education that will help encourage responsible prescribing practices. This education would focus on best practices for pain management and alternative non-opioid therapies for pain, methods for diagnosing and treating a substance use disorder, linking patients to evidence-based treatment for substance use disorders, and tools to manage adherence and diversion of controlled substances, including Prescription Drug Monitoring Programs. “President Trump has declared the opioid a national emergency, he has secured \$6 billion in new funding to combat the opioid crisis and these two bills will provide him with two additional solutions to fixing this crisis by requiring prescription opioid bottles with a concise warning labels, while also requiring mandatory education that will help encourage responsible prescribing practices,” said Sen. Braun . . . on Tuesday morning, Sen. Braun appeared live on CNBC to tell viewers that the discussion of Chinese trade is a false flag of sorts, because “What’s driving this economy – and believe me, I’ve had a business for 38 years – it’s never been hotter and it’s not due to trade. What’s driving things is tax reform and rolling back regulations.” He also took aim at former vice president Joe Biden (D) for an Obama-like economic plan which would bring on “the doldrums.” He explained that “None of us as entrepreneurs were looking optimistically into the future with the Obama plan.” As for the other Democrats, “if you look at some of the stuff they’re rolling out now, with the Green New Deal, Medicare for All, free college tuition, that ought to frighten a lot of people,” he added. Sen. Braun later tweeted from his campaign account, “This is the hottest economy I’ve seen in 38 years in business, while Joe Biden was first lieutenant to the Obama agenda that gave us 8 years of mediocrity & stagnation. Democrat proposals like Medicare-for-All, Green New Deal, & free college should frighten every entrepreneur” . . . Sen. Braun on Thursday partnered with U.S. Sens. Pat Toomey (R-PA) and Thom Tillis (R-NC) as a co-sponsor of the “Thin Blue Line Act,” a measure to ensure that criminals face the strongest possible repercussions in federal cases when they kill or attempt to kill local law enforcement officers. “Hoosiers can rest easy at night because our police never do,” said Sen. Braun. “Our phenomenal men and women of law enforcement put their lives on the line every single day to protect our communities from danger, and anyone who kills or attempts to kill a police officer should pay the highest price possible.” The bill would require a jury in a federal case consider the murder of a local law enforcement officer, prosecutor, or first responder as an aggravating factor in favor of the death penalty, just as it is if the murder victim is a federal law enforcement officer or federal prosecutor. The bill would also enhance the penalty when a defendant targets a law enforcement officer, prosecutor, or first responder solely because of that individual’s status.

- U.S. Sen. Todd Young (R) and U.S. Rep. Jackie Walorski (R) are authors of parallel bipartisan, bicameral legislation to change the definition of a “full-time employee” under the Affordable Care Act from someone who works an average of 30 hours per week to the traditional 40 hours per week.

□ Sen. Young teams up with U.S. Sens. **Joe Manchin** (D-WV), **John Barrasso** (R-WY), and **Kyrsten Sinema** (D-AZ) to introduce the “Employee Flexibility Act of 2019,” while Rep. **Walorski** is co-author of the House version with U.S. Reps. **Dan Lipinski** (D-IL), **Mike Kelly** (R-PA), and **Collin Peterson** (D-MN).

□ “Many employees in Indiana faced reduced hours and earning ability as a result of the Affordable Care Act’s 30-hour threshold,” said Sen. Young. “Our bill would fix this error and ensure that Hoosiers can support their families, trade shifts, and earn more money. I previously led the introduction of similar legislation in the House and I will continue working to ensure it becomes law,” he adds.

□ Rep. **Walorski** asserts that “The redefinition of full-time employment under Obamacare is hurting workers who want to earn more money by picking up extra hours or trading shifts, and it’s placing unnecessary burdens on our Main Street job creators.” She adds, “The Employee Flexibility Act will bring relief to hardworking Hoosiers by ensuring they have flexibility in the hours they work each week. This bipartisan, common sense bill will also give businesses the certainty they need to expand, invest in our communities, and create more jobs.”

● Bicameral resolutions were introduced in Congress last week to extend the **Lugar** legacy by reaffirming U.S. support for the Nuclear Non-Proliferation Treaty (NPT) and America’s contributions to the International Atomic Energy Agency (IAEA). The resolutions also call for an extension of New START in 2021, if it advances U.S. interests, while also recognizing the benefits of including China in future arms control treaties. The bipartisan, bicameral resolutions also strongly criticize Russia for violating the Intermediate-Range Nuclear Forces Treaty, which eliminated 2,700 medium-range missiles.

□ The Senate version was introduced by U.S. Sens. **Todd Young** (R) – former **Lugar** aide; **Mike Braun** (R), **Jeff Merkley** (D-OR), **Rand Paul** (R-KY), **Ed Markey** (D-MA), **Sherrod Brown** (D-OH), **Susan Collins** (R-ME), **Ben Cardin** (D-MD), **Kirsten Gillibrand** (D-NY), and **Tina Smith** (D-MN). U.S. Rep. **Jim Banks** (R), along with U.S. Reps. **Brad Sherman** (D-CA), **Bill Foster** (D-IL), **Jeff Fortenberry** (R-NE), **Ben Ray Lujan** (D-NM), and **Chuck Fleischmann** (R-TN), introduced the “Richard Lugar Nonproliferation and Arms Control Legacy Resolution” in the House.

□ Sen. Young said that “as we honor the life of Senator **Richard Lugar**, we also focus on carrying on his legacy with this resolution and our continued commitment to nuclear non-proliferation. At a time when nuclear proliferation was civilization’s greatest threat, Senator **Lugar** helped save the world. Today, our world is once again facing the threat of nuclear weapons being developed by rogue regimes in Iran and North Korea. While Indiana and our entire country lost a great leader in Senator **Lugar**, the safety and security of our world now falls to us and carrying on his work to ensure the world remains free of the threat posed by nuclear weapons.”

□ Sen. **Braun** adds, “Senator **Richard Lugar** is a towering figure in Hoosier history and one of the greatest statesmen to ever serve in the U.S. Senate. It’s an honor to work for Hoosiers from his seat and his desk on the Senate floor where he served our state with distinction for over 30 years and I’m proud to join this resolution honoring him,” he said.

□ In the Fiscal Year 2019 National Defense Authorization Act, Rep. **Banks** requested a report from the U.S. Department of Defense to identify ways to strengthen the Nunn-Lugar Cooperative Threat Reduction (CTR) program, as interagency coordination, expeditious project approval, measuring program effectiveness, and policy gaps continue to pose challenges to effective and efficient utilization of CTR. Said Rep. **Banks**, “Senator **Lugar** was one of the greatest statesmen of our time. His leadership on the Cooperative Threat Reduction Program and the New START Treaty led to an era of denuclearization and peace. We now live in an era where these historic boundaries are tested. Russia violated the Intermediate-Range Nuclear Forces Treaty, and China is rapidly investing in its nuclear enterprise. If we are to keep the world safe from nuclear warfare, we must channel Senator **Lugar** and ensure our adversaries comply with the nuclear standards of a more peaceful era.”

● The legacy of former U.S. Rep. **Dan Burton** (R) comes back into focus this month as the Trump Administration ends a long-standing suspension of Title III of the Libertad Act – more commonly known as the Helms-Burton Act – which had been tolled not only by every past presidential administration, Democrat and Republican, since its 1996 enactment, but also by the current administration . . . until this month. Title III of the Helms-Burton Act authorizes a private right of action in federal courts by American citizens, including naturalized Cubans, against any person that knowingly traffics in property confiscated by the Cuban government after Fidel Castro seized power in 1959. Those properties are now valued at some \$8 billion. Exxon Mobil Corporation and Carnival Corporation (the cruise line operator) were the first two companies to file suit this month after the Title II suspension was lifted. The problem: Cuban assets in the United States are effectively non-existent, so Canadian or European companies that do business in Cuba and the United States will most likely be the collection targets if a Title III lawsuit proves successful.

● U.S. Rep. **Jackie Walorski** (R) joins forces with U.S. Reps. **Susie Lee** (D-NV) (whose husband is president and CEO of Full House Resorts, Inc., parent of the Rising Star Casino • Resort in Rising Sun); **Doug Collins** (R-GA), and **Chrissy Houlahan** (D-PA) to introduce bipartisan legislation to improve health care coverage for newborn children of female veterans receiving any Veterans Administration maternity care.



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Porter Co. judge declares riverboat law invalid over riverbenda “special legislation” language . . . Lawrenceburg City Council takes site visits to Bahamas, Miami casinos . . . Al Unser, Sr. retires; ends Lottery’s \$25K 500 sponsor deal.

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The child must have been delivered in a VA facility or facility with which VA has a contract for such services. The “Newborn Care Improvement Act” would allow VA to provide post-delivery care for newborns for 14 days, doubling the current limit of seven days. “Women who served our country with strength and courage deserve the best health care possible from the VA,” Rep. Walorski says. “By improving care for newborns, this bipartisan bill will ensure women veterans get the support and care they need to raise healthy families.”

- U.S. Rep. Greg Pence (R), a member of the House Committee on Transportation and Infrastructure, introduces his first bill, “reducing the regulatory burden on the men and women of Indiana, and America’s, robust transportation and agricultural communities,” as his office puts it. The “Modernizing Agricultural Transportation Act (MATA) of 2019,” bipartisan legislation he co-authored with the House Committee on Agriculture chair, U.S. Rep. Collin Peterson (D-MN), would direct the U.S. Department of Transportation to examine Hours of Service (HOS) regulations and the Electronic Logging Device (ELD) regulations to identify obstacles to the safe, humane, and market-efficient transport of livestock and other perishable agricultural commodities. “The current regulatory regime places unnecessary burdens on the hard-working men and women in our agricultural community in Indiana, and across America,” Rep. Pence said. H.R. 2460 “will help ensure our farmers and producers can transport their goods and commodities in a safe, efficient manner.” The bill seeks to include the transportation and agricultural communities in the rule-making process, asking relevant stakeholders to share their experiences with the impact of existing HOS rules under the Federal Motor Carrier Safety Regulations; incompatibilities, challenges and concerns caused by HOS rules and ELD rule provisions; initiatives and regulatory changes that maintain and protect highway safety and allow for the “safe, efficient, and productive marketplace transport” of livestock, insects, and perishable agricultural commodities; and other related issues that the U.S. DOT considers appropriate.

- U.S. Rep. Trey Hollingsworth (R) poses his Question of the Week to constituents: “Do you believe our country and our healthcare system need to provide greater access to and awareness of mental health services?” . . . Rep. Hollingsworth clashed with Disney heiress Abigail Disney at a hearing of the House Committee on Financial Services Subcommittee on Investor Protection, Entrepreneurship and Capital Markets. Disney has been critical of the earnings of Disney’s chief exec (more than \$65 million in 2018). “I wonder if you might tell me how much he should make?” asked Rep. Hollingsworth, and when pressed, Disney offered a rate “closer to \$10,000” per hour than the \$20,000+ per hour rate he was paid. She wasn’t as concerned about how much he was paid, but rather that he was making that kind of money when other Disney workers were unable to afford basic services and health care. Rep. Hollingsworth asked her what a “living wage” would constitute in San Francisco – or in CD 09’s Salem. “The point I’m trying to make,” said Rep. Hollingsworth, “is we are throwing around numbers here on appropriate CEO pay, what CEO pay should be, what living wage should be in ‘X’ city, but there aren’t any specifics.” His concern? “What I continue to hear from you and others is, ‘Oh, we will just defer to a group of scientists who will endeavor to figure out what the appropriate CEO salary is, what the appropriate median wage is, what the appropriate living wage is, in every single location, for every single job, up and down the spectrum, from sea to shining sea.’ We have a definition of that. That is socialism.”

- U.S. Rep. Jim Banks (R) is backing conservative economist Judy Shelton for one of the two vacancies on the Federal Reserve Board of Governors that have gone unfilled after the President’s first two choices were largely dismissed by Senate Republicans. He tweets that Dr. Shelton, U.S. executive director for the European Bank for Reconstruction and Development, would be a “great pick” for the board . . . Rep. Banks teams with U.S. Rep. Scott Peters (D-CA) to introduce the bipartisan, bicameral “Daniel Somers Network of Support Act,” which would create a network of support for servicemembers and their families. These networks are intended to improve servicemembers’ mental health by engaging directly with families on the challenges servicemembers experience, potentially preventing isolation and suicide. The bill directs the U.S. Department of Defense to establish a Network of Support, a pilot program that will provide friends and family of servicemembers a better understanding of the rigors, challenges, and needs associated with military service. The American Red Cross would collect contact information from people servicemembers designate in their networks of support, and DoD would send updates to those networks. This bill is named after Army Veteran Sergeant Daniel Somers, who died by suicide in 2013 after two tours in Iraq, suffering traumatic brain injuries and post-traumatic stress. Said Rep. Banks, “The suicide rate among our veteran community is heartbreaking, and we must do more to prevent such tragedies. I hope to honor the life of Daniel Somers by introducing this legislation and increasing mental health awareness among our nation’s heroes and those that love them. By connecting close family and friends of service members, we can better prevent suicide and get our veterans the help they need” . . . Rep. Banks is an original co-sponsor of the “New START Treaty Improvement Act,” a measure that would limit funding for any extension of the New START Treaty or successor agreement unless it includes the People’s Republic of China and covers all strategic and non-strategic nuclear forces of the Russian Federation. The New START Treaty will expire in 2021 unless both Russia and the U.S. agree to extend the treaty for an additional five years. H.R. 2707, was introduced in the House by U.S. Rep. Liz Cheney (R-WY). Rep. Banks says, “The United States wants to see nuclear non-proliferation agreements reached and extended, if it can successfully prevent future nuclear attacks. To be effective, future treaties must have strict compliance from Russia and China. The late Senator Dick Lugar’s legacy of shrewd negotiation with all nuclear powers must be continued, and the United States must ensure that when we restrict our nuclear capabilities, our adversaries are as well.” He expresses concern that Russia is using its arsenal of tactical weapons to employ an ‘escalate-to-deescalate’ strategy, rapidly modernizing its strategic nuclear systems and developing state-of-the-art hypersonic weapons that fall outside the bounds of New START. Meanwhile, he also notes, China has emerged as a regional power with global ambitions, investing heavily in its military and bolstering its nuclear and hypersonic capabilities . . . Rep. Banks is understandably pleased that the Trump Administration issued an Executive Order Wednesday that would “effectively prohibit U.S. companies from using any telecoms equipment manufactured by China’s Huawei.” He says, “I am thankful that President Trump clearly understands the risks involved with foreign companies linked to the Chinese Government, like Huawei, have on America’s national security. Telecommunications ‘companies’ in adversarial nations like China, are Trojan horses for their authoritarian regimes that seek to infiltrate and disrupt U.S. interests, both at home and abroad. As 5G technology grows domestically and throughout allied nations, it is critical that we do not allow these entities to gain a foothold in our infrastructure to steal

information and conduct surveillance operations. I hope the President doubles down on this stance to address the many government-influenced companies worldwide that pose similar threats as Huawei” . . . Rep. Banks issued this statement after Thursday’s immigration announcement by the President: “I was honored to be in the Rose Garden today as President Trump outlined his plan to create a fair, modern and lawful immigration system. Our current immigration laws are badly broken, do a disservice to American workers and jeopardize our national security. The President’s plan is rooted in common sense principles that should be above the din of politics. I urge Speaker Pelosi to stop playing political games and bring this important legislation up for a vote” . . . Rep. Banks speaks with WOWO 1100-AM in Fort Wayne about the U.S.-Mexico-Canada Agreement has on trade, and blames politics for delays. He asks, “Who would benefit the most? Donald J. Trump, the President of the United States of America, heading into an election year, and Nancy Pelosi can’t get beyond that. That’s what is holding up this deal. If and when this is ratified and passed and goes into effect, it could potentially be the biggest win that President Trump has had his entire administration. That will only help him moving into election day.” He adds, “I’m supporting this agreement. I have been from the time it came out because I told them if you don’t screw anything up, I’ll support it. That’s basically what they did. It doesn’t really do a whole lot of good for agriculture, but it doesn’t do any harm.” However, he doesn’t believe that the trade deal has the votes to pass now. “Our caucus has demands about labor, environment, these things that they always have demands about; those people are never going to vote for it anyway,” Rep. Banks explains. “The question is whether you can get this thing to a point where you’ve got 100 Democrats that are not only supporting but enthusiastic about it in order for the speaker to bring it up, but I think right now if it was brought to the floor it would fail” . . . in a late Thursday statement, Rep. Banks detailed his opposition to H.R. 5, the “Equality Act,” which is scheduled for a vote in the House May 17. He said that it “represents the absolute worst of the radical-left’s pro-infanticide, anti-conscience agenda. By amending the definition of ‘sex’ in the Civil Rights Act of 1964, this legislation codifies a fundamental right to an abortion up until the moment of birth. It also ensures that American taxpayers foot the bill for these abortions by effectively eliminating Hyde protections – protections I recently pledged to uphold in a letter to Speaker Pelosi. Additionally, the so-called ‘Equality Act’ would undermine President Bill Clinton’s Religious Freedom Restoration Act of 1993 by forcing health care providers to perform abortions and gender reassignment surgeries regardless of their religious or moral convictions. This egregious abuse of Americans’ First Amendment rights is why I will be voting no without hesitation.”

- U.S. Rep. Susan Brooks (R) and U.S. Rep. Debbie Wasserman Schultz (D-FL) reintroduce their “Protecting Access to Lifesaving Screenings (PALS) Act.” The bipartisan measure would postpone U.S. Preventive Services Task Force (USPSTF) recommendations that could severely limit women’s access to mammograms. An extension of the moratorium on USPSTF guidelines to 2021 was previously passed. “Women of all ages are affected by breast cancer and every woman should be able to access mammograms when they need them,” says Rep. Brooks. “Taking preventative measures, such as having mammograms, are key components to combating a disease that takes the lives of too many Hoosiers and Americans. If left in place, USPSTF recommendations put women, especially young women, at risk of losing insurance coverage for essential mammogram screenings that could save their life.” The PALS

Act would protect access to annual mammograms with insurance coverage with no-copay starting at age 40 by extending the moratorium on the USPSTF breast cancer screening guidelines, and also ensures that female veterans treated in the Veterans Health Administration do not face these same obstacles to getting the care they and their health care providers deem necessary . . . during National Police Week and Mental Health Awareness Month, Rep. Brooks partners with U.S. Reps. Ted Deutch (D-FL), Fred Upton (R-MI), and Debbie Dingell (D-MI) to reintroduce the “Jake Laird Act of 2019,” a bipartisan measure memorializing an Indianapolis Metropolitan Police Department officer who was shot and killed in 2004 in the line of duty by a man who struggled with mental illness. The bill would provide grants to encourage states to adopt laws, similar to Indiana’s 2005 Jake Laird Law, that enable local law enforcement, with probable cause, to temporarily remove and retain firearms from individuals who are determined to be an imminent danger to themselves or others. “Red flag laws save lives and are already working in states across the country, including Indiana and Florida, to prevent devastating losses of life,” said Rep. Brooks. “As our country continues to grapple with how to keep our communities safe, the Jake Laird Act of 2019 will provide local law enforcement officers the tools and training necessary to help prevent senseless acts of violence from claiming more innocent lives. I am proud to reintroduce this bipartisan gun violence reduction tool that will help us better avoid situations that could jeopardize the lives of our loved ones, friends, and neighbors while also protecting individual constitutional rights.” The former federal prosecutor says the Jake Laird Act of 2019 would respect constitutional Second Amendment protections for law-abiding gun owners, and provide for due process by guaranteeing a day in court within 21 days. If the court rules that the individual is not a danger to self or others, his or her firearms will be swiftly returned . . . interviewed by Ed Breen on the WBAT 2400-AM *Good Morning Grant County* show in Marion Wednesday, Rep. Brooks said that she is sensing a change among Hoosier farmers on the tariff issue. “Initially farmers in the Fifth District were supportive – initially – of the fights over tariffs because they do believe that they had not been getting a fair shake at markets,” she said, “but they have been pretty clear to me – and to other Hoosier representatives – that the tariff war cannot go too long because the tariffs will impact them in a pretty significant way, particularly with pork products, corn, and soybeans that are exported to China. So it is tough, but they were supportive initially – but I think that probably is waning, that support.” She says that “They want markets to open, and they want to have access to market. but they (also) want to have fair pricing for their products.”

IN State Circles . . .

- Chief Judge Joseph H. McKinley, Jr. of the U.S. District Court for the Western District of Kentucky finds Kentucky’s 2018 “dilation and evacuation” abortion ban, aimed at ending a common second-trimester abortion procedure, would create a “substantial obstacle” to a woman’s right to an abortion, a violation of privacy rights protected by the Constitution. The law, enforcement of which was suspended by a consent order pending resolution, is similar to Indiana’s new abortion prohibition. Indiana’s new law is being challenged by the ACLU of Indiana; the ACLU had also fought the Kentucky provision. Kentucky’s governor, who stands for re-election in November, has pledged to appeal the ruling.

□ At a recent Henry County GOP meeting, Sen. Mike Gaskill (R) was overcome by emotion in discussing HEA 1211-2019, according to an article in the *New Castle Courier-Times* written by Darrel Radford, himself a former Senate Majority Caucus aide.

□ “We had a lot of debate on that,” Sen. Gaskill told attendees. “There’s an abortion procedure that has been allowed in Indiana and other places as well that’s a dismemberment abortion. I wasn’t on the committee this bill went before but I sat in the audience and listened because I wanted to hear the testimony before it got to the full Senate. It was just gut-wrenching to think that an abortion procedure was allowed where once the baby was too big to be aborted in other methods, they would cut the arms, legs and head off.” Radford reports that “At that point, Gaskill stopped, clearly fighting off his emotions. ‘Sorry,’ he said ‘Republicans and Democrats can disagree on things but how do you argue the other side of that?’” Sen. Gaskill then “recalled one particular day when a pro-abortion lobbying group came to see him. They were angry with him about his support of the bill. ‘They unloaded on me and I just sat and listened,’ Gaskill said. Then, Gaskill was polite, but direct with the group. ‘Based on how you feel about that issue, my advice to you is rather than trying to change my mind, you should recruit a candidate in District 26 who supports your point of view because I’m not going to change,’ Gaskill said. Then, again struggling for composure, Gaskill told the GOP group ‘I’d rather be drug out on the street and set on fire than to allow something like that.’”

● Attorney General Curtis Hill (R) joins 43 other attorneys general in a lawsuit accusing Teva Pharmaceuticals USA, Inc., and 19 generic drug companies of conspiring to artificially inflate and manipulate the prices of more than 100 different generic drugs to reduce competition and unreasonably restrain trade, in violation of federal and state antitrust and consumer protection laws. The 510-page complaint, filed in U.S. District Court for the District of Connecticut, also names 15 individual senior executive defendants at the heart of the alleged conspiracy who were responsible for sales, marketing, pricing and operations. More than one-half of the corporate defendants are based in New Jersey, and one-third of the individual defendants reside in the Garden State.

□ The drugs at issue account for billions of dollars of sales in the United States. The complaint alleges that Teva, Sandoz, Mylan, Pfizer and 16 other generic drug manufacturers engaged in a broad, coordinated and systematic campaign to conspire with each other to fix prices, allocate markets and rig bids for more than 100 different generic drugs. The price-fixing practices by the defendants cited in the lawsuit is alleged to have caused significant financial damage to the health insurance market, state health plans, taxpayer-funded federal healthcare programs like Medicare and Medicaid, employer-sponsored health plans, and individual consumers who pay out-of-pocket for their generic medications.

□ Drugs that were subject to the allegedly unlawful pricing manipulations included all types of medication, including oral antibiotics, gels, ointments, creams, suspensions; as well as a wide range of classes, including statins, ace inhibitors, beta blockers, antibiotics, anti-depressants, contraceptives, non-steroidal anti-inflammatory drugs and treat a range of diseases and conditions from basic infections to diabetes, cancer, epilepsy, multiple sclerosis, HIV, ADHD, and more.

□ The complaint alleges that the collusive activity peaked between July 2013 and January 2015, when Teva is alleged to have significantly raised prices on about 387 formulations of 112 different generic drugs. The size of the alleged price increases varies, but a number of drugs saw their prices soar by “well over 1,000 percent.” The complaint lays out a picture of an interconnected web of industry executives participating in these activities. Competitors met with each other during industry dinners, “girls nights out,” lunches, cocktail parties, and golf outings. They communicated via frequent telephone calls, emails and text messages that the plaintiff states contend sowed the seeds for their allegedly illegal agreements. Throughout the process, the defendants are said to have employed terms such as “fair share,” “playing nice in the sandbox,” and “responsible competitor” to describe how they unlawfully discouraged competition, raised prices, and enforced what is described as an ingrained culture of collusion.

□ The lawsuit seeks damages, civil penalties and actions by the court to restore competition to the generic drug market. “This lawsuit should serve as a warning to any company that intentionally defies the trust of their customers,” General Hill said. “The rising cost of health care is daunting enough without price fixing of medications. Americans deserve options when they shop for these products. Any pharmaceutical company that engages in price-fixing and artificial cost inflation is part of the problem that ails health care in the United States. Here in Indiana, we will keep working to protect all Hoosier consumers from illegal schemes.”

● Overlooked: If the proposed transmodal development at Gary’s Buffington Harbor does transpire, the timeline for the deepwater port could parallel that for the proposed fourth port, at the Tanner’s Creek site in Lawrenceburg (ironically, a site seriously considered circa 1994 for a Dearborn County casino before it located elsewhere in Lawrenceburg). We would expect the Ports of Indiana to be heavily involved in any Buff deal as a condition precedent for state support for the site.

● The Indiana Black Legislative Caucus opened its annual series of town halls across the state with a stop in Indianapolis on Saturday, May 18. In all, look for IBLC members to visit seven locations across Indiana through the end of August, both reviewing the work of the General Assembly during the 2019 session, and beginning outreach in planning for the 2020 legislative session.

□ Here is the IBLC 2019 town hall schedule:

Indianapolis – May 18 12:00 p.m. - 2:00 p.m. EST
Julia M. Carson Government Center

Fort Wayne – June 15 12:00 p.m. - 2:00 p.m. EST
Turner Chapel AME Church

Jeffersonville – June 29 12:00 p.m. - 2:00 p.m. EST
Community Action of Southern Indiana

Evansville – July 13 12:00 p.m. - 2:00 p.m. CST
CK Newsome Community Center

South Bend – July 27 12:00 p.m. - 2:00 p.m. EST
UAW Local #5

Terre Haute – August 3 12:00 p.m. - 2:00 p.m. EST
Spruce Street AME Church

Hammond – August 17 12:00 p.m. - 2:00 p.m. CST
Ophelia Steen Family & Health Services Center

● Washington is the best state in the country, according to the third annual 2019 “Best States” rankings from *U.S. News & World Report*, which evaluated all 50 states across a range of criteria, including education, health care, infrastructure and the economy, to capture how states best serve their citizens. Indiana fails to rank in the top half overall, nor does it appear in the top three of any of the major eight ranking categories. We’re only 36th, and our only top 10 appearance is sixth place in “Fiscal Stability.”

● In *Frederick, et al., v. Lawson, et al.*, No. 1:19-cv- 1959, Common Cause Indiana and several registered voters in Saint Joseph County filed suit in U.S. district Court for the Northern District of Indiana against Secretary of State **Connie Lawson** (R) and members of the St. Joseph County Election Board for rejecting their absentee ballots due to purported signature mismatches, which the plaintiffs allege is a violation of their due process and equal protection rights under the U.S. Constitution.

□ The plaintiffs explain that under Indiana’s absentee voter laws, signatures on absentee ballot envelopes are reviewed and deemed as matches – or not – with other signatures on file by county election officials. However, “Indiana law contains no standards or criteria absentee ballot counters or members of county election boards are instructed to use in determining whether a signature is ‘genuine.’ Indiana offers no training to absentee ballot counters or members of county election boards in handwriting analysis.” The lack of training in handwriting analysis and legitimate reasons why a signature may vary (“including age, physical and mental conditions, disability, medication, stress, accidents, and inherent differences in a person’s neuromuscular coordination”) render the system “fraught with error and inconsistent application,” the lawsuit alleges, and “The lack of standards, together with the unreviewable discretion imparted by Indiana law to absentee ballot counters and members of county election boards, results in vastly different rates between counties of absentee ballots rejected due to perceived signature mismatches. For example, approximately 45 Hamilton County absentee ballots were invalidated due to signature mismatches, 39 in St. Joseph County, 13 in Elkhart County, 13 in Madison County, and zero in Boone County and Porter County.”

□ These procedures are said to have resulted in several hundred and possibly more than 1,000 mail-in absentee ballots submitted in the 2018 general election not being counted – through no fault of their own – without any notice to the voter, or opportunity to cure a perceived signature mismatch. The plaintiffs also suggest that signature “variations are more prevalent among the elderly, the disabled, or those who speak English as a second language.”

□ Attorneys for the plaintiffs, **Bill Groth** and **David Vlink** of Fillenwarth Dennerline Groth & Towe, LLC, and **Mark Sniderman** of Findling Park Conyers Woody & Sniderman, PC, tell the court that “There are already processes in place that provide at least some semblance of due process for other voters whose ballot is questioned,” including a provisional ballot for those without proper ID, but “No due process is available to a voter who submits an absentee ballot by mail that is improperly rejected due to a perceived signature mismatch. It would not be administratively burdensome to notify a voter whose absentee ballot has been rejected due to a perceived signature mismatch and give that voter an opportunity to show cause why the ballot should not be rejected.”

□ To ensure every eligible vote cast is counted, the plaintiffs seek both a preliminary and permanent injunction preventing the continued enforcement of the current law. They note that courts across the country have granted relief in the form of due process in similar cases and seek a similar favorable outcome in this case.

● An interesting new report from Transportation for America contends that states are prioritizing road expansion over needed repairs, and “investments in expansion don’t just redirect funds away from much needed investments in repair; they continually grow our annual spending need, widening the gap. Every new lane-mile of road costs approximately \$24,000 per year to preserve in a state of good repair. By expanding roads, we are borrowing against the future,” the group contends.

□ While Indiana’s 2017 Next Level Roads program funds both expansion and rehabilitation, older Transportation for America data (highway capital spending on state-managed roads from 2009-2014) finds that only four states devoted a greater percentage of their available highway capital funds to road expansion between 2009 and 2014 than Indiana’s 49% (skewed, of course, by our I-69 extension, though 10 states added more lane-miles between 2011-17 than Indiana), while roadway repair in Indiana as a percentage of total capital spending was only 20%, with only nine states spending a lower percentage than Indiana. On the positive side, only six states reported that a greater percentage of their roads were in good condition in 2017 than the 54% of Indiana roads (though our numbers may have been skewed by the addition of new I-69 miles).

□ Transportation for America estimates that the total annual spending needed on road repair in Indiana over six years will be \$5,153,081,538.

● Indiana Michigan Power (I&M) submits its “Innovate Indiana” plan to the Indiana Utility Regulatory Commission, seeking an overall rate increase of about \$172 million, or 11.75%, with new rates to be phased in over three steps (the first occurring in Spring 2020, the second on June 1, 2020, and the third in early 2021). Assuming it is authorized to take full effect, the monthly increase would be \$21.11 for a residential customer using 1,000 kilowatt hours of electricity per month.

□ This cost includes a proposed increase in the monthly residential service charge. Innovate Indiana proposes to adjust rates to more accurately reflect what it says are the true costs of service provided to each customer. I&M’s service charge for residential customers is \$10.50 per month, which it touts as second-lowest of the major Indiana electric utilities. In a move bound to be vehemently opposed by the Citizens Action Coalition, among others, I&M proposes raising the residential customer service charge to \$15 (this service charge is included in – not an addition to – the proposed rates).

□ I&M plans to enhance the energy infrastructure for tomorrow’s needs, modernizing and strengthening the energy grid with more high-tech equipment to reduce the number, extent, and duration of power outages. The package includes an annual outlay of more than \$600 million for infrastructure. The I&M package supports continued operation of Cook Nuclear whose two units are being renovated as part of their extended licenses allowing them to continue generating low-cost, emission-free power through the mid-2030s – 20 years beyond their original licensing periods.

□ The smarter energy grid project also includes smart meter technology that the company says “not only enhances reliability but also empowers customers with better control of their individual energy usage.”

□ Some other elements of the Innovate Indiana plan include incentives to expand electric vehicle charging (rebates and special rates for charging electric cars overnight along with incentives for businesses and fleet vehicles); reimbursing employers for qualifying apprenticeships and training; a fund to help construct spec buildings for job-creators seeking quickly available locations; and continuation of programs to assist low-income patrons having difficulty paying their utility bills.

● Rep. Earl Harris, Jr. (D) may have been unsuccessful in advancing HB 1154, which called for a state census count committee – funded to the tune of \$13 million – to develop, recommend, and assist in the administration of a census outreach strategy to encourage full participation in the 2020 federal decennial census, but you can look for key elements of the “plan and structure” of his proposals to be incorporated into the state census plan after assurances from the Governor.

● Attorney General Curtis Hill (R) spoke to people from at least six counties Monday night in Monroe County at the monthly Grassroots Conservatives meeting, and, according to the *Indiana Daily Student*, addressed a variety of topics, while detailing to the group the rationale behind his involvement in a variety of legal matters across the nation. “I believe in freedom, and my job is to defend freedom.” General Hill also “spoke at length about being dumbfounded by people’s obsession with Facebook. ‘Social media has really eroded our system of justice and accountability,’ he said. Hill said he agrees with President Donald Trump about the media. ‘Fake news is real,’ Hill said. He talked about his disbelief that other states, particularly New York, had legalized abortion. He blamed grassroots Republicans like those in the crowd. ‘We waved the white flag,’ he said. ‘That’s on us.’”

● The Family and Social Services Administration is seeking federal approval to create a program that officials say would help Healthy Indiana Plan participants transition more easily to employer insurance or other health care coverage. The HIP Workforce Bridge emanates from the Governor’s 2019 Next Level agenda, in which he directed FSSA to develop a proposal that helps Hoosiers maintain coverage while transitioning from HIP.

□ As FSSA sees it, the HIP Workforce Bridge program would assist individuals who become ineligible for HIP because they are earning higher incomes. If approved, the policy will be a first-in-the-nation approach to eliminate a common obstacle that can prevent HIP members from pursuing meaningful employment. The program would afford outgoing HIP participants the ability to continue to use up to \$1,000 from their individual POWER accounts for premiums, deductibles, co-payments, and coinsurance for the next 12 months during their transition to commercial coverage (unlike traditional health savings accounts, POWER accounts do not remain with the HIP enrollee if he or she transitions to private insurance).

□ To establish the HIP Workforce Bridge, FSSA is proposing a change to the HIP program federal waiver. FSSA says that the new request aligns with full implementation of Gateway to Work in early 2020. The Gateway program, of course, requires some HIP members to work or perform other qualifying educational or volunteer activities to maintain health care coverage.

● As part of a consent decree filed by the U.S. Department of Justice on Monday, ArcelorMittal USA resolves what it describes as “alleged Clean Air Act air permit issues” at four facilities in Indiana (Burns Harbor, Indiana Harbor East and West, and the former Indiana Harbor Long Carbon operation) and on in Ohio (Cleveland). The company claims that “The issues are primarily related to regulated process deviations and sporadic, intermittent permit exceedances. They are not indicative of any systemic issues with our operations.”

□ Under the comprehensive settlement agreement outlined in detail in *U.S., et al., v. ArcelorMittal USA LLC, et al.*, No. 2:2019cv00179, and filed in the U.S. District Court for the Northern District of Indiana, the company resolves Title V air permit issues reflected in Notices of Violations issued in 2011 and 2019 by investing more than \$22.5 million in pollution controls at the five facilities (since 2007), and paying a fine of \$2.5 million to the federal government, \$2 million to Indiana and \$371,000 to Ohio.

● In *Lopez-Aguilar v. Marion Co. Sheriff’s Dep’t*, No. 18-1050, the U.S. Court of Appeals for the Seventh Circuit takes issue with the decision by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana denying the State of Indiana the ability to intervene in a case to defend Indiana statutes requiring local police cooperation with federal immigration detainer requests. The Office of the Attorney General explains that “Marion County officials colluded with the American Civil Liberties Union to avoid following state law.” In November 2017, Judge Barker approved a consent decree between the Marion County Sheriff’s Department and an individual (detained in 2014) represented by the ACLU of Indiana that permanently enjoined MCSD from “seizing or detaining any person based solely on detention requests from ICE, in whatever form, or on removal orders from an immigration court, unless ICE supplies a warrant signed by a judge or otherwise supplies probable cause that the individual to be detained has committed a criminal offense.”

□ OAG explains that “No one, however, informed the Office of the Attorney General of the consent decree until it was already entered by the federal court. Immediately upon learning of the collusive decree, Attorney General Hill moved to intervene in the case to argue the agreement violated state law. The district judge refused the request, asserting that even if the State had standing to intervene, its motion would fail because it was untimely. In a 40-page May 9 ruling, however, the appellate not only declared that OAG had the right to intervene on behalf of the State, but it also held that the trial court lacked jurisdiction to even approve the consent decree. “Indiana seeks to protect a state prerogative of constitutional dimension The State seeks to protect its sovereign prerogative to cooperate with the federal government and to require subordinate entities of state government to comply with that legislative policy directive,” fund a three-judge panel that included Hoosier Amy Coney Barrett. They conclude, “The district court cannot ‘suspend the application of Article III’ and the parties cannot ‘stipulate to the enlargement of federal jurisdiction’ by means of a consent decree.”

□ “This appellate ruling is a win for common sense, state sovereignty and public safety,” Attorney General Curtis Hill (R) said. “When federal authorities ask an Indiana police agency to detain a person in the agency’s custody, Indiana law requires the agency to cooperate. To establish any contrary policy at the local level not only violates Indiana law but jeopardizes the safety and security of Hoosiers.”

● Attorney General Curtis Hill (R) on Tuesday filed a motion to strike the appearance of an attorney enlisted by Marion County Prosecutor Terry Curry (D) to represent the prosecutor in a case challenging a new abortion law banning dilation and evacuation procedures, which the Office of the Attorney General describes as “dismemberment abortions, in which living fetuses are killed during extraction by cutting or ripping off one piece of their bodies at a time.” The motion comes in a suit filed in U.S. District Court for the Southern District of Indiana by a physician represented by the American Civil Liberties Union of Indiana, *Bernard, et al., v. Indiv Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv-01660-SEB-DML, challenging the constitutionality of the statute similar to a Kentucky law struck down in federal court in early May.

□ City of Indianapolis Assistant Corporation Counsel Daniel Bowman filed a notice of appearance for the Marion County Prosecutor, and OAG tells Senior Judge Sarah Evans Barker that “Bowman’s notice of appearance should be stricken because only the Attorney General has authority to represent the prosecutor in this case. Only the Attorney General represents the State of Indiana through his representation of the Marion County Prosecutor and the members of the Indiana Medical Licensing Board.” In a memorandum supporting the motion, OAG contends that This Court should ... strike Mr. Bowman’s appearance. Otherwise, not only the Marion County Prosecutor, but every other state official who may disagree with the Attorney General’s litigation position, will be emboldened to designate private counsel, agency counsel, or some other lawyer to represent that official’s interests in court. Such a development would not only thwart the will of the General Assembly but would also create uncertainty and inefficiency for the federal judiciary as it adjudicates cases against state officials.”

□ In announcing its filings in *Bernard*, the AG’s Office complains that “Prosecutor Curry’s effort to appoint his own attorney in this case is not the first time he has interfered with efforts by the attorney general to defend state law. In May of 2018, Prosecutor Curry announced he wanted to simply admit the allegations made in another abortion-related lawsuit.” “Prosecutor Curry is not enlisting counsel to represent his personal interests, which would be another matter entirely,” General Hill said. “Rather, he is seeking his own representation in his official capacity to respond to a constitutional challenge to state law.” That’s inappropriate in the eyes of the Attorney General. “The legislature has designated only one official – the attorney general – to be the voice of all state officials in court,” AG Hill adds. “To permit others to speak for the state would engender chaos and confusion as to the position of the people of Indiana before state and federal courts.”

□ Expect Prosecutor Curry to fight the motion by arguing that the provisions cited by OAG do not grant the attorney general exclusive jurisdiction to usurp the role of a named defendant, and that he should be entitled to a seat at the table.

● No word from the Supreme Court of the United States in its past two conferences on the big Indiana abortion case awaiting a decision on whether the justices will grant a *writ of certiorari* to the State of Indiana. The justices were scheduled to convene for a conference on Thursday, May 16, with orders from that conference likely to be released on Monday, May 20. This will be the 14th time that the Indiana case will be up for consideration, more appearances than any other case on the SCOTUS conference docket ... and some of the national news media is starting to notice as talk suggests this many appearances may be a record.

□ The State of Indiana filed its petition for *cert* back in October in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. You know the drill by now: This case involves a challenge to provisions of HEA 1337-2016 that would: (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ Joined on the May 16 conference list: *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the appeal of a constitutional challenge to the requirement of ultrasound as part of informed consent at least 18 hours before an abortion. There had been some speculation that the Court had been waiting for this case to pop up on the conference list before joining the Indiana challenges and considering them together. With the spate of recent laws in other states seeking to reverse *Roe v. Wade*, joinder and decision of these less “radical” laws could offer SCOTUS a way to uphold or set limits on *Roe* instead of overturning it.

IN the Economy

● Tax revenues exceeded April estimates in every category except sales tax, driving General Fund revenue collections to the highest April level in state history. General Fund coffers received \$2.275 billion during April, exceeding expectations by \$90.3 million (4.1%). When measured on a fiscal year-to-date basis, revenues for the first three quarters of Fiscal Year 2019 are running slightly ahead of most recently updated (April 17) forecast, by \$98.8 million (0.8%). We are running about \$200 million ahead of the FY 2017-19 budget plan.

□ While this is good news, of course, Indiana is, however, most certainly not an outlier when it comes to enjoying a strong month of collections. The National Association of State Budget Officers (NASBO) reports that the first 15 states reporting April tax collections have each posted revenues stronger than they had expected as the impact of the Tax Cut and Jobs Act seems to have evened out at tax-time, and taxpayers who may have been paying lower withholding in the early months of TCJA implementation as rates were being worked out and individuals had not adjusted their withholding are now making catch-up payments or receiving lower tax refunds. Stock market gains in late 2017 may also have played a part for higher earners and retirees. NASBO specifically suggests that “The positive April surprise is likely due to several factors including continued growth in the economy, gains in non-withholding including capital gains and dividends, a shift in the amount of estimated payments made in December to higher payments with tax returns in April due to the new federal tax limit on state and local tax deductions, and higher first quarter estimated payments.” NASBO adds “States will now begin analyzing ... to understand the amount that may be of one-time nature, such as higher than normal capital gains.”

□ If you were impressed by Indiana’s April tax collections topping forecasts by about \$90 million, don’t glance to your west at Illinois, where April collections were astronomical. State budget officials wrote to legislative leaders that “More than \$4.1 billion in individual and corporate income tax revenues were deposited into the General Funds in the month of April 2019, up \$1.14 billion or 38% from April 2018 income tax deposits of \$2.999 billion. This is also more than \$1.5 billion more than internally projected for April 2019.”

□ Illinois budget officials offer a few potential explanations, some of which parallel those posited by NASBO: “A number of factors likely contributed to this increase, including the performance of the stock market, better federal reimbursement for Medicaid, the elimination of the federal state and local tax deduction and additional changes in the federal tax law that meant many taxpayers didn’t withhold sufficient taxes through payroll deductions, backloading their end-of-year tax payments. Anecdotally, strong revenue collections occurred in many other states in April. Additional data and analysis are required to present a comprehensive explanation for the revenue shift, and our staffs are working to provide the General Assembly with a more detailed analysis.”

□ How big is this for Illinois? “As an immediate result of the strong April performance, coupled with revenue collections year-to-date, the State of Illinois will be able to address most of the \$1.6 billion shortfall in the enacted FY19 budget because of the April revenues alone.” Illinois’ governor quickly backed off his proposal to delay some of next year’s pension payment, which resulted in improvement in the price of the state’s junk bonds, driving down the yield penalty to the lowest since July 2018.

□ Towering tax collections during April also position New Jersey to be able to make the first deposit to the Garden State’s rainy day fund deposit since the pre-recession days of 2008.

□ April tax revenues increased on a year-over-year basis at an unprecedented clip, fueled by the largest individual income tax collections in any month in state history. Even cigarette taxes and fees are running ahead of estimates and prior-fiscal year performance. State tax collections soared over April 2018 by \$236.0 million (11.6%). With three months still to go on the fiscal year calendar, General Fund tax collections have grown compared to the same nine months in FY 2018 by a healthy \$632.7 million (5.0%).

□ Individual income tax collections rose to a state-record \$1.233 billion for April, surpassing the monthly estimate by \$67.7 million (5.8%) and improving vs. April 2018 by \$215.1 million (21.1%) as collections related to withholding, estimated, and final payments each saw particularly strong over-the-year growth. Fiscal year-to-date individual income tax collections out-perform the same July - April period in the prior fiscal year by \$115.7 million (2.3%).

□ Sales taxes added \$671.4 million to the General Fund, which trailed the monthly estimate by \$4.5 million (-0.7%) and grew over April 2018 by a marginal \$2.8 million (0.4%). Fiscal year-to-date sales taxes have outperformed the same period in FY 2018 by \$214.8 million (3.4%), thanks in part to an increase in collection of online sales tax collections that ramped up beginning in December.

□ Corporate taxes of \$224.8 million beat the monthly projection by \$11.2 million (5.2%), and exceeded the same 10-month period in FY 2018 by \$4.4 million (2.0%). Fiscal year-to-date corporate tax collections remain well ahead of the pace in the prior fiscal year by \$208.0 million (48.3%).

□ Gaming contributed \$51.9 million in tax revenue to the state’s General Fund during April, the highest April amount since 2015. Gaming taxes represent 2.3% of total General Fund collections for the month. On a fiscal year-to-date basis, both the riverboat and the racino wagering taxes have out-performed the same three quarters in the prior fiscal year by a double-digit percentage.

● We told you above that the Hoosier congressional delegation has been getting an earful recently from the state’s agricultural producers about the tariff issue, and now the Indiana Chamber of Commerce is cautioning that the recent tariff hikes on Chinese goods could lead to what it characterizes as “devastating” effects for the Hoosier business community. “We are hearing from a variety of members – from all kinds of manufacturers to agricultural companies – that this latest tariff war with China could have serious business implications for them and even throw some into a fight for survival,” says Indiana Chamber President **Kevin Brinegar**. “This is such a big, big deal for Indiana, which annually exports \$1.1 billion of goods to China.” He notes that among the top U.S. exports to China are gear boxes for vehicles (\$94 million) and medical products like needles and catheters (\$57 million).

□ While Brinegar agrees with the President “that China has gotten off far too easy over the last few decades – paying comparatively low duties and especially with its essentially non-existent intellectual property rights law that encourages innovation theft,” he adds, “there has got to be a better way than putting American businesses and jobs on the line.”

□ Not only is the Chamber communicating that to members of Indiana’s congressional delegation and the Trump Administration, but it is now urging business owners and citizens to get in touch with their D.C. lawmakers to tell solons the new tariffs “amount to tax increases on Hoosier consumers and businesses, with the price of products we use daily becoming even more expensive.”

● The Indiana gaming industry quietly crossed a historic milestone in April 2019: \$50 billion in casino win, scoops our sister Hannah newsletter, *INDIANA GAMING INSIGHT*. That’s the amount of money the industry has racked up since the first riverboat casino launched in Evansville on December 8, 1995.

● Although lawmakers approved transferability of the state’s venture capital investment (VCI) tax credit in the recently concluded legislative session, a new study by the Indiana Chamber of Commerce Foundation suggests the State take one more step forward: Raising the amount of the VCI credit available. *Indiana Venture Capital Study: Then and Now* offers a two-page overview of the state’s status in 1999 and the resulting enactment of the VCI in 2002, documenting Indiana’s improved venture capital ranking in the late 2000s and the subsequent dip as competitor states enacted increased and more flexible credits before calling for more change.

□ “Indiana’s VCI credit is currently 20%,” observes Chamber President **Kevin Brinegar**, but he points out that “The incentives for nearby states range from 25% to 50% plus the transferability options. In addition,” Brinegar suggests, “strong consideration should be given to raising the \$12.5 million annual cap.”

● Agricultural producer sentiment in April continues the plunge we’ve seen since January in the Purdue University/CME Group Ag Economy Barometer. The barometer, a sentiment index, is based on a monthly survey of 400 agricultural producers across the nation, and April’s plummeting numbers mark the fourth largest one-month drop in ag producer sentiment since Purdue researchers commenced data collection in October 2015.

□ The barometer's decline was driven by both worsening perceptions of both current economic conditions and weaker expectations for the future, according to the Purdue research team, with the Index of Current Conditions diving by 17.5%, and the Index of Future Expectations falling by more than 10 percent. Producer expectations for farmland values in the upcoming year also softened, but this was more modest compared to their reservations regarding building and equipment purchases. Producer confidence that the trade dispute with China will be resolved soon waned in April compared to perceptions expressed during the previous month, even though a strong majority continues to expect that the problematic trade dispute will ultimately be resolved in a way that benefits American agriculture. The survey, however, was undertaken before U.S. officials accused Chinese officials of backtracking in the trade talks and suggested that some \$200 billion in Chinese goods could soon be slapped with a long-delayed increase in tariffs . . . and before the long stretch of soggy and cooler weather that has caused delays in planting corn (only six percent of the corn crop was planted by May 12, a point at which about 50% has typically been in the ground in recent years).

□ Farmers are becoming increasingly anxious over their future financial performance," is how the numbers are interpreted by James Mintert, the barometer's principal investigator and director of Purdue University's Center for Commercial Agriculture. "Producers have taken stock of their financial position and prospects for 2019 as they head into planting season and are concerned about the uncertainty arising from the on-going trade disputes with key ag trading partners. Right now it seems that producers are being cautious." He believes that this caution is observed in producer attitudes toward making large investments in their farming operation. In the April survey, when asked whether they feel now is a "good time" or "bad time" to make large farm investments, only 22% of farmers stated it was a "good time" while 74% stated it was a "bad time." That combination pushed the Large Farm Investment Index down by more than 15% compared to March, and the fourth weakest reading of the investment index since Fall 2015.

□ In the St Louis Federal Reserve district, which includes roughly the southern one-third of Indiana, farmland values declined 0.3% during the first quarter.

● While in Washington, D.C. Monday in her role as president of the National League of Cities, Gary Mayor Karen Freeman-Wilson (D) told those assembled for the 7th annual Infrastructure Week national week of education and advocacy that a federal infrastructure measure is needed to jumpstart the sluggish municipal bond market. "Bonding is one of the most viable financing opportunities outside of a state partnership or some type of federal grant," Mayor Freeman-Wilson told Iweek participants. "You have to have a funding stream in order to make that bonding viable," and municipal governments are not likely to continue to go to market for debt financing absent a clear repayment mechanism, or clear federal government assistance. One alternative she cites: Increased reliance upon public-private partnerships.

● Duke Energy selects six Indiana locations to participate in its Site Readiness Program, an effort which identifies, evaluates, and improves sites in the company's 69-county Indiana service territory for potential industrial development.

□ The locations include:

- The Kokomo Industrial Park (Howard County)
- A 186-acre parcel in Fortville's South Madison TIF district(Hancock County)
- A 100+ acre parcel on S.R. 1 in West Harrison (Dearborn County)
- The Northpoint Business Park (Hamilton County)
- The North Manchester Industrial Complex (Wabash County)
- The North Warrick Industrial Park (Warrick County)

● Faced with a soaring deficit (think in excess of \$10 million next year; Gary schools are \$93 million in the red), the School City of Hammond School Board will decide Tuesday on closing three schools and cutting up to 150 jobs at all levels.

● Alabama-based AMERICAN Cast Iron Pipe Company's valve and hydrant division AMERICAN Flow Control, introduces AMERICAN Innovation LLC, which plans to invest \$9 million to build a new 30,000 square-foot research and development facility on 17 acres in the Crawfordsville Commerce Park in Crawfordsville. The new venture expects to create almost 10 new research and development jobs by the end of 2020. The Indiana Economic Development Corporation offers AMERICAN Innovation LLC up to \$130,000 in performance-based tax credits based on the company's job creation plans. The City of Crawfordsville approved additional incentives . . . Opus Packaging Group, a Michigan-based corrugated packaging and supplies manufacturer, plans to invest almost \$3 million over the next few years to construct and equip a new 170,000 square-foot facility in Park 130 in Whitestown, expecting to create more than 40 new jobs in Boone County by the end of 2022. IEDC offers Opus Packaging Group up to \$240,000 in performance-based tax credits . . . MetaCX, a venture-funded Software-as-a-Service (SaaS) startup, plans to scale up its operations in Central Indiana, investing \$1.4 million to lease, renovate, and equip office space on the 10th floor of the Salesforce Tower in downtown Indianapolis, expecting to create up to 75 new, high-wage jobs by 2023. MetaCX developed a "digital success layer" that brings together SaaS vendors and buyers for better collaboration and outcome management, offering real-time visibility into customer success. IEDC offers MetaCX up to \$2.55 million in performance-based tax credits . . . Aisin Drivetrain plans to invest as much as \$19.5 million in its Crothersville auto parts manufacturing plant, expecting to create more than 45 new jobs by 2021 in a two-phase project for which it seeks business personal property tax abatements from the Crothersville Town Council . . . Covance Central Laboratory Services, Inc., a global contract research organization and drug development services company, plans to invest \$17.5 million in a 20,000 square-foot renovation and 11,000 square-foot expansion project of its Indianapolis west side campus that is expected to result in retention of 1,500 employees and creation of more than 200 new high-paying jobs. The City of Indianapolis is expected to offer a 10-year business personal property tax abatement for \$5.7 million in IT and cold-storage equipment . . . as it begins its second century of operations in Indiana, Cummins plans to invest another \$33 million in its Columbus operations, with a significant portion directed to upgrading and equipping the 1.6 million square-foot Columbus Engine Plant making it the corporate hub and primary North American manufacturing center for the company's newest business segment, Electrified Power. This is expected to create up to 75 new jobs. Cummins also plans to grow its footprint in Greenwood and Indianapolis, constructing a new, \$35 million office building to serve as a hub for approximately 500 high-salary digital and information technology employees at I-65 and County Line Road in Johnson County. In Indianapolis, the company will build out additional space at its Distribution Business headquarters downtown and also occupy additional space at the Salesforce Tower. IEDC offers Cummins up to \$950,000 in performance-based tax credits, and up to \$100,000 in training grants to establish its Electrified Power business headquarters in Columbus.

IN Transition

● Kara Kenney reports for WRTV-TV *Call6 Investigates* in Indianapolis that three more Indiana Department of Veterans Affairs employees have resigned positions following a series of investigations – now including a Marion County Prosecutor's Office criminal investigation – prompted by her initial reports of improprieties at the agency. Those reports, what Kenney labels as a state audit that questioned spending of \$700,000+ in federal funds meant to help struggling veterans, and a subsequent *Indianapolis Star* investigation resulted in a major IDVA shake-up.

□ Now, IDVA assistant director Matthew Vincent is leaving on May 31 after IDVA communications director **Adryanne Bonner** resigned on May 6 (we had told you a few months ago about the State contracting with an outside PR firm to help repair IDVA damage). IDVA's director of veteran and employment and outreach, **Jeff Wirt** is out as of June 14.

□ Assistant House Democratic Leader **Karlee Macer (D)**, who has quietly been raising her political profile lately and has been the most outspoken legislator to date on the IDVA morass, tells WRTV's Kenney, "Unfortunately, I expect the additional investigation to further highlight the severe lack of oversight from our governor regarding the repeated abuse of funds that could have gone to assist our veterans in their time of need. Hoosiers expect their governor to hold himself and state departments accountable for stewarding their taxpayer dollars, and fulfilling their end of the bargain when it comes to taking care of our veterans. This fraudulent behavior was reported to have been questioned and kept confidential in 2017."

● Senate Majority Floor Leader **Mark Messmer (R)** will serve on the Workforce of Tomorrow Subcommittee of the Council of State Governments' (CSG) national Future of Work Task Force, a panel that will convene a diverse group of state officials across a two-year timeline to explore how states can best navigate the challenges and opportunities of the new economy. The task force will examine how technology creates new jobs and eliminates existing jobs, share success stories and best practices, and provide guidance on how states can best embrace innovative and ever-evolving opportunities in the new economy. The Messmer subcommittee will explore policy options to ensure state workforces can accommodate the shifting needs of employers and employees alike in the face of technological disruptions from automation, robotics, artificial intelligence and the expansion of the "gig economy."

● Sen. **Eric Koch (R)** will serve on the Federal Communications Commission (FCC) Consumer Advisory Committee, a panel that provides advice and recommendations to the FCC on consumer matters as specified by the Commission. CAC members represent a diverse mix of consumers, the communications industry, government regulators, trade associations, academia, and other stakeholders.

● After more than 13 years, **Karen Avery** leaves her post as director of public relations for the Association of Indiana Counties to move to Paducah, Kentucky, where she becomes director of planning for the American Society of Interventional Pain Physicians. Avery also spent five years before her stint at AIC as a legislative reporter for WIBC and Network Indiana.

□ Succeeding Avery at AIC is **Elizabeth Mallers**, who spent 2002 - 08 handling communications for the House Republican Caucus.

● The Department of Child Services brings aboard **Kimberly Spindler** of Indianapolis as its new assistant general counsel for the central region. Spindler worked most recently as a family court mediator for the Marion County Superior Court, but also brings 13 years of DCS experience to her post as well, having served in the agency's legal division.

● Democratic campaign guru **Peter Hanscom** joins United Way of Central Indiana as the organization's vice president of marketing where he will particularly concentrate on increasing regional presence and enhancing UWCI's overall brand.

● **Trent McCormick** leaves his post as a science teacher at Decatur Middle School in Indianapolis to become the new athletic director for the Covington Community School Corporation. He is married to Superintendent of Public Instruction **Jennifer McCormick (R)**.

IN the Lobby

● **Hobart Hallaway & Quayle Ventures, LLC** files a federal lobby registration on behalf of the informal Overland Park, Kansas-based **Kansas City Coalition**, to lobby Congress on "Issues affecting the Kansas City area including highways, housing & urban development, and disaster recovery."

IN Court

● After 12 years on the Lawrence County Circuit Court bench, Judge **Andrea K. McCord** will leave for a 14-year term as a New Albany-based bankruptcy judge in the U.S. District Court for the Southern District of Indiana later this month, succeeding Judge **Basil H. Lorch III** who is retiring.

● As the U.S. Department of Justice (DOJ) issues a new round of guidance on how corporate compliance and ethics programs will be evaluated by DOJ when Department prosecutors conduct investigations of corporations, look for U.S. Attorney **Josh Minkler** of the Southern District of Indiana to convene a private sector seminar this Summer to discuss the three basic, overarching questions Department lawyers will contemplate:

- (1) Is the corporate compliance program well designed?
- (2) Is the program being applied earnestly and in good faith?
- (3) Does the compliance program work in practice?

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Subject: News Clips 5/24
Date: Friday, May 24, 2019 11:46:32 AM
Attachments: [Cheat Sheet 5-24-19.pdf](#)
[Howey 5-24-19.pdf](#)
[EduInsight May 24.pdf](#)
[LegInsight May 24.PDF](#)

Pillar 1- Diversify our economy

Indy Star- [New plant could have your trucks and tractors running on plastic](#)
Inside IN Business- [Construction to Begin on Plastics-to-Fuel Plant](#)
Indy Star- [Whitestown and Westfield among fastest growing cities in Indiana](#)
Inside IN Business- [Flexware to Break Ground on Headquarters](#)
RTV6- [Get a green flag on your small business goals with support of SBA loan programs](#)
NWI Times- [Steel import permit applications soar by 27.4% in April](#)
Inside IN Business- [Fadness Talks Regional Collaboration](#)

Pillar 2- Upgrade our infrastructure

Republic- [City allocates additional money to Riverfront project](#)
Inside IN Business- [River Ridge Development Authority Approves Investments](#)
News and Tribune- [River Ridge funds \\$2.6 million in infrastructure improvements](#)
Journal Gazette- [Southern Indiana highway lanes reopen after sinkhole repairs](#)

Pillar 3- Strengthen our workforce

NWI Times- [Unemployment plunges dramatically across Northwest Indiana in April](#)

Pillar 4- Attack the drug epidemic

WANE- [Health officials: CBD oil could help combat opioid epidemic](#)

2019 Legislative Session

News Sentinel- [Editorial: Regional Cities Initiative is alive and well](#)

Misc.

IN Public Media- [One Year Later: Noblesville West Middle School Shooting](#)
Inside IN Business- [Holcomb Announces STEM Team Award Winners](#)
WBIW- [Gov. Holcomb Announces STEM Team Award Winners](#)
Daily News- [Four Indiana students get STEM team honors](#)
Journal Gazette- [City picks groups for federal grants](#)
Journal Gazette- [Editorial: Short-changed?](#)

Sincerely,

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Our 2020 Vision



Since we are less than a year away from the May primary, we here at TCS have decided to take a look at the political landscape and see where things are. And if you're Governor **Eric Holcomb**, you are in a pretty good place, at least according to the latest public polls. The poll of 800 registered voters conducted by **We Ask America** had Holcomb's approval ratings at 54 percent, and 50 percent thought the state was moving in the right direction. Donald Trump was only at 46 percent.

What was really interesting was in the crosstabs.

Eric Holcomb

Holcomb's approval ratings amongst blacks were 40 percent. In the Chicago and South Bend media markets, his approval ratings averaged about 46 percent, and you know neither of those is necessarily a Republican stronghold. And among Democrats overall, Holcomb's approval ratings are at about 33 percent.

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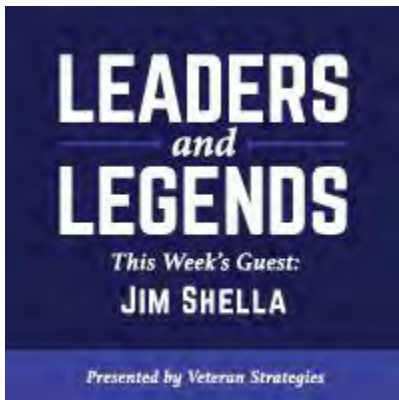
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The Cheat Sheet, Vol. 8, Issue 13 – May 2019



When asked whether Indiana was on the right track, 35 percent of blacks thought Indiana was on the right track. 51 percent of the respondents in the Indianapolis media market, 40 percent of those living in the Chicago media market and 48 percent in the South Bend media market thought Indiana was on track and 23 percent of Democrats thought Indiana was headed in the right direction.

And Holcomb's approval ratings among Independents is over 40 percent.

So what about his re-election? Forty-six percent of blacks said yes or probably. 45 percent of those living in the Chicago media market said yes, while 44 percent of those living in the South Bend market. And about a third of Democrats thought the Governor should be re-elected as did 51 percent of Independents.

Curtis Hill

The Attorney General hasn't specifically said he is running for re-election, however, in our last conversation in my LNG capacity (Legitimate News Guy for you new subscribers) he has a lot of room to maneuver because a lot of voters just don't have an opinion of him, despite the recent controversies.

Overall, Hill's approval rating was 13 percent and his disapproval rating was 26 percent, but 60 percent had no opinion of the AG. With that said, Hill's strongest approval ratings were

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among blacks at 22 percent. And 61 percent of Democrats had no opinion of Hill.

Pete Buttigieg

If Mayor Pete wants to win the Presidential nomination, he will have some work to do here in the Hoosier state. Buttigieg polls third (20 percent) after Joe Biden (33 percent) and Bernie Sanders (23 percent); however with the margin of error, Sanders and Buttigieg are statistically tied. With voters 35 and older Buttigieg comes in second after Biden, He polls second with women and third with men. He polls at zero percent with African Americans.

Indiana Democrats

They are currently in the process of fielding candidates for next year. The two names TCS keeps hearing for Governor are **Dr. Woody Meyers**, former State Health Commissioner and former Congressman **Baron Hill**. The other person we are keeping an eye on is **State Rep. Karlee Macer**. She recently changed the name of her Facebook page to Karlee Macer for Indiana. This is leading to speculation that Macer wants to run for Lt. Governor. That leads to speculation that would only happen if Meyers didn't run for Governor since both are from Marion County. And if you're wondering about **Christina Hale**, all signs point to her running against **Susan Brooks** in CD 5 next year.



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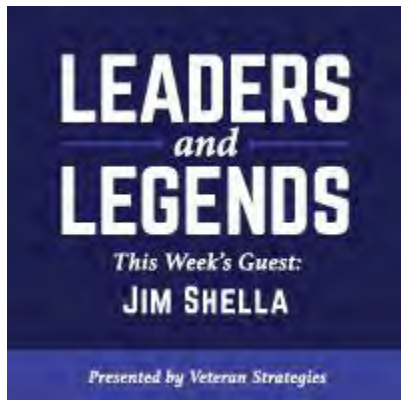
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Jim Banks

We are hearing **Jim Banks** may be getting a primary challenge next year. As if only getting seven percent of the vote in 2016 wasn't enough, **Pam Galloway**, the former Wisconsin State Senator (I won't say carpetbagger because that's an insult to carpet baggers) is likely going to challenge Banks next year. They self-funded last time and spent nearly a quarter million dollars to come in 4th place. She also affiliated with Hoosiers for Life and Tea party Empress Monica Boyer.

A Few Other Items of Note



Long time Indiana State Police Spokesman **Dave Bursten** going to take over Communications at the Indiana Department of Corrections.

OMB Director **Micah Vincent** is the latest Holcomb administration official to depart. He is heading to the Heritage Group. Deputy Chief of Staff **Cris Johnston** is taking his place,

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Scott Rudd, the director of broadband opportunities in the Lt. Governor's Office, was appointed to the Broadband Deployment Advisory Committee, which is housed under the Federal Communications Commission.

Equal Time

As you know last week we wrote that the word on the street was that the gaming corporation **Penn National** was believed to be behind some of the bad press regarding the omnibus gaming legislation in an effort to protect its interest in Northern Indiana.

We got a call from one of their representatives who told us Penn had nothing to do with the bad press and our sources were wrong.

TCS told them our sources were pretty reliable and we had to politely agree to disagree. We did offer them a chance to go on the record and chat in our LNG capacity and they were very receptive to the offer, so stay tuned.



The Usual Disclaimer Stuff:

***The Cheat Sheet** is a publication of IndyPolitics.Org. This is a compilation of pure gossip, rumor and blatant innuendo.*

We assume no liability if it is wrong, we only take credit for it when it's right!

If you've got something you want to share, (good, bad or ugly) send it to Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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YOUR BACK.**



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May 24, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, May 24, 2019 7:36 AM

DOCTOR WHO WROTE HUNDREDS OF OPIOID PRESCRIPTIONS GETS PROBATION: A Bluffton doctor who wrote over 400 prescriptions for more than 50,000 opioid pills, including hundreds that were illegally resold by drug dealers, had his license placed on probation for three years and was fined \$7,000 after the state found he was unfit to practice (Miley, [CNHI](#)). John Greenman, who operates Wells Medical Service, was disciplined Thursday by the Indiana Medical Licensing Board. Most of the complaint by the Indiana Attorney General's office is based on what is known as Rule 6, a 2014 set of standards for physicians who prescribe opioids. Part of the rule is triggered after a patient is prescribed more than 60 opioid pills per month for three consecutive months. That happened when a 55-year-old female patient was prescribed 270 opioid pills consecutively for three months beginning in late 2015, according to documents. Greenman later wrote two prescriptions to the same patient — one for 180 tablets of oxycodone and another for 90 tablets of morphine. The woman died July 2, 2016 of acute intoxication from oxycodone, cyclobenzaprine, fentanyl and morphine. A report showed that Greenman was the only doctor prescribing her opioids.

TRUMP ANNOUNCES \$16B AGRICULTURE BAILOUT: President Trump, flanked by more than a dozen U.S. farmers at the White House, on Thursday announced a new \$16 billion farm aid package to offset losses from the U.S. trade war with China ([Washington Post](#)). Trump told the farmers in attendance, including an Idaho potato farmer wearing a red "Make Potatoes Great Again" cap, that he was "honored to have done this for you." "This support for farmers will be paid for by the billions of dollars the Treasury takes in" from China, Trump said. He said it will keep America's "cherished" farms thriving. Despite Trump's assertion, China does not pay tariffs imposed by the United States on its goods. Importers pay those tariffs, and some of them pass the cost on to U.S. consumers. In a conference call with reporters ahead of the event, Agriculture Secretary Sonny Perdue said \$14.5 billion of the \$16 billion would be paid out directly to producers, who have been hit hard by Trump's tariff showdowns with China, Mexico and other countries.

PELOSI CALLS FOR 'INTERVENTION' WITH TRUMP: Speaker Nancy Pelosi said Thursday that Donald Trump needs "an intervention" after his latest "temper tantrum" at the White House, ratcheting up her criticism of a president she says is not fit for office ([Politico](#)). "I wish that his family or his administration or his staff would have an intervention for the good of the country," Pelosi told reporters a day after the president stormed out of a meeting on infrastructure and the two leaders held dueling news conferences. "What goes on there? Who's in charge? And he says he's in charge. And I suspect that he may be," Pelosi added. "And I suspect he may be even more since yesterday, because I don't think that any responsible assistant to the president of the United States would have advised him to do what he did yesterday." Pelosi's comments underscore how eager she is to keep pummeling Trump, even as she resists an effort from a growing number of House Democrats to impeach the president, for fear that it would backfire politically.

TRUMP SAYS PELOSI HAS 'LOST IT': President Trump said at a freewheeling news conference Thursday that reports of his behavior during a meeting the previous day with House Speaker Nancy Pelosi, whom he called "Crazy Nancy," were untrue -- and he called on other White House officials to back him up ([Fox News](#)). "She's not the same person. She's lost it. ... She is a mess," he said about Pelosi. White House Counselor Kellyanne Conway said he was "very calm, no temper tantrum." Others spoke in his defense as well. "You were very calm," White House National Economic Council Director Larry Kudlow said during the briefing. Trump also then asked Press Secretary Sarah Sanders next. "Very calm," Sanders said.

BRAUN VOTES AGAINST DISASTER AID BILL: The Senate passed a long-awaited bipartisan disaster aid package on Thursday after reaching a last-minute deal with President Donald Trump ([Politico](#)). In a 85-8 vote, the Senate approved a multi-billion dollar disaster aid bill, which will assist states devastated by wildfires, hurricanes and flooding, comes after months of roadblocks. U.S. Sen. Mike Braun voted against the measure. The stalled aid package had faced several setbacks — including over Trump's reluctance to provide more money to hurricane-ravaged Puerto Rico. More recently, talks stalled over a White House request for more border funding. The bill does not include the additional border funds the president sought. Among the Senators who voted against the bill — all Republicans — were Sens. Marsha Blackburn of Tennessee, Mike Crapo of Idaho, James Risch of Idaho, Mike Braun of Indiana, Mike Lee of Utah, Mitt Romney of Utah, Martha McSally of Arizona and Rand Paul of Kentucky. Following the bill, both Republicans and Democrats claimed victory. Senate Minority Leader Chuck Schumer (D-N.Y.) said Thursday that the disaster aid bill gives enough money to Puerto Rico for disaster relief and that Senate Democrats are ready to support the bill. "We Democrats said that Puerto Rico has to be treated fairly and they are," Schumer said. "I suggested this morning that we just do disaster and no border and that's what we're doing and each time the President messes in things get messed up. It's better off letting us just do our work."

TRUMP SUCKS DO-NOTHING CONGRESS INTO HIS VORTEX OF CHAOS: If President Trump has succeeded in anything over the last month or so, it's this: He has dragged House Democrats into his vortex of chaos, forcing them to wage momentary political battles without any reasonable evidence that they'll succeed in the long term (*Politico Playbook*). It's a method he's employed with varied success as he hops from crisis to crisis, considering only the smallest increment of time in

front of him while he runs out the clock on the Democrats' various efforts to soften him up for the 2020 election. Trump has called this the "do nothing" Congress, but he has a part in this, too. After losing the midterms, the president mused that he might be able to work better with Democrats than his Republican allies because they could bring him bills and then he would decide if he wanted to sign them. As this recess begins, 20% of the 116th Congress has been completed. So let's review what a divided Washington has produced: 17 laws have come out of 2019 so far: Five were simply related to keeping the government operating.

HPI HOLIDAY BREAK: The next *HPI Daily Wire* will be published next Tuesday. The HPI website will be updated throughout the Memorial Holiday weekend. Have a great and safe holiday, folks.

HARRIS, WARREN SURGE IN MONMOUTH POLL: Former Vice President Joe Biden maintains his front-runner status among Democratic voters nationwide, but some female candidates – namely Massachusetts Sen. Elizabeth Warren, California Sen. Kamala Harris, and Minnesota Sen. Amy Klobuchar – have seen some small but notable upticks in their favorability ratings over the past month. The latest [Monmouth University Poll](#) also finds a drop in support for Vermont Sen. Bernie Sanders and a decline in the net rating for former Texas Rep. Beto O'Rourke. Overall, the poll provides yet another reminder that name recognition continues to drive party preferences at this early stage of the race, with many Democratic voters saying they remain unfamiliar with the majority of the two dozen candidates in the field. The race would actually look tighter if there was more focus on the voters who live in states with early primary contests with more influence determining the party's nominee. Among a field of 24 contenders, Biden currently has the support of 33% of Democrats and Democratic-leaning voters. This marks a small increase since he entered the race, from 27% in April and 28% in March. The rest of the field is tightly grouped below the clear front-runner position. Sanders has the support of 15% of Democratic-identifiers, which represents a decline over the past few months from 25% in March and 20% in April. Harris has 11% support, similar to 8% in April and 10% in March. Warren stands at 10%, compared to 6% in April and 8% in March. Other candidates receiving support in the poll include South Bend, Indiana Mayor Pete Buttigieg at 6% (8% in April and less than 1% in March), O'Rourke at 4% (4% in April and 6% in March), and Klobuchar at 3% (1% in April and 3% in March).

BUTTIGIEG SAYS TRUMP 'FAKED' CONDITION TO DODGE DRAFT: In a Washington Post interview Thursday morning, South Bend Mayor Pete Buttigieg accused President Trump of using his "privileged status to fake a disability" to dodge the draft during the Vietnam War ([CBS News](#)). The Democratic presidential candidate and military veteran also talked about his own service record, drawing a contrast with the president, who has said he was exempted from the military draft because of bone spurs in his heel diagnosed in 1968. "This is somebody, who I think it is fairly obvious to most of us, took advantage of the fact that he was a child of multimillionaire in order to pretend to be disabled so that somebody could go to war in his place," Buttigieg said of Mr. Trump. "I don't have a problem standing up to somebody who was you know working on season 7 of *Celebrity Apprentice* when I was packing my bags for Afghanistan," Buttigieg also said.

NADLER WANTS MUELLER TO TESTIFY PUBLICLY: Special counsel Robert Mueller has expressed interest in giving private testimony to Congress about his two-year investigation into Russian interference with the 2016 presidential election (*MSNBC Daily*). Mueller has told House Judiciary Committee Chairman Jerrold Nadler that he is willing to make a public opening statement, but leave his testimony behind closed doors, Nadler said on "The Rachel Maddow Show" Thursday night. Rep. Nadler has made repeated efforts for Mueller to speak in front of Congress. If Mueller did proceed with private testimony on his report, the public would get a transcript, Nadler said. "We think it's important for the American people to hear from him and to hear his answers to questions about the report," Nadler said. "He envisions himself correctly as a man of great rectitude and apolitical and he doesn't want to participate in anything that he might regard as a political spectacle," Nadler said about Mueller not wanting to testify in public. But he added, "I'm speculating really."

HPI DAILY ANALYSIS: Final thoughts for the week ... **1.** We have a do-nothing Congress, aided and abetted by a chaos president. This year should have been a good one to make inroads on immigration and infrastructure, and yet nothing will happen. *Nothing*. There is a troubling courage deficit in Washington. **2.** We watch female Democratic contenders Kamala Harris and Elizabeth Warren rise in the polls as Mayor Pete fades a bit. Buttigieg is struggling to attract black voters, coming at a time when his campaign morphed from a mayor who just happened to be gay, to media exposure that focused on his sexuality and marriage. That's not finding traction with black voters. It's curious that not a single Hoosier African-American from South Bend or downstate has endorsed his candidacy. **3.** The Warren/Harris rise could be a reaction to the draconian Alabama abortion law. **4.** Americans deserve to hear Robert Mueller to provide a narrative to his report. It is explicitly in the national interest. **5.** If I were to frequently tell you that I'm a "stable genius," you would think I'm nuts. When the President of the United States does that **6.** Have a great weekend, folks, enjoy the greatest race in the world, the Indianapolis 500. Hoping to see an Andretti redux 50 years after Mario's greatest moment. - *Brian A. Howey*

BUTTIGIEG AGAINST MILITARY PARDONS: Pardoning U.S. service members accused or convicted of war crimes would be "disgusting," South Bend Mayor and Democratic presidential candidate Pete Buttigieg said today in a Washington Post interview that was live streamed ([South Bend Tribune](#)). You can watch the full interview here. President Trump has reportedly asked the Justice Department to ready paperwork to pardon several U.S. service members accused or convicted of war crimes. "If you are convicted by a jury of your military peers of having committed a war crime, the idea that the president is going to overrule that is an affront to the basic idea of good order and discipline and to the idea of law, the very thing that we're putting our lives on the line to defend," said Buttigieg, who served in active duty in the U.S. Navy Reserve in Afghanistan in 2014. In the interview with Washington Post political reporter Robert Costa, Buttigieg defended athletes who choose to kneel during the national anthem. "I felt that I was watching Americans exercise a right that I had put my life on the line to defend," he said when asked about athletes who kneel to protest police brutality and mass incarceration of African Americans.

BUTTIGIEG TALKS OF NFL PLAYERS KNEELING: When Democratic presidential candidate Pete Buttigieg saw professional football players kneeling during the national anthem to protest racial injustice and police brutality, the Afghanistan war veteran said, he saw Americans "exercising a right that I had put my life on the line to defend" ([Washington Post](#)). Buttigieg, who has broken into the top tier of Democratic candidates in early polling, appeared Thursday with The Post's Robert Costa at a Washington Post Live event, the first of a series of public interviews with President Trump's prospective 2020 challengers. Asked for his perspective as a Navy veteran about the demonstrations that for a time roiled the NFL, Buttigieg said, "I felt that I was watching Americans exercise a right that I had put my life on the line to defend."

Congress

YOUNG DISTURBED BY THEFT OF YEMEN AID: U.S. Sens. Todd Young (R-Ind.) and Chris Murphy (D-Conn.), members of the U.S. Senate Foreign Relations Committee, issued the following joint statement on Thursday, raising continued alarms on the humanitarian crisis in Yemen following a bipartisan meeting with World Food Program (WFP) Director David Beasley and reports that the WFP may be forced to suspend aid deliveries due to illegal diversion by Houthi forces (*Howey Politics Indiana*): "We are deeply disturbed by recent reports that the Houthis are diverting desperately needed food aid in Yemen. The Yemeni people already face a collapsed economy, a cholera epidemic, and extremely limited access to food and medicine. Over one million more people now risk starvation if the Houthis do not immediately resume cooperation with the WFP in addition to the over 85,000 children who have died from starvation," said Young and Murphy. "Congress cannot turn its back on the humanitarian catastrophe and national security threat in Yemen. That includes condemning the Saudi-led coalition's obstruction of aid and bombing of civilians, as well as the Houthis' diversion of aid, torture of detainees, and indiscriminate shelling of civilian areas."

VISCLOSKY PANEL SLASHES REPROGRAMMING FUNDS: The House Appropriations defense subcommittee has slashed the Pentagon's reprogramming authority by 75% in the approved defense appropriations bill reported out on May 15 ([Daily Signal](#)). The subcommittee, led by Rep. Pete Visclosky, D-Ind., reduced the ability of the Defense Department to shift unused resources from lower to higher priorities within the department from \$4 billion or about 0.5% of the budget to \$1 billion, or about 0.13% of the 2019 budget. The move comes as a response to the Trump administration's use of reprogramming authorities to move resources from the Pentagon to the Department of Homeland Security to help tackle the challenges at the southern border. If it were to make it into law, this loss of reprogramming authority would create serious obstacles in properly managing the defense funds as the Pentagon executes its budget.

BUSCHON CO-SPONSORS SURPRISE MEDICAL BILL LEGISLATION: U.S. Rep. Larry Bucshon, M.D. (IN-08) released an outline of the bipartisan Protecting People from Surprise Medical Bills Act, forthcoming legislation that will protect patients from unfair and expensive surprise medical bills. The finalized legislation is expected to be introduced in the coming weeks (*Howey Politics Indiana*). "As a physician, I believe it is important that patients are not financially burdened with surprise medical bills for unanticipated out-of-network care," said Dr. Bucshon. "Instead of picking winners and losers, I support this bipartisan proposal that offers an independent dispute resolution process that is mediated by an arbiter. Access to life saving care is critical for all Americans and it should not come with lifelong penalties."

BANKS TO TOUR MILITARY FACILITIES: U.S. Rep. Jim Banks (IN-03) will be joined at three events in Fort Wayne with Congressman Phil Roe, M.D., Ranking member of the House Veterans Affairs Committee. Any members of the press interested in attending these events should contact Rep. Banks' Communications Director, T.W. Arrighi, so he may notify the event organizers (*Howey Politics Indiana*). Briefing and Tour of Fort Wayne VA Medical Center (VAMC), Friday, May 21st,

2019, at 8:00 a.m., Fort Wayne VA Medical Center, 2121 Lake Ave, Fort Wayne. Friday, May 21st, 2019, at 10:00 a.m., Shepherd's House, 519 Tennessee Ave, Fort Wayne. Allen County Right to Life Healthcare Roundtable with Reps. Banks and Roe, M.D., Friday, May 21st, 2019, at 11:15 a.m.m Allen County Right to Life, 2126 Inwood Dr., Fort Wayne Reps. Banks and Roe, M.D. will join Cathie Humbarger and members of the Allen County Right to Life for a dialogue about their work in Washington, D.C. and answer questions from local pro-life activists.

HOUSE PASSES RETIREMENT CHANGE: The House of Representatives passed legislation that would bring substantial changes to the U.S. retirement system, making it easier for employers to offer 401(k)-type plans and include annuities, which guarantee an annual income, as options for workers ([Wall Street Journal](#)). Backed by a bipartisan group of lawmakers including Rep. Richard Neal (D., Mass.), chairman of the House Ways and Means Committee, the legislation would repeal the age cap for contributing to traditional individual retirement accounts, currently 70½. It would also increase the age to start taking required withdrawals from 401(k)s and IRAs to 72 from 70½. The House bill, known as the Setting Every Community Up for Retirement Enhancement, or Secure Act, passed with a vote of 417-3. A Senate GOP aide said the plan is for the Senate to vote on the House's Secure Act, rather than its own version, and Sen. Rob Portman (R., Ohio), a Finance Committee member who is active on retirement policy, said the Senate should swiftly pass the House bill. "The House-passed legislation is very similar to the Senate bill, and I'm working with Chairman Grassley to get legislation signed into law as soon as possible," said Sen. Ron Wyden (D., Ore.) a co-sponsor of the Senate's retirement bill.

State

GOVERNOR: HOLCOMB ANNOUNCES STEM SCHOLARSHIPS - Governor Eric Holcomb Thursday honored the four winners of the 2019 Governor's STEM Team awards during a ceremony in the Governor's Office (*Howey Politics Indiana*). "Indiana is home to many talented students and this year's pool of STEM Team award applicants is proof of that," Gov. Holcomb said. "These four students represent the best and brightest of Hoosier high school students. I can't wait to see what great things they accomplish in the years ahead." The awards highlight Indiana's elite high school students for their work in science, technology, engineering and math (STEM). Science: Annie Ostojic, Munster High School; Technology: Carter Goldman, Lake Central High School; Engineering: Eliza Mount, Scottsburg Senior High School; Math: Jerry Wang, Carmel High School. Each student received a \$1,000 college scholarship through Indiana's CollegeChoice 529 Direct Savings Plan and letterman jackets identifying them as members of the Governor's STEM Team.

GOVERNOR: HOLCOMB SCHEDULE - Gov. Holcomb Public Schedule for May 24, 25 and 26: Below find Gov. Eric J. Holcomb's public schedule for May 24, 25 and 26, 2019. Friday, May 24: 500 Festival Memorial Service: Noon, Friday, May 24, Indiana War Memorial, 431 N. Meridian St. Indianapolis. International School of Indiana Class of 2019 Commencement Ceremony, The governor will give the keynote address, 5 p.m., Scottish Rite Cathedral, 650 N. Meridian St., Indianapolis. Saturday, May 25: 500 Festival Parade, the governor will participate in the parade, 11:45 a.m., Saturday, May 25, Downtown Indianapolis. Sunday, May 26: 103rd Running of the Indianapolis 500, the governor will attend the race. Indianapolis Motor Speedway, 4790 W. 16th St. Indianapolis.

STATEHOUSE: HILL CALLS ON CONGRESS TO AMEND DECENCY ACT - Attorney General Curtis Hill joined 46 other attorneys general across the country this week to ask Congress for the third time to amend the Communications Decency Act in order to make sure state and local authorities are able to protect citizens online and take appropriate action against criminal acts (*Howey Politics Indiana*). The Communication Decency Act of 1996 (CDA) was designed to encourage the growth of the internet by promoting free expression, particularly on online message boards. The Act was intended to allow companies that sponsor message boards to remain immune to repercussions from inappropriate posts, but, due to a misinterpretation of Section 230 of the Act, some federal court opinions have interpreted it so broadly that individuals and services that knowingly aid and profit from illegal activity have evaded prosecution. "We must do our best to protect our citizens, enforce the law and penalize violators," Attorney General Hill said. "Congress must hold internet service providers accountable." "Stop Enabling Sex Traffickers Act" and "Allow States and Victims to Fight Online Sex Trafficking Act" (known as FOSTA-SESTA) was signed into law in 2018, making clear that the CDA's immunity does not apply to enforcement of federal or state sex trafficking laws. The abuse on these platforms does not stop at sex trafficking; it also includes other harmful illegal activity such as online black market opioid sales, identity theft and election meddling.

DNR: OUTDOOR SKILL DERBY AT O'BANNON WOODS JUNE 1 - Watch outdoor demonstrations, test your fishing skills, or learn about photography at O'Bannon Woods State Park's Outdoor Skills Workshop and Fishing Derby on June 1 (*Howey Politics Indiana*). The outdoor demonstrations include a variety of activities. Tomahawk and atlatl throwing, outdoor cooking, canoeing, and leatherworking are some of the skills that will be showcased. There will also be a demonstration on how to age a fish, and two associations will provide information about mountain biking. The fishing derby offers an

opportunity to test your angling skills. Fishing poles and bait will be provided, or use your own. Since June 1-2 are Free Fishing Days, a license will not be required for the derby. Door prizes will be awarded at 2:45 p.m. for three age groups. Arts in the Parks photographer Steve Polston will conduct a few different photography workshops during the event. On June 1, he will do a cyanotype demonstration during the outdoor skills workshop. Later in the day he will conduct a landscape photography workshop from 3:30 to 5 p.m., which includes a tour of the property. On June 2, Polston will conduct another cyanotype demonstration. At noon he will do a pinhole photography demonstration.

EDUCATION: PURDUE NW PROVOST RESIGNS - Purdue University Northwest Provost Ralph Mueller has resigned, the university has confirmed ([NWI Times](#)). PNW Chancellor Thomas Keon announced Mueller's immediate resignation on Monday, university spokesman Douglas Clark said. Clark said he was not given an indication why Mueller resigned. Keon will assume Mueller's roles as provost and vice chancellor for academic affairs, including the university's "Imagine PNW" curriculum planning, while officials search for an interim replacement. Clark said an interim will be selected on or before July 1. Mueller's resignation comes about a month after students and faculty spoke out against program eliminations recommended in a Strategic Resource Allocation report emailed to students on April 12.

STEEL: IMPORT APPLICATIONS RISE - Steel import permit applications soared by 27.4% month-over-month in April (Pete, [NWI Times](#)). Foreign steelmakers applied to import 2.89 million tons of steel into the United States in April, according to the U.S. Commerce Department's most recent Steel Import Monitoring and Analysis data. That's up 3.6% as compared to the 2.79 million tons applied for in March and 27.4% more than the final March import total of 2.27 million. Import permits for finished steel that would require no further processing in the United States, such as at the 22 steel companies based out of the Port of Indiana-Burns Harbor, totaled 1.98 million tons in April, according to the American Iron and Steel Institute. That's up 6.6% from the import total of 1.86 million in March.

MEDIA: MACANALLY RETIRES FROM WTHR - After nearly 33 years, David MacAnally has retired as a reporter from WTHR-TV Channel 13, the station announced Tuesday evening (Schoettle, [IBJ](#)). "It's a very bittersweet day for us here at Channel 13, for our family, as today we say goodbye to our longtime Nightbeat reporter David MacAnally, who we affectionately call Mac," WTHR anchor Andrea Morehead said on the air. WTHR added MacAnally to its news team in September 1986. He spent much of his time as a reporter working on the late-afternoon and evening newscasts. During much of his tenure, WTHR had the highest-rated local evening newscast.

Nation

WHITE HOUSE: BIG BANKS HAND OVER TRUMP RECORDS - Wells Fargo and TD Bank have turned over President Trump's financial records to the House Financial Services Committee, Fox News confirmed on Thursday, amid a contentious legal battle between the Trump administration and congressional Democrats seeking access to sensitive files ([Fox News](#)). The committee, led by Chairwoman Maxine Waters, D-Calif., is one of several panels that have issued subpoenas and requests for Trump's financial files. NBC News first reported that Wells Fargo turned over a few thousand documents to the committee, and TD Bank provided a handful. The banks are two of the nine financial institutions with which congressional Democrats are seeking cooperation. The push has led to an escalating legal battle on multiple fronts.

WHITE HOUSE: TRUMP GIVES BARR AUTHORITY TO PROBE CAMPAIGN - President Trump took extraordinary steps on Thursday to give Attorney General William P. Barr sweeping new authorities to conduct a review into how the 2016 Trump campaign's ties to Russia were investigated, significantly escalating the administration's efforts to place those who investigated the campaign under scrutiny ([New York Times](#)). In a directive, Mr. Trump ordered the C.I.A. and the country's 15 other intelligence agencies to cooperate with the review and granted Mr. Barr the authority to unilaterally declassify their documents. The move — which occurred just hours after the president again declared that those who led the investigation committed treason — gave Mr. Barr immense leverage over the intelligence community and enormous power over what the public learns about the roots of the Russia investigation. The order is a change for Mr. Trump, who last year dropped a plan to release documents related to the Russia investigation amid concerns from Justice Department officials who said making them public could damage national security. At the time, the president was being encouraged by a group of Republican Congress members to declassify the information.

WHITE: TRUMP MAY CIRCUMVENT CONGRESS ON SAUDI ARMS DEAL - Republicans and Democrats on Capitol Hill are urging President Trump not to go over Congress's head to complete controversial arms sales to Saudi Arabia and other countries amid concerns that he may soon use his emergency powers to sidestep lawmakers' power to check such deals ([Washington Post](#)). Lawmakers and human rights advocates are anticipating that the administration may exploit a legal window that permits the president to circumvent congressional roadblocks, or "holds," on proposed arms sales. Sen. Robert

Menendez (D-N.J.), the ranking Democrat on the Senate Foreign Relations Committee, has placed such a hold on a planned sale of precision-guided munitions to Saudi Arabia, over concerns that the weapons may be used against civilian targets in war-torn Yemen.

WHITE HOUSE: STAFF DENIES TRUMP 'STORMED OUT' - The White House on Thursday denied that President Donald Trump's eruption one day earlier at a meeting with Democratic leaders was a pre-planned stunt, rebuffing lawmakers' accusations that the president was trying to bow out of serious infrastructure negotiations ([Politico](#)). Trump abruptly ended his meeting at the White House after complaining that he could not work with Democrats while they were investigating him and discussing impeachment. He specifically blamed House Speaker Nancy Pelosi (D-Calif.), who earlier in the day had claimed Trump is engaging in a "cover-up." The blow-up has devolved into finger pointing, with the White House and Democratic leaders each blaming the other for the impasse. White House press secretary Sarah Huckabee Sanders on Thursday argued there were a number of reasons the infrastructure session was doomed, but she pressed the line that Democrats are unable to simultaneously legislate and investigate. "So far what we've seen from the Democrats in Congress, Alisyn, is that they are incapable of doing anything other than investigating this president," Sanders told host Alisyn Camerota in an interview on CNN's "New Day."

WHITE HOUSE: TRUMP RIDICULES TILLERSON - When Donald Trump chose Rex Tillerson to be his secretary of state in December 2016, he praised the former head of ExxonMobil for his "tenacity, broad experience and deep understanding of geopolitics." In a tweet touting the pick, Trump called Tillerson "one of the truly great business leaders of the world." In each episode of his weekly YouTube show, Chris Cillizza will delve a little deeper into the surreal world of politics ([CNN](#)). "Rex Tillerson, a man who is 'dumb as a rock' and totally ill prepared and ill equipped to be Secretary of State, made up a story (he got fired) that I was out-prepared by Vladimir Putin at a meeting in Hamburg, Germany. I don't think Putin would agree. Look how the U.S. is doing!"

WHITE HOUSE: PENCE VISITS RNC SITE - Vice President Mike Pence says Democrats in Congress need to focus on passing trade agreements that help North Carolina workers, rather than extend what he called unfounded investigations of President Donald Trump ([Statesville.com](#)). Pence made the comments at a Union County textile plant Wednesday during his trip to the state. The afternoon tour and speech at Parkdale Mills in Monroe fell between two private functions attended by the former Indiana governor. Soon after flying into Charlotte, Pence participated at a 2020 Republican National Convention kickoff event. He was scheduled later to attend a "Trump Victory" fundraising event in Greensboro. U.S. Sen. Thom Tillis, who is seeking re-election in 2020, also was slated to participate.

WHITE HOUSE: TRUMP SCHEDULE - President Trump and first lady Melania Trump will leave the White House at 11:40 a.m. en route to Tokyo. The president is expected to have a busy visit, which includes meeting Japan's new Emperor Naruhito, watching a sumo wrestling match and golfing with Prime Minister Shinzo Abe.

PENTAGON: PLANS FOR 100K TROOPS IN MIDDLE EAST - The U.S. military is presenting options to President Trump that would enhance the protection of American forces in the Middle East in response to rising tensions with Iran, and potentially involve sending more troops to the region, acting defense secretary Patrick Shanahan said Thursday ([Washington Post](#)). His comments came as U.S. military leaders were expected to present the White House with a proposal during a meeting Thursday afternoon to send thousands of additional troops to the Middle East for security reinforcement, according to U.S. officials. "What we're looking at is: Are there things that we can do to enhance force protection in the Middle East?" Shanahan said at the Pentagon ahead of a meeting with officials from Vietnam. He said those measures "may involve sending additional troops." The proposal from U.S. Central Command, which oversees the Middle East, comes as the military seeks to address what officials have described as a spike in threats against U.S. forces, detected by U.S. intelligence streams, from Iran and its proxy groups. The military has already taken steps in recent weeks to boost its presence in the Middle East, the latest sign of mounting tensions between the Trump administration and Tehran.

JUSTICE: 17 CHARGES AGAINST ASSANGE - Justice Department officials on Thursday announced 17 additional felony charges against WikiLeaks founder Julian Assange ([The Hill](#)). A grand jury in Alexandria, Va., returned the superseding indictment charging Assange with conspiring with former Army intelligence officer Chelsea Manning to obtain, receive and disclose "national defense information," in violation of the Espionage Act. Assange is also charged with publishing a select range of the classified documents that revealed the names of low-level, local sources utilized by the U.S. government, including Afghan and Iraqi nationals, as well as journalists, human rights activists, and religious leaders. "These alleged actions disclosed our sensitive classified information in a manner that made it available to every terrorist group, hostile foreign intelligence service and opposing military," said John Demers, the assistant attorney general for DOJ's national security division.

TERROR: LINDH RELEASED FROM TERRE HAUTE PRISON - A return to terrorist affiliation for John Walker Lindh — frequently called "the American Taliban" — isn't likely, federal prison said Thursday as they cited rehabilitative programs and improved oversight through the probation system (Trigg, [Terre Haute Tribune-Star](#)). Lindh, 38, was released Thursday morning from the Terre Haute Federal Correctional Institution after completing 17 years of a 20-year sentence imposed in

2002. Lindh pleaded guilty to supplying services to the Taliban and carrying an explosive device through his involvement with an overseas terrorist organization. The Bureau of Prisons issued a statement Thursday following Lindh's release explaining policies and regulations for inmates such as Lindh, who now will serve three years of supervised probation in Virginia. "Based on a series of focused interviews conducted by BOP staff," the statement says, "the BOP has found that many inmates have turned away from radicalized ideology in prison based on self-study or due to participation in programming or sentence length."

INTEL: COATS SEEKS TO SORT DATA - The Office of the Director of National Intelligence will ramp up its outreach to technology providers as part of its Intelligence, Science, and Technology Partnership, or In-Step, according to a May 22 request for information ([Bloomberg](#)). ODNI, an entity established after the Sept. 11 terror attacks to oversee the federal government's sprawling intelligence apparatus, will invite companies and academic institutions to showcase their state-of-the-art technologies in a series of one-on-one meetings held this summer in Washington and virtually. The In-Step program's "wish list" includes technologies ranging from artificial intelligence and data analytics, to cybersecurity and identity management, to smart sensors and space-based technologies. "Our collection of data has improved so much over the years that we continue to be challenged in a very critical area," said Director of National Intelligence Dan Coats at an event hosted by Purdue University on May 14. "We're running the risk of just simply being buried under all of it," he said.

MEDIA: SUNDAY TALK - "Fox News Sunday": Sen. Lindsey Graham (R-S.C.), Rep. Eric Swalwell (D-Calif.), Panel: Jonah Goldberg, Liz Marlanes, Gillian Turner and Peter Baker. Power Player: Tom Day of Bugles Across America (re-air). **ABC "This Week"**: Pete Buttigieg. Panel: Matt Dowd, Alex Castellanos, MaryAlice Parks and Julie Pace. **CBS "Face the Nation"**: Sen. Ron Johnson (R-Wis.). Panel: Salena Zito, Joel Payne, Ed O'Keefe and Molly Ball. **NBC "Meet the Press"**: Panel: Yamiche Alcindor, Doris Kearns Goodwin, David Maraniss and Pat McCrory. **CNN "State of the Union"**: Political panel: Scott Jennings, Bakari Sellers, Kristen Soltis Anderson and Alexandra Rojas. **CNN "Inside Politics"**: Michael Shear, Karoun Demirjian, Molly Ball and Phil Mattingly.

ILLINOIS: EXEC INDICTED OVER TRUMP TRANSITION - Stephen Calk, a former economic adviser to President Trump's 2016 presidential campaign, was indicted Thursday for allegedly approving \$16 million in loans to former Trump campaign chairman Paul Manafort in exchange for his help seeking a top post in the administration ([Washington Post](#)). Calk, the founder of mortgage lender Federal Savings Bank of Chicago, illegally used the bank's resources to curry favor with Manafort, lying to regulators and ignoring concerns raised by employees, according to the indictment unsealed in the Southern District of New York. As the bank rushed through the high-risk loans, Calk gave Manafort a list ranking the senior administrative jobs he wanted, starting with treasury secretary, the indictment alleges. Calk ultimately was interviewed as a candidate for undersecretary of the Army but did not get the job, prosecutors said.

World

TEARFUL BRITISH PM MAY QUITS: Theresa May said she would quit as British prime minister once her party chooses a successor after failing repeatedly to win parliamentary backing for the Brexit divorce agreement she negotiated with the European Union ([Wall Street Journal](#)). With little prospect of getting her deal passed, three years after the U.K. voted to leave the bloc, Mrs. May said the race to find her replacement would formally begin after she quits as head of her party on June 7. "It is now clear to me that it is in the best interest of the country for a new prime minister," she said during a statement on the steps of 10 Downing Street. Mrs. May, her voice breaking, spoke of her sadness at no longer serving as prime minister and urged lawmakers to compromise over Brexit.

Local

CITIES: FADNESS STRESSES REGIONALISM - Fishers Mayor Scott Fadness delivered his State of the City address Thursday and expressed his increased focus on regional collaboration. The mayor highlighted some efforts currently underway, as well as other quality of life initiatives in the Hamilton County city (Brown, [Inside Indiana Business](#)). Fadness talked about his work in advocating for Regional Investment Hubs during the 2019 Indiana General Assembly. The mayor, along with Accelerate Indiana Municipalities, launched the effort in January to push for legislation for investment hubs, which they said would help regional development officials raise revenue. The mayor also discussed the collaboration between the Fishers Police Department and the Indianapolis Metropolitan Police Department to create a database for confiscated firearms and ballistic materials that would track ballistic and DNA evidence for every firearm and bullet collected in Indianapolis. He says having Fishers officers training on the database is a first step toward a regional approach to combating violent crimes. "Today, cities do not exist or thrive because of their proximity to farms or their distance to natural resources, but they exist to create an experience and quality of life that supports the most precious natural resource of all, people," Fadness said.

CITIES: EVANSVILLE MAY END HYDROPLANE RACE - The Convention & Visitors Bureau's director is recommending the summer hydroplane racing planned for Aug. 16-18 on the Ohio River not take place (Martin, [Evansville Courier & Press](#)). Last year's HydroFest lost about \$70,000, and according to the CVB, a contract with the Hydroplane Racing League, the racing organization of choice for this year, has not been finalized. Evansville Events, which is an arm of the CVB, is the owner of HydroFest. "There is no contract. We were working in that direction, but we're less than 90 days from the event," CVB director Joe Taylor said.

CITIES: FISHERS COUNCIL HIRES FIRM TO PROBE CLERK - The Fishers City Council has hired a "third-party firm" to investigate allegations that City Clerk Jennifer Kehl violated the federal law that prohibits employment discrimination ([IBJ](#)). The council released a written statement Thursday afternoon saying it became aware May 10 of "several" allegations by current and former employees that Kehl violated Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination on the basis of sex, race, color, national origin and religion. The statement gave no details about the allegations, and the council said it would not provide further comment until the investigation is complete to respect due process for all parties involved. "The City Council takes every allegation of discrimination and harassment very seriously and immediately acted to provide workplace accommodations," the council said in the statement.

CITIES: CARMEL TAKES AIM AT LUCAS PARTIES - Carmel plans to take legal action to stop Charlotte and Forrest Lucas from hosting events at their massive estate, the city announced in a press release Wednesday afternoon (Quinn, [IBJ](#)). The city said it plans to file requests for preliminary and permanent injunctions against the estate to prohibit the family from conducting a business at its private residential property. It did not say when the filings would take place. Michael Wukmer, a partner at Ice Miller LLP who represents the Lucases, told IBJ that neither he nor his clients have heard from Carmel about any legal action. But he said if the city does file the requests with the court, he'll oppose them because they're based upon "inaccuracies."

CITIES: MAYOR TYLER APPROVED MUNCIE AMBULANCE BUY - Despite the City of Muncie moving ahead with its plans for an EMS service under the Muncie Fire Department, many people who will be impacted by the plan are badly uninformed (Ohlenkamp, [Muncie Star Press](#)). Muncie Fire Department Chief Eddie Bell made two requests during the Wednesday morning Board of Works meeting for four ambulances at a combined cost of \$340,000. Both requests were approved. Bell and Mayor Dennis Tyler are apparently moving forward on their own. The Star Press contacted city council members, the 911 director as well as the Delaware County Emergency Management director. All said they have not had any communication from the mayor or Bell, who have also not returned repeated phone messages and text messages from the Star Press. The Star Press spoke with eight of the nine city council members Wednesday afternoon, all of whom were unaware of the Board of Works action.

CITIES: BENNETT REACHES DEAL TO REOPEN TERRE HAUTE POOL - After months of negotiations, Mayor Duke Bennett said Thursday he has reached an "agreement in principle" with the YMCA of the Wabash Valley to re-open the indoor pool at the Y in Terre Haute's Fairbanks Park ([Terre Haute Tribune-Star](#)). "The agreement is verbal and will be put in writing to present the YMCA board," Bennett said. "I suspect that we will have formal, final (agreement) in the next few weeks."

CITIES: WHITESTOWN, WESTFIELD GROWING FAST - For the eighth consecutive year, Whitestown is the state's fastest growing community, according to estimates released Thursday by the U.S. Census Bureau and analyzed by the Indiana Business Research Center at Indiana University's Kelley School of Business. This year, however, it will have to settle for a first-place tie (Quinn, [IBJ](#)). The populations in both Whitestown and Westfield grew 5.2% in 2018, making both communities the fastest-growing places on a percentage basis among those with a population of at least 5,000 residents. Over the past eight years, Whitestown has nearly tripled its population, growing from 3,132 in 2010 to 8,627 in 2018. Westfield now has a population of 41,528 people, up from 39,482 last year, according to the estimates. Meanwhile, in terms of sheer numbers, three Hamilton County cities were among the top five Indiana communities in adding residents last year. Indianapolis finished No. 1 by adding 5,235 residents last year, followed by Fort Wayne (2,178), Westfield (2,046), Fishers (1,679) and Carmel (1,521).

CITIES: INDY HOMELESS POPULATION DECLINES - Indy's homeless population is the lowest in eight years ([WIBC](#)). The annual count of the homeless finds the total dropped this year for a second year in a row. The total tally of 1,567 has dropped 12% in two years. Workers fan out across shelters and streets one night each January to take the count. It's a requirement for federal housing grants. IU's Public Policy Institute says the number of chronically homeless dropped 39% from last year, while about 160 people were homeless for the first time.

CITIES: BLOOMINGTON JOINS GREEN COUNCIL - The city of Bloomington has announced its participation in the U.S. Green Building Council LEED for Cities and Communities grant program. The city says it will receive financial assistance, educational resources and technical support when it becomes a certified city in the program (McLaughlin, [Inside Indiana Business](#)). LEED certification is based on need, leadership support, commitment to data-driven decision-making, staff capacity and coordination with other local initiatives. Representatives from Bloomington will attend a two-day orientation at

USGBC headquarters in Washington, D.C., in June. There, they will go through training and develop an action plan for the upcoming year.



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INDIANA EDUCATION INSIGHT

GEO no-go to go to re-do

Structural changes already in the works should facilitate ICSB approval

None of the three applications before the Indiana Charter School Board seeking to open new schools in Indianapolis received approval when the board met on May 14. Board members unanimously rejected the Indianapolis STEAM Academy and the HIM by HER Collegiate School for the Arts, and they deadlocked 3-1 on the Next Generation Academy high school proposed by the GEO Foundation.

ICSB has now deadlocked twice in as many meetings. Board rules require four votes to take action.

Board Chair Joshua Owens directed GEO and ICSB staff to work together to bring the high school application back to the board for consideration in July or August . . . after the implementation of structural changes enacted during the 2019 legislative session.

The changes are designed to improve the efficiency of board operations, and should facilitate the approval of GEO's application without further hiccups. "Applicants and schools deserve action, whether it's positive or negative," says James Betley, ICSB's executive director.

The legislative changes include expanding board membership from seven to nine. At only four out of the past 23 ICSB meetings have all seven appointees attended. The legislation also revises the definition of a majority to mean a majority of members present, rather than a majority of members appointed.

ICSB staff recommended Board approval of the GEO application. "We felt this was as good of an application as we've seen," says Betley. The three yes votes came from Board Chair Josh Owens, Vice-Chair Jill Kramer Robinson, and Virginia Calvin. Janet Rummel recused herself because of an employment conflict. Gretchen Gutman and DeLyn Beard were not in attendance.

The lone no vote came from MaryAnn Schlegel Ruegger of Indianapolis, who was recently appointed to the Board by House Democratic Leader Phil GiaQuinta (D) of Fort Wayne to replace his brother, Mark GiaQuinta (a former school board president), who had been appointed by then-Democratic Leader Terry Goodin (D) of Austin, himself a public school superintendent.

Owens and Beard will not be returning to the board when their terms expire on July 1. Governor Eric Holcomb (R) will appoint Owens' replacement and both of the expansion seats. Owens has served as chair since he was appointed by then-Gov. Mike Pence (R) in September 2015. Beard's replacement will be picked by Senate Democratic Leader Tim Lanane (D) of Anderson.

The enabling statute is silent on geography, but staff view the next round of appointments as an opportunity to improve the geographic balance, which currently skews in favor of Indianapolis. Recruitment is expected to focus on Northwest Indiana and southern Indiana.

ICSB staff did not recommend approval of the Indianapolis STEAM Academy or the HIM by HER Collegiate School for the Arts. The primary reason was enrollment, but enrollment wasn't the sole concern, says Betley, former deputy director of education policy for then-Gov. Pence.

For more, please see the following page . . .

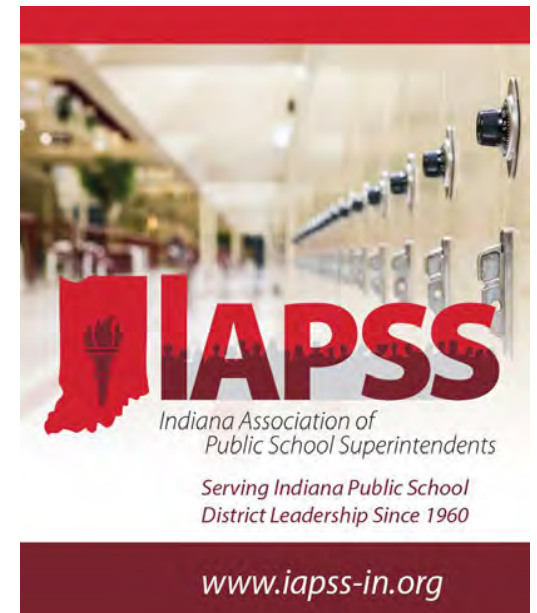
Tanoos: No crime committed *Vigo ex-super appeals bribery allegations*

In *Tanoos v. State*, No. 19A-CR-01086, the State's bribery case involving former long-time Vigo County School Corporation superintendent Danny Tanoos, Dr. Tanoos, represented by the top-tier Indianapolis legal defense duo of Jim Voyles and Jennifer Lukemeyer, files a motion with the Indiana Court of Appeals seeking an immediate appeal of the Marion County trial court's denial of his motion to dismiss the charges.

Counsel for Dr. Tanoos argues an explicit quid pro quo and a specific act must exist for a bribery conviction - "both of which are clearly lacking in this case." His attorneys assert that "Payments to a public official for the hopes of later influencing an unspecified act does not cut the bribery muster."

Tanoos was charged in September 2018 with three counts of bribery stemming from three instances where the State alleges he accepted, agreed to accept, or solicited property from Energy Solutions Group in exchange for a recommendation of future business with VCSC on energy savings projects.

The acceptance of dinners or concert tickets "cannot be tied to any specific act. The State merely pleads that Tanoos would make a 'recommendation to award a contract and/or continued business.' It is undisputed that at the time these dinners and tickets were accepted by Tanoos, ESG had no pending bids before VCSC," his attorneys explain.



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The Next Generation Academy would launch in August 2020 with up to 150 ninth graders, adding one grade per year until reaching full 9-12 enrollment of up to 700 students.

An outside consultant hired by ICSB to review applications wrote this about the Indianapolis STEAM Academy: “The application lacks an articulation of the structures, systems, policies, practices, and processes necessary to operationalize the school design. Further, the application raises questions about the applicant’s approach to financial planning and how the proposed school, if approved, will be able to meet budgeted enrollment targets – in year one or thereafter, or that contingency plans as presently articulated would alleviate enrollment shortfalls.”

On HIM by HER, a third-party evaluator concluded, “The applicant group provided high-level narratives and basic elements of an educational program; however there are major areas of concern, including the reliability of the financial projections. The generalized and high-level narrative, along with a lack of supporting citations and research-based best practices, does not provide the necessary clarity needed to ensure high-quality outcomes for students and successful fulfillment of the stated goals.”

The last four Indianapolis charter schools opened by the Board have had real enrollment challenges. ACE Preparatory Academy in 2016 and Circle City Preparatory in 2017 opened well below their estimated enrollments, although both have managed to weather the crisis. The jury is still out on the two that opened in 2018, Allegiant Preparatory Academy and Vanguard Collegiate. “I wouldn’t say there’s a moratorium, but it’s a reluctance. The past couple years have made us more weary. And we’ve had to close some schools, too.”

GEO is the first new operator staff have recommended for Indianapolis in more than a year. “The reasons we feel this is a different situation is because of the experience of the team, their actual partnerships in effect, and although there’s no guarantee, they have fairly realistic enrollment goals,” Betley explains.

The Next Generation Academy is modeled on the 21st Century Charter School at Gary (21C) operated by GEO since 2005. Unlike 21C, however, the Next Generation Academy will not cover K-12.

“Because of the enrollment challenges in Indianapolis, we decided not to go after the K-8 space,” says Dana Teasley, GEO’s chief financial officer and general counsel. “We realize that is very saturated, so we strategically limited this application to 9-12.”

The hallmark of the proposal is a 9-12 school that achieves 9-14 results, says Kevin Teasley, chief executive officer of GEO.

Of the 65 seniors who graduated from 21C in May, 17 received either an associate degree or a career certification. “Completely paid for by the way,” says Teasley.

21C at Gary is termed an “Early College” program, but “it’s really a college immersion program,” says Teasley. A lot of schools organize college tours and help students complete the FAFSA, but for GEO, “Our goal is to get them on a college campus as quickly as possible.”

In the summer before their ninth grade year, students take a college placement exam to determine whether they are academically ready to handle college-level coursework. If they fail, GEO provides remediation. Those who are ready complete an orientation/bridge program then start taking on-campus classes in the fall.

Two years ago a female student graduated 21C with a high school diploma and bachelor’s degree. A current student who just earned an associate degree as a tenth grader is on pace to graduate with a bachelor’s degree in 2021.

Beginning with the class of 2022, all students must earn at least 24 college credits to receive a high school diploma. The majority of learning in grades 11 and 12 takes place on a college campus. Even so, say the Teasleys, it wouldn’t be accurate to describe the high school as “out-sourcing” the junior and senior years to Ivy Tech. “Even at the 11th and 12th grade levels, we have students taking standard high school courses,” says Dana.

GEO has partnered with the Indiana Black Expo, which has offered to let the Next Generation Academy locate on the IBE campus on the eastside of Indianapolis. GEO hopes to replicate the 21C model to other communities where Ivy Tech has a strong presence, including Marion and Anderson in 2022 and Michigan City in 2023. The network of schools will operate with a legal structure similar to the one used for the Excel Centers.

IN Elementary & Secondary Ed

IN General . . .

- The U.S. Department of Education recognizes the Goshen Community Schools with the Green Ribbon Schools award, one of only 14 districts nationally and the only Hoosier district selected for the distinction.

- The three pillars of the Green Ribbon program are reducing the environmental impact of school operations, improving the health and wellness of students and adults, and offering environmental and sustainable curricula and programs.

- GCS implemented an energy conservation program with Cenergistic that has resulted in energy cost avoidance of \$4.4 million since 2009, a 25% savings.

- Waterford Elementary School and Goshen High School each have more than 1,000 solar panels. The district has installed water-bottle filling stations. Every school has a purposeful recycling program. A few GCS campuses have irrigation systems equipped with rain sensors. Custodians use eco-friendly cleaning solutions. The district has partnered over the past six years with the Northern Indiana Public Service Company to provide every fifth-grade student with an energy-reduction kit as part of the curriculum that includes LED lights, LED night lights, an air filter aerator, high-efficiency kitchen and bathroom sink faucet heads, high-efficiency shower heads, a water bag so that students can measure and record how much water shower heads and sinks are using in the house, and a digital thermometer.

● Superintendent of Public Instruction **Jennifer McCormick (R)** addresses the gubernatorial appointment of the state's top education official in an opinion column published in various newspapers.

□ Dr. McCormick uses the forum to explain that "Balanced and meaningful debate is a healthy approach to K-12 education policy. Indiana must demand elected officials who have the courage to welcome and embrace such an approach. Students cannot afford a 'get-in-line' Secretary of Education. House Enrolled Act 1005 had the opportunity to establish a more balanced approach. Yet, it missed the mark. Now more than ever, Hoosiers must hold all of Indiana's elected leaders accountable. From the rhetoric of the campaign trail to the actions in governing, officials must be honest and transparent regarding their position surrounding K-12 policy. Stakeholders must be bold, direct, and persistent in our questioning and expectations for accountability. The 2020 gubernatorial race bears more weight in this new governance structure. Important decisions lie ahead for our state, and most importantly, our students. Education impacts all of us. Our children, families, educators, communities, and businesses deserve a strong, representative voice. It is time to refocus our attention beyond political posturing and stand tall for our children."

● Superintendent **Rocky Killion** of the West Lafayette Community School Corporation writes about the challenging environment for teacher recruitment and retention. "Last week one of my administrators attended an education job fair to look for outstanding teacher candidates. Throughout the entire day, only four potential candidates visited with my administrator. Most troubling was the sight of many school district administrators from other states. One of those administrators told my administrator that his school district has found that persuading Indiana teachers to move to his state is very easy. His state pays more, offers better benefits and has fewer state-mandated restrictions on the work of teachers. Is it any wonder that Indiana teachers are leaving the profession or this state in droves?"

● Per-pupil spending for public elementary and secondary education in Indiana increased by 1.9% to \$10,045 per pupil during the 2017 fiscal year, compared to \$9,856 per pupil in 2016, according to new data from the U.S. Census Bureau. That's the largest increase since 2012, when per pupil spending in Indiana grew by 3.7 percent. Indiana's per-pupil spending ranks 36th among states and, for the second year in a row, behind all neighboring states.

□ Indiana spent \$1,100 (12.4%) more per pupil in the 2017 fiscal year than in the 2007 fiscal year. Indiana ranked 30th among states 10 years ago with per-pupil spending of \$8,938.

□ Indiana spent \$3,635 per pupil on instructional employee salaries in the 2017 fiscal year, an increase of \$210 (6.1%) from \$3,425 in the 2007 fiscal year. This increase in instructional salary spending per pupil ranks as the fifth lowest among all states. Indiana ranked 43rd among states in the 2017 fiscal year for instructional salary spending per pupil, down five spots from 38th in the 2007 fiscal year.

□ Indiana spent \$1,890 per pupil on instructional employee benefits in the 2017 fiscal year, an increase of \$154 (8.9%) compared to \$1,736 in the 2007 fiscal year. The 8.9% increase in per-pupil spending on instructional benefits over the past 10 years ranks as the third-lowest among states. Indiana ranked 25th among states in total per-pupil spending on instructional benefits in the 2017 fiscal year, down 11 spots from 14th in 2007.

□ Indiana expended \$5,525 on instructional salaries and benefits in the 2017 fiscal year, an increase of \$363 (7.0%) compared to \$5,161 in the 2007 fiscal year. The percentage increase is the fourth lowest in the country behind only Arizona, Florida, and Oklahoma.

□ Public elementary and secondary education revenue in Indiana from all sources in FY 2017 amounted to \$12.684 billion, up by 1.39% over the prior year . . . and an increase of 24.55% versus FY 2007. By comparison, public elementary and secondary education spending in Indiana in FY 2017 totaled \$11.608 billion, up by 2.59% from 2016 . . . but an increase of just 3.55% versus FY 2007.

□ Between 2007 and 2017, K-12 enrollment in Indiana declined by 3.15% from 1,034,685 pupils to 1,002,135 pupils. State lawmakers frequently scratch their heads in bewilderment at how state appropriations for K-12 education have shot up, and yet teacher salaries in many districts have remained mostly stagnant and total enrollments have declined. One reason may be a sharp increase in school debt.

□ According to the U.S. Census Bureau, Indiana K-12 schools were burdened to the tune of \$10.09 billion in debt outstanding at the end of fiscal year 2017. By comparison, at the end of fiscal year 2007, schools carried debt of \$3.32 billion.

□ That means over the past 10 years, school debt loads have soared by 203 percent. Indiana is one of only four states where school debt has more than doubled in 10 years, and one of just two states where school debt has increased by 200% (the other is North Dakota, where despite the 200% increase, school debt remains under \$1 billion). In 12 states, school debt actually declined between 2007 and 2017.



- On Tuesday, April 23, school bus drivers across the state documented the number of stop arm violations that occurred. The statewide survey tallied 2,530 violations. When multiplied by 180 school days, that's 455,400 violations for the school year . . . although taking e-learning days into account would likely drop the total to under 450,000.

IN Administration . . .

- The Indiana Association of School Business Officials (IASBO) creates a Hall of Fame and inducts its inaugural class. The eight individuals inducted into the Hall on May 9 were six past presidents of IASBO – Joe Scher, Ed Adams, Jerry Moore, Tom Grabill, Ray Pavy, and Tim Jackson – the late Patty Bond, and Denny Costerison, executive director of IASBO since 1984.

IN Budgets & Finance . . .

- Facing a \$10.2 million deficit in 2020 (8.66% of current expenditures), the School City of Hammond board votes to shutter Columbia Elementary School, Lafayette Elementary School, and the Miller School at the end of the school year. The closures will reduce 17 non-teaching positions. The Lake County district will also exact a Reduction in Force of an additional 130-150 positions.

□ Parents, who packed the meeting at which the decision was made, were not happy, citing their votes to raise taxes in a referendum less than two years ago . . . a 2017 action that they thought would obviate the need for such drastic action.

- Headed to market with bond issues: May 29 – Lake Central School Corporation General Obligation Bonds, Series 2019 (maturities 2020 -0 2024), \$4,970,000, with Cender and Company, L.L.C. as its advisor . . . and June 6 – Delphi Community Multi School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2019, \$5,170,000, with Baker Tilly Municipal Advisors as its advisor.

- Fitch Ratings assigns a rating of AA+ to the State of Indiana's School Aid Intercept Program. The intercept law requires the state treasurer to make any necessary payments within five business days of a claim filed by a bond trustee or paying agent for any unpaid amount of debt service.

□ School corporations can qualify for the AA+ rating if they meet the following three conditions:

- Moneys are due to the paying agent or trustee sufficiently in advance of the bond payment date (typically 15 days) to allow time for the state to exercise the intercept mechanism, if necessary.

- The paying agent or trustee is obligated to notify the state treasurer if the payment has not been remitted on time, or is insufficient, on a timely basis (typically within two days).

- State appropriations provide at least 1.25x coverage of pro forma maximum annual debt service as well as sufficient coverage from remaining annually appropriated interceptable funds of debt service on each debt service payment date.

- S&P Global Ratings raises its underlying rating on Pike County School Corporation by two notches. The ratings agency is pleased that "District finances were seriously stressed in the past but the financial recovery is well under way now."

- S&P Global Ratings revises its outlook to negative from stable on the underlying rating (SPUR) on existing ad valorem tax-supported debt issued for Center Grove Community School Corporation, and affirms its 'A+' SPUR and 'AA+' program rating on debt previously issued on behalf of the school corporation. The outlook on the program ratings is stable. S&P also assigned 'SP-1+' short-term rating to Center Grove Multi-Facility School Building Corporation's \$29.5 million series 2019 bond anticipation notes (BANs), issued for the school corporation.

□ The outlook revision follows the school corporation's increasing debt levels (beyond previous indications) and marginal declines in (already low) available cash reserves, both on a dollar basis and as a percentage of expenditures, as the budget increases, according to S&P Global Ratings. While the budget remains operationally balanced and performance is stable, the ratings agency's view of overall flexibility has slowly weakened due to budget growth without a corresponding increase in available reserves.

□ While the ratings agency also notes that CGCSC has aimed to keep available reserves above 4.0% and is meeting this target, as the operating budget, capital needs, and debt burden continue to grow, analysts feel this level of reserves leaves little financial flexibility, especially considering such significant reliance on state aid funding. The agency cautions that it may lower the rating within the next two years if the district's reserve position does not strengthen, and debt ratios continue to grow.

IN Compensation . . .

- The Indiana State Teachers Association delivers a letter to the leaders of the four legislative caucuses requesting that they revisit the changes to the Professional Growth Plan requirements enacted in HEA 1002-2019.

□ After ISTA urged teachers to start their license renewal process in the Licensing Verification and Information System (LVIS) before July 1 in order to avoid the new PGP requirement, Superintendent of Public Instruction Jennifer McCormick (R) tweeted on May 14: "Since 5/9, 4608 new PGPs started in LVIS. 701 final submissions have been approved. @EducateIN licensing team has been amazing. A huge amount of work for our team & an unnecessary stressor on educators during a busy month. All consequences of policy void of practitioner voice." The rush to beat the deadline crashed the state website several times.

□ Indiana joins states such as Michigan, Louisiana, and Tennessee that have experimented with offering externships as professional development, reported *Education Week*. The *Indianapolis Star* reported that two beer breweries have responded to the requirement by offering a program for teachers to learn about beer production and small business ownership, while sampling beer. Rep. Holli Sullivan (R) of Evansville, the author of HEA 1002, responded to the uproar, in part, by pointing out that ROI (Regional Opportunity Initiatives) will sponsor its third annual Educator Boot Camp this Summer, a week-long experience involving visits to area employers where teachers learn about career opportunities for students and employer labor and skills needs.

□ Senate President Pro Tem **Rodric Bray** (R) of Martinsville told the *Indianapolis Star*, “The teachers feel like they’re going to have to do this extra work in a business in the summertime, but the way I envisioned it ... it can be done in the same way they do professional development now, in your school building.” The change stems from the Governor’s Workforce Cabinet, which found that of the 90 Professional Growth Plan points teachers must obtain to renew their teaching licenses every five years, “there is no specificity that these points include any labor market information, current economic forecast at the national or local level, or connection to business and industry. Neither is there specificity as to how to integrate this information into the classroom.”

● The Metropolitan School District of Steuben County School Board raises the pay for substitute teachers to a base of \$100 per day, apparently making MSD of Steuben County the highest-paying district for subs in the region. The board concurrently began the process to implement a new policy for substitute teachers that would trim the required qualifications for a sub to just a high school diploma and 30 semester hours of college credit.

□ The MSD Steuben board also approved stipends for high school advanced placement (\$400 per class) and dual-credit (\$500 per class with a per-student rate added when applicable) teachers.

IN Charter Schools . . .

● The Mind Trust will host former U.S. secretary of education **John King** to deliver the keynote address at its Celebration of Education Progress event on the evening of June 3, 2019 at the Indiana Roof Ballroom in Indianapolis.

□ The event will also honor former Indianapolis Mayor **Bart Peterson** (D) for his impact on education in Indianapolis as mayor and as founding chair of The Mind Trust’s Board of Directors. The Mind Trust has supported the launch of 24 charter schools, with five more schools preparing to open this fall.

IN Programs & Curriculum . . .

● Seventy-four students from the Batesville High School graduating class of 2019 earned the Statewide Transfer General Education Core (STGEC), meaning they’ll start college at any public four-year institution with 30 credits and sophomore status.

□ The Batesville Community School Corporation Board of School Trustees also approves creation of an Alternative Program for at-risk Batesville High School students.

● Wendell Phillips School 63 in Indianapolis will receive new outdoor classrooms after Reconnecting to Our Waterways (ROW) awarded \$14,000 from the Nina Mason Pulliam Charitable Trust White River Fund to the Indiana Department of Natural Resources Division of Fish & Wildlife. The project is in partnership with Groundwork Indy.

□ Funding will assist with habitat installation maintenance as well as a workshop to provide teachers with Project WILD curriculum to use in their new outdoor classrooms.

● A procurement led by the Indiana Department of Administration recommends that the Family and Social Services Administration enter into a contract with Shine Early Learning, Inc., to provide technical assistance to the network of early childhood providers across the state on behalf of the Office of Early Childhood and Out-of-School Learning. The four-year contract is valued at more than \$26 million. Shine Early Learning out of New York City beat out the Indiana Youth Institute, Indiana University, Eris Enterprises, and 4C of Southern Indiana. Shine Early Learning, a division of Acelero Learning, will subcontract with Geminus Corporation to hire and deploy coaches to support family child care homes and with Erikson Institute to develop an Indiana-specific version of its Town Square portal to serve as the go-to resource for professional development for providers of family child care homes.

□ Shine will develop a brand new Indiana Early Childhood Self-Assessment Tool (I-SAT) based on a series of rubrics to support programs in self-identifying their current strengths and future goals. The web-based Self-Assessment tool will be connected with Indiana’s Quality Rating and Improvement System (Paths to Quality) and linked electronically to child care licensing records. The I-SAT will generate an automated action plan with recommendations for professional development modules and quality improvement steps tailored to the expressed needs of the provider.

IN Policy . . .

● The Greenwood Community Schools was inundated with negative press coverage after a story reported by WISH-TV *News8* in Indianapolis was picked up by media outlets across the country, including CNN, *People* magazine and *Newsweek*.

□ The local Nexstar TV station reported that a six-year-old girl at Southwest Elementary School in Greenwood was “lunch shamed” and had to do the “cafeteria walk of shame” because she didn’t have \$2.25 in her account to pay for a hot lunch. She was fed a peanut butter sandwich and a milk.

□ Your favorite education newsletter has followed the spate of alternate meal controversies over the past few years in the Greenfield-Central Schools, Vigo County School Corporation, Monroe County Community School Corporation, and others. In 2018, Sen. **Mark Stoops** (D) of Bloomington authored SB 314 to address “lunch shaming,” but it did not receive a hearing.

IN Referenda . . .

● The Vigo County School Corporation has signaled that a referendum will be needed in the next few years to pay for \$200 million or more in building improvements. Could the district be waiting to put the building referendum to voters until after the casino referendum takes place, likely this Fall? As our sister Hannah newsletter, *INDIANA GAMING INSIGHT*, explains, there are no city offices up for a vote this Fall in Vigo County outside of Terre Haute, so turnout is likely to be low, and the universe of voters is likely to be skewed. Voters who have previously voted on a referendum are statistically more likely to approve a subsequent referendum, according to research by Purdue University agricultural economist **Larry DeBoer**.



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- The South Bend Community School Corporation “will likely decide to ask voters to approve a referendum in May 2020,” reports the *South Bend Tribune*.

IN Construction & Facilities . . .

- The Carmel Clay Schools Board of Trustees awards \$2.75 million in contracts to five firms to repair damage to Carmel High School caused by an explosion in a boiler room in December that impacted adjacent areas. CCS solicited quotes from 41 contractors with seven responding.

- The Knox Community School Corporation held public meetings May 7 and May 20 on the proposed 2020 Safety, Security, and Renovation Project, which includes an addition to the elementary school and an expansion of the high school. KCSC estimates a \$20 million bond issue.

- Renovations in the M.S.D. of Wabash County will begin next month and should wrap up in December, financed by a \$2.4 million bond issue underwritten by Stifel.

- Look for the Board of School Trustees of the Southwestern Consolidated School District of Shelby County to evaluate a proposal from Superintendent Paula Maurer for a new fieldhouse for Southwestern Jr./Sr. High School as the district prepares for rapid growth with major investment by new companies in Shelby County – and a casino expansion and several hundred new jobs expected from that as well.

IN Transition . . .

- Alicia Kielmovitch leaves her position as senior policy director for the State Board of Education to become chief of staff for the Governor’s Workforce Cabinet.

- Rhonda Peterson has been hired as director of curriculum, instruction, and assessment for the Carmel Clay Schools, replacing Martha McFarland, who retired in April.

- The Indianapolis Public Schools received 11 applications for superintendent. The district expects to name finalists and conduct public interviews. Interim Superintendent Aleesia Johnson is among the finalists.

- The Greater Clark County Schools proposes paying Superintendent Mark Laughner a salary of \$155,000.

- Trent McCormick leaves his post as science teacher at Decatur Middle School in Indianapolis to become the new athletic director of the Covington Community School Corporation. He is married to Superintendent of Public Instruction Jennifer McCormick (R).

- Founder Caitlin Hannon, a former IPS board member, submits notice that she will be stepping down from her position as executive director of Enroll Indy, as the organization transitions from a start-up CEO to an operational CEO.

- Cheryl Pruitt, the former Gary Community School Corporation superintendent charged with theft and official misconduct in Lake County Superior Court for alleged double-billing of expenses, *State v. Pruitt*, No. 45D05-1812-PL-000541, is slated for a jury trial beginning February 1, 2021. Former Gary mayor Scott King (I) is her attorney.

- The Fort Wayne Community Schools Board of School Trustees names Erica Almas as principal of Northrop High School for the 2019-20 school year. Almas taught for five years in Brown County Schools, worked as a dean of students in Perry Township Schools and an assistant principal in North Adams Community Schools. In 2016, she joined FWCS as an assistant principal at Northrop before moving two years later to the FWCS Curriculum, Assessment and Instruction Department as curriculum coordinator.

- Marcus Wagner will leave his post as principal of McKinney-Harrison Elementary School in the DeKalb County Central United School District become principal at DeKalb High School.

IN Government . . .

- The Legislative Council met May 21 and formally assigned topics for lawmakers to study during the Summer interim period in preparation for the 2020 legislative session. The Legislative Council is comprised of eight members of the Senate and eight members of the House chosen by the leaders. In the coming weeks, House and Senate leaders will now assign members to each study committee. Study committee proceedings must wrap up by November 1.

□ The Interim Study Committee on Education has been charged with examining the following pair of topics:

(A) Issues relating to career counseling in elementary and high schools during the 2018 through 2020 interims, including:

(I) The adequacy of current state and local funding for a school corporation’s career counseling of students.

(ii) The current workload of a school corporation’s career counselors.

(iii) The impact of having multiple graduation pathways on a school corporation’s career counselor’s workload.

(iv) The fiscal impact of having multiple graduation pathways on a school corporation’s ability to provide adequate career counseling to students.

(B) How money generated by property tax referenda is used and the effect of property tax referenda on teacher pay.

□ The Interim Study Committee on Fiscal Policy will take a look at the Complexity Index. The final version of the biennial state budget that takes effect July 1 decreases complexity funding by nine percent. At earlier points in the budget process, decreases of 14% had been proposed.

□ “Everyone needs to understand that it costs more money to educate children of poverty,” says David Marcotte, executive director of the Indiana Urban School Association. “All of us need to make sure that our legislators understand why.” The complexity index is currently based on a count of TANF, SNAP, and foster care. “We know from boots on the ground the reality is that many of our families of poverty struggle negotiating the (welfare) system,” says Marcotte, so the need is likely greater than what’s reflected in the SNAP and TANF counts certified by the county and state. “We need to do a better job in school of helping families understand the system, and if they do qualify for services, help them negotiate the system.”

□ Complexity index funding declined in the new state budget because fewer Hoosiers qualified for welfare assistance. “We’re happy the State of Indiana can say we are 14% less poor,” says IUSA’s Marcotte, “but that doesn’t totally equate to having 14% less needy children. For example, we don’t have 14% less students in need of remediation or 14% less students in need of learning English. The two just don’t automatically equate.”

● U.S. Sen. Mike Braun (R) introduces the “Consider Teachers Act of 2019” to ameliorate the flaws in the TEACH Grant program that have burdened teachers with unfair loans. His office explains that “often due to basic clerical mistakes, thousands of teachers have found their grants converted into loans that must be paid back with interest. The Consider Teachers Act aims to fix this broken system permanently.” Sen. Braun says “The TEACH grant is an important program to incentivize teachers to serve in neglected communities, but 12 years of poor government management has turned these grants into groans for thousands of teachers. To show our appreciation for America’s great teachers, let’s get off the sidelines and fix this broken system once and for all.”

● U.S. Sen. Todd Young (R) introduces the “Stop for School Buses Act of 2019” to ensure that no families have to suffer a tragedy like the one that occurred last year in Rochester, where a pickup-truck driver struck and killed three young siblings and injured a fourth student while they were crossing a state highway to board the school bus. S. 1254 requires a two-year study of the best methods for reducing school bus-related fatalities and mandates the National Highway Transportation Safety Administration to review and report on school bus safety technology that may discourage or prevent illegal passing. The bill would also create and execute a public safety awareness campaign. Companion legislation was introduced in the House by U.S. Rep. Jackie Walorski (R).

□ Meanwhile, after last month’s passage of SEA 2-2019, the bill’s author, Sen. Randy Head (R) of Logansport wrote on Facebook, “It has been tough, but we did it!!! Thank you for supporting our efforts and the changes we had to make in order to shore up support. This was difficult – a lot more difficult than I envisioned when we started – but we kept fighting, and it has finally paid off. Thanks to everyone who rooted for this family and this bill!”

● The State Board of Education approves an official list of industry-recognized credentials for Graduation Pathways, A-F school accountability, and federal Perkins performance, in a move that will more closely align high schools with the needs of private industry. The Indiana Department of Workforce Development has historically been responsible for validating industry-recognized credentials for school accountability criteria, but the Graduation Pathways policy adopted by the State Board in December 2017 “forced DWD to strategically collaborate across multiple state agencies and purposefully engage with employers to update the listed certifications,” according to Alicia Kiernovitch, the outgoing senior director of policy and legislation for the State Board of Education. Working with the Indiana Chamber of Commerce, more than 100 employers from across economic sectors were convened to review the certification ecosystem.

□ Several of the certifications that had been on last year’s list were removed “due to resounding input from employers that these certifications have no value or use in their sectors,” wrote Kiernovitch.

IN Courts and Conduct . . .

● As we were heading to press with this issue, news was breaking in Central Indiana that a former Warren Central High School Spanish teacher and JV softball coach is facing charges in Hamilton County Circuit Court – two counts of felony sexual misconduct with a minor and one count of felony child solicitation for fondling or touching – for her alleged misconduct with a 15-year-old girl. *State v. Mang*, No. 29C01-1905-F4-003909. The relationship was discovered by the girl’s mother in the form of text messages.

□ While it was not clear from the charging documents whether the girl was a Warren Central student, Warren Township Schools issued this statement: “We have been notified of the results of the investigation concerning charges brought against one of our former employees. Throughout the investigation we have cooperated with authorities to the extent we were called upon. Although we cannot respond to the allegations specifically, we want everyone to know that we take seriously the responsibility and trust parents bestow on us to educate and protect their children when in our care. When an individual is accused of violating that trust, it should be, and is, an affront to us all. We will continue to be vigilant in our purpose to provide a safe and quality educational experience to the 12,000-plus students who come through our doors on a daily basis and will hold all of our employees to the highest standard of care.”

IN Higher Education

IN General . . .

● DePauw University President Mark McCoy will step down at the conclusion of the 2019-2020 academic year, ending a tumultuous tenure during which he angered students for not responding quickly enough to a series of hate crimes that roiled campus and faced criticism from faculty for his management style and response to the institution’s fiscal challenges. In November, about 40% of faculty voted no confidence in Dr. McCoy, and earlier this year, DePauw laid off 57 staff members through mandatory buyouts and offered voluntary buyouts to 100 faculty. Between 2009 and 2018, the number of entering freshmen fell 21% from 717 to 564 . . . and in news that may have precipitated the leadership transition, only 445 first-year students had committed to DePauw for Fall 2019 by the May 1, representing a one-year nosedive of 20 percent.

● Indiana University’s Office of Enrollment Management is launching a new College Advising Corps initiative that will place recent graduates from IU Bloomington in school districts to help students explore the entire range of post-secondary options.

IN Tuition . . .

● Vincennes University proposes a tuition hike that averages \$172 for 2019-2020 and \$176 for 2020-2021.

- Purdue University proposes a 1.65% per year tuition increase for Purdue Fort Wayne and Purdue Northwest and once again seeks no tuition increase for the West Lafayette campus.

- Ivy Tech Community College proposes a tuition increase of 3.1% per year. That comes out to an additional \$4.40 per credit hour for 2019-2020, and an increase of \$4.54 per credit hour for 2020-2021.

IN Enrollments . . .

- Wabash College is anticipating a slightly smaller-than-predicted freshman class. The number of applications, admitted students, and campus visits was on par with the prior year . . . but the College's yield rate fell, particularly for low-income and international students. Still, the class is stronger academically than last year, and net tuition revenue per student is higher.

IN Administration . . .

- The Indiana State University Board of Trustees approves a change in admissions policy that makes the submission of college-readiness test scores optional beginning with the 2021-2022 academic year. The change was recommended by the administration and approved by the Faculty Senate. The SAT or ACT will still be required for certain merit-based scholarships and for students seeking advanced placement in English and math courses. Applicants with a high school GPA below 2.5 will also be required to submit SAT and ACT scores. Test-optional admissions criteria "are increasingly the standard" for institutions of similar size and mission as Indiana State, says Provost Mike Licari.

- IUPUI faculty members Tandra Jackson and Annela Teemant submitted the winning proposal to provide Cultural Competency Training & Support Services to Hoosier Educators on behalf of the Indiana Department of Education. The estimated two-year contract value is \$498,236. Proposals were also received from Cultural Intelligence Center; Public Consulting Group, Inc.; Solution Tree, Inc.; and Waterhorse, LLC.

IN Programs & Policy . . .

- The Goshen College education department receives a grant from the Community Foundation of Elkhart County that will be used, in part, to provide a signing bonus to students once they graduate from the GC teacher education program and begin teaching at a school located in Elkhart County.

- The University of Indianapolis announces The Gene and Joanne Sease Institute, which will focus on promoting workforce development solutions through original research, conferences, publications, public opinion data, and economic analysis. The institute is named in honor of Gene Sease, 86, president and chancellor of the University from 1970 to 1989. The Sease Institute will also generate new certificate experiences in non-credit courses in collaboration with school districts, law enforcement organizations, corporate partners, and hospital systems in Indianapolis. The institute is already creating certificate programs and educational experiences in certified nursing assistant, qualified medication aide, loss prevention, classroom management, community health worker training, health informatics, and data analytics.

- We told you many months ago to watch for this, and now the University of Evansville sells its campus radio frequency to WAY-FM, a non-commercial, contemporary Christian music radio station.

□ The Office of University Relations explains in an e-mail, "This decision did not come lightly. Ultimately it was a strategic decision with the long-term interest of our students as our most important consideration. The traditional radio business has seen a transformation over the last decade and easily accessible apps and streaming services have changed the game," and "UE students will continue to have access to an array of broadcast outlets, such as ESPN3 and the Old National Bank radio network, which provide the full spectrum of experience in preparation for today's multimedia environment. Additionally, WUEV's audio production facilities will be integrated into the multimedia resources that UE currently has for students to develop skills that will prepare them for the current digital media environment."

IN Gifts and Fundraising . . .

- In lieu of former Indiana University men's basketball coach Bob Knight, who backed out because of health issues, Saint Joseph's College announces former Purdue University men's basketball coach Gene Keady as the special honoree at the annual Purple Tie Dinner on July 27 at the Fair Oaks Farmhouse. Ticket go on sale on or around June 1.

- DePauw University receives \$2 million in gifts from two couples to advance a first-year housing master plan for DePauw's South Quad and support construction of a new first-year residential quad. The lead alumni donors are Jeff Harmening, chairman and CEO of General Mills, and DePauw board member Doug Smith, CEO of Miller and Smith, one of the largest privately held residential land development and homebuilding companies in metropolitan Washington, D.C.

□ The first hall will provide 152 student beds, most of them in double rooms. The first floor of the four-story, 60,400 square-foot building will feature community-living space - the entry, a lounge, a kitchen and the like - and the top three floors will contain students' rooms. Construction of the first hall is expected to be completed in Summer 2020.

IN Construction & Facilities . . .

- Saint Joseph's College of Marian University Indianapolis held a ribbon-cutting ceremony May 14 for Saint Joseph Hall, the home of Marian University's new two-year college, Saint Joseph Indy.

- The Vincennes University Board of Trustees Finance Committee approves contributing \$2 million to the City of Vincennes for a \$5 million levee project designed to replace seepage relief wells that are 60 to 70 years old.

- Ball State University issued \$83,650,000 in student fee bonds on May 8 for the construction and equipping of the Foundational Sciences Building and the refunding of \$9.07 million of Series N Student Fee Bonds originally issued in 2008. Piper Jaffray served as lead manager, while Stifel and Backstrom McCarley Berry & Co. served as co-managers. Construction will begin this Summer and is to be completed by Fall 2021.

IN Government . . .

- U.S. Sen. Todd Young (R) introduces the “Respond, Innovate, Succeed, and Empower (RISE) Act” to ease the transition to college for students with disabilities. The legislation would amend the Higher Education Act and clarify that students with previous documentation of a disability would be able to continue using that documentation as proof when they transition to higher education so that they do not need to spend time and money to go through unnecessary new diagnostic testing. The RISE Act would also make school policies and data more transparent for students and families so they can make informed decisions on the college that best fits their needs. The legislation would provide additional support for technical assistance to colleges and universities to better serve people with disabilities.

IN Transition . . .

- Katherine Kent becomes acting chancellor for the South Bend-Elkhart campus of Ivy Tech Community College. Kent currently serves as vice chancellor of academic affairs.

- Michael P. Raters is stepping down as dean of students at Wabash College after 11 years.

- Angela M. Salas, currently associate vice chancellor for academic affairs at Indiana University Southeast, has been selected as provost at Framingham State University. She will start her new position June 10.

- The Saint Joseph’s College Board of Trustees names Michelle Meadows, most recently director of the Gary Area Career Center, as vice president of career and technical education, an indication that CTE will be a key element of the institution’s revival. She’ll initiate new programming that results in industry recognized certifications and credentials.

- Alexis S. Montevirgen, the current vice chancellor for student affairs and enrollment management at Indiana University Northwest, is expected to be named the next president of Los Angeles Pierce College.

- The University of Southern Indiana has named Catherine Carey as dean of the Romain College of Business. Carey leads the Gordon Ford College of Business at Western Kentucky University. She will succeed Mohammed Khayum, who served as the business college dean for 12 years before being named USI provost in 2018.

- Hilary Kahn has been selected as associate vice chancellor for international affairs at IUPUI and associate vice president for international affairs at Indiana University. She currently serves as assistant dean for international education and global initiatives and as director of the Center for the Study of Global Change in the Hamilton Lugar School of Global and International Studies at IU Bloomington.

- University of Wyoming Vice President for Finance and Administration Neil Theobald has been chosen to serve a year-one appointment as the university’s acting president. Dr. Theobald is the former chief financial officer for Indiana University from 2007-2012 and was the president of Temple University from 2012-2016.

- Two members of the University of Notre Dame Board of Trustees have been elected Fellows. The 12 Fellows – six lay men and women and six priests of the Congregation of Holy Cross – are the University’s ultimate governing body.

- Sara Martinez Tucker is a former U.S. undersecretary of education and past chief executive officer of the National Math and Science Initiative. Shayla Keough Rumely is an attorney and the daughter of prominent donor Don Keough, the former president of Coca Cola.

- John J. Brennan is re-elected to a second three-year term as chair of the University of Notre Dame Board of Trustees.

- With Scott College of Business Dean Brien Smith leaving to become provost at Youngstown State University, Jack Maynard will serve as interim dean of Indiana State University’s college of business. Maynard has previously served ISU as provost, interim president, and dean of the College of Education.

IN Courts & Conduct . . .

- Indiana University Maurer School of Law associate professor Ian Samuel announces on Twitter that he has resigned following the conclusion of a university investigation into a Title IX complaint filed against him last year. The young Samuel (he graduated law school in 2008) was well-known nationally because of his strong presence on popular legal academic social media. The former Supreme Court (Scalia) clerk had been on leave from IU since the Fall, and had come to IU from a teaching post at Harvard.

- Samuel chose to forgo any procedural appeals “that might (though I doubt it) preserve my job,” he said in the statement. We told you last year that his alleged misconduct had rocked the world of legal academia because Samuel had previously exposed how big law firms force their summer associates (current law school students) to sign mandatory agreements to arbitrate sexual harassment claims, a disclosure that the popular Above the Law blog notes triggered an onslaught of student protests and boycotts, threats and condemnation from law school officials, and “an industry-wide look at how forced arbitration is used at law firms that is still ongoing.”

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Tanoos - Turpin common thread

Defense invokes Gov. "Oh, Danny boy, the pipes, the pipes are calling"

Spoiler alert! There's a particularly interesting - and some might even suggest brazen - item tucked away in an appellate motion filed by the top legal defense duo of Jim Voyles and Jennifer Lukemeyer on behalf of their client, Danny Tanoos, a former Vigo County School Corporation superintendent, *Tanoos v. State*, No. 19A-CR-01086. But the entire fact situation, charges, and defense in this case are of interest to anyone in public office, so it bears some background and detail on other elements of the action.

Following a federal investigation (the case was eventually turned over to state prosecutors) Dr. Tanoos was charged in Marion County with three counts of bribery; one count as a Class C Felony, and two Level 5 Felony counts. The State alleges Tanoos accepted, agreed to accept, or solicited property from a school district contractor in exchange for a recommendation of future business with VCSC. Tanoos unsuccessfully moved to dismiss the charges, in part, arguing that the facts stated did not constitute an offense. With the trial court's approval and State consent, he filed a motion with the Court of Appeals seeking an interlocutory appeal.

Tanoos contends that "the case presents a substantial question of law and a unique issue as to Indiana's bribery statute and its application," particularly in light of the ruling by the Supreme Court of the United States in *McDonnell v. United States*, 136 S.Ct. 2355 (2016), and because "immediate determination of the issues presented in the motion to dismiss could prevent a very complex, lengthy, and costly trial."

However, most importantly, Voyles and Lukemeyer challenge the underlying premise of the charges - and case itself, reviving the "retainer bribery" dispute that ensnared then-House Committee on Ways and Means chair Sam Turpin (R) 20 years ago (while the bribery charges were tossed, perjury and false campaign-finance reporting charges stood, and Turpin resigned and entered into a plea agreement).

As counsel for Tanoos explain (some citations omitted), "Indiana does not recognize a 'generalized bribery' theory. *Wurster v. State*, 708 N.E.2d 587 (Ind. Ct. App. 1999). In *Wurster*, the defendants were charged with paying money to a house representative with the intent the representative would support or promote legislative items that would result in economic gain to the defendant's company. This case clarified that a prosecution for bribery must rely on an explicit *quid pro quo* element in order to gain conviction. *Wurster* demands that the State have proof of a specific *quid pro quo* and that there be a specific act for which the public official was bribed. Payments to a public official for the hopes of later influencing an unspecified act does not cut the bribery muster. The Court of Appeals in *Wurster* reversed the trial court's denial of the defendant's motion to dismiss."

In the two decades since that ruling, Indiana lawmakers never even sought to amend the Criminal Code to explicitly authorize prosecutions for "retainer bribery," under which a "Manchurian Candidate" of sorts could accept payment for favorable treatment well in advance of a time (or act) of the payor's choosing.

The new (and national) element emanates from a U.S. Supreme Court ruling three years ago.

For more, please see the following page . . .

OMG! OMB budging ongoing Vincent leaves helm; Johnston moves in

On the heels of the departure of Jason Dudich as state budget director for the CFO post at UIndy, Office of Management and Budget Director Micah Vincent, who has served in key financial and policy positions in three different administrations, will leave his post June 30 to become vice president, strategy+M&A, with The Heritage Group, the multi-generational Fehsenfeld family business in Indianapolis.

Vincent has been credited with moving a big chunk of the state's economic development portfolio from business recruitment by the Indiana Economic Development Corporation to public-private partnerships and leveraging innovative projects and infrastructure plans through the Indiana Finance Authority and the Governor's Office.

Succeeding Vincent will be Cris Johnston, the Governor's deputy chief of staff, who previously served eight years in the Daniels Administration as executive director of the Office of Management and Budget's division of government efficiency and later, as deputy chief of staff. A Wabash alum who earned his MBA from Butler, The Region native was a practice director with KSM Consulting, LLC, was a member of the Indiana Gaming Commission, and served as a deputy state treasurer in the O'Laughlin Administration.



Attorneys for Tanoos assert that the nation's high court, in a multi-faceted gift case involving a governor of Virginia, "recently held that bribery statutes must not be read so broadly that 'nearly anything a public official accepts - from a campaign contribution to lunch - counts as a quid; and nearly anything a public official does - from arranging a meeting to inviting a guest to an event - counts as a quo.' *McDonnell v. U.S.*, 136 S.Ct. 2355, 2372 (2016)(citation omitted)."

Rather, the Tanoos legal team proceeds to elaborate, "A jury must be able to 'determine whether the public official agreed to perform an 'official act' at the time of the quid pro quo.' *Id.* at 2371 (emphasis added). The term 'official act' must therefore be 'defined with sufficient definiteness that ordinary people can understand what conduct is prohibited,' and 'in a manner that does not encourage arbitrary and discriminatory enforcement.' *Id.* at 2373 (citations and quotations omitted). Chief Justice Roberts thoroughly dissected the federal bribery statute and specifically the definition of 'official act' and the items on which 'official acts' are taken."

As posed by Voyles and Lukemeyer, "Ultimately the holding in *McDonnell* was: 'In sum, an 'official act' is a decision or action on a 'question, matter, cause, suit, proceeding or controversy.' The 'question, matter, cause, suit, proceeding or controversy' must involve a formal exercise of governmental power that is similar in nature to a lawsuit before a court, a determination before an agency, or a hearing before a committee. It must be also something specific and focused that is 'pending' or 'may by law be brought before a public official. To qualify as an 'official act,' the public official must make a decision or take an action on that 'question, matter, cause, suit, proceeding or controversy,' or agree to do so.' *Id.* at 2371, 2372."

Team Tanoos asserts that the facts stated in this case do not constitute an offense. "Not only does the *McDonnell* Court line up with the Indiana cases prohibiting a generalized bribery theory, *McDonnell* seems to require a temporal link between the *quid* and *quo* both of which clearly are lacking in this case. Nowhere is it pled, or included in the probable cause affidavit, that Tanoos accepted the dinners and tickets in exchange for performing a specific official act or agreeing to perform a specific act. *McDonnell* demands there be something focused or concrete to effectuate by the public official. In this case, the State's theory runs afoul of *McDonnell* in that Tanoos's acceptance of dinners or tickets cannot be tied to any specific act. The State merely pleads that Tanoos would make a 'recommendation to award a contract and/or continued business.' It is undisputed that at the time these dinners and tickets were accepted by Tanoos, ESG had no pending bids before VCSC. Nor is it disputed that there was any evidence of possible business on the horizon. These facts, as set out in the information and more fully developed by the probable cause affidavit, are analogous to those in *Wurster*."

While the Tanoos legal team added in a footnote to its motion that "It is notable that 77 former state attorneys general from States other than Virginia joined as Amici Curiae for McDonnell and his position," none of the then-living six Indiana past or present attorneys general (three Democrats and three Republicans) signed on that referenced *amici curiae* brief.

But here comes the interesting Indiana application.

Voyles and Lukemeyer tell the appellate panel that "Whether this application of the Indiana bribery law should be allowed is a substantial question of law that may not only impact the prosecution of Tanoos but public officials across the State of Indiana."

And you can judge for yourself whether the inclusion of the following is gratuitous, or whether it seeks to force the judges to ponder the broader legal and political implications of the facts in the Tanoos case.

"As recently as May 9, 2019, such issues appear as top news," notes the Tanoos defense team. "For instance, the *Indianapolis Star* ran a story about Governor Holcomb signing legislation into law effecting the gaming industry. A large benefactor of that legislation is a local company that has provided private plane service to the Governor and contracts and/or collateral business to legislators. Kaitlin Lange, *Holcomb Signs Bill Legalizing Sports Betting, Allowing Lucrative Casino Industry Change*, Indianapolis Star, May 9, 2019 (online citation omitted). A generalized bribery theory would seem to expose politicians like Governor Holcomb to criminal prosecution for accepting gifts, donations, or money that could be perceived as influencing the receiving public official. *McDonnell* and *Wurster* specifically prohibit such prosecutions. The trial court should have granted Tanoos's motion to dismiss because the facts stated do not constitute an offense."

IN Politics

Federal Office Races . . .

- The CD 03 campaign of Jim Banks For Congress, Inc. is the sole Indiana campaign to merit an April contribution (\$1,000) from the NRA Political Victory Committee.

- We're hearing that social conservatives statewide are furious with U.S. Rep. Susan Brooks (R) for casting her vote in favor of H.R. 5, the "Equality Act," on May 17. Elsewhere in this issue we detail for you her comments on why she backed the bill (discrimination concerns) and here reservations (sanctity of life concerns), and even one of her Hoosier GOP congressional colleagues, U.S. Rep. Jim Banks (R), labeled it "the absolute worst of the radical-left's pro-infanticide, anti-conscience agenda," and disagrees with her about the anti-abortion protections that she sees remaining effective. Suffice it to say that this will bring social conservatives out to work against her, and they comprise probably a larger percentage of the voter bloc in a CD 05 primary than upscale pro-choice moderates, and the social conservatives will be voting for the President in the 2018 primary while some of the Hamilton County GOP crowd may be distracted by the Democratic presidential primary (as they were in 2008) as they look toward a Trump challenger. One name that keeps surfacing as a primary challenger: Former Sen. Mike Delph (R), the former Burton CD 05 district director who is beloved by social conservatives across the state, and still has one of the best Republican rolodexes (that's what we used in the era before cell phone contact lists) in the district. He took to Facebook after the vote to blast the incumbent, who is also attracting general election attention, despite her mega war chest.

State Office Races . . .

- Indiana Economic Development Corporation President Elaine Bedel and her husband, Eric Bedel, contribute \$10,000 to the Lieutenant Governor's Friends of Suzanne Crouch committee May 16, the same day that Evansville's Bob Koch adds two \$10,000 contributions of his own to the Crouch committee, and Evansville's John Schroeder ponies up \$15,000 . . . the day before, the Raytheon Political Action Committee of Arlington, Virginia makes a \$10,000 contribution to the Governor's Eric Holcomb for Indiana committee.

IN Legislative Races . . .

● The Indiana Republican Party will convene a caucus to fill the vacancy in HD 93 created by the pending resignation of Rep. David Frizzell (R), effective May 31, 2019. The caucus will be held at 6:30 p.m. on Tuesday, June 4, at the Perry Township Government Center in Indianapolis.

□ Former Orr Administration communications advisor Dollyne Pettingill Sherman (R) has registered an exploratory committee for an HD 93 bid. Dr. Phil Borst (R), a former Indianapolis City-County Council member, and the chair of the Indiana Horse Racing Commission, is her campaign chair. Sherman has been a close campaign advisor to U.S. Rep. Susan Brooks (R) and has honchoed Indiana Society of Chicago annual dinner activities for the past several years. Her husband was an Indianapolis Department of Public Works director in the Ballard Administration.

□ Look for Megan Dugan (R) to also cast her hat into the ring. She was unsuccessful in a caucus bid last November to take over the Indianapolis City-County Council District 23 seat vacated by Scott Kreider (R), and won by Dant Advocacy lobbyist Danielle Coulter (R).

● The U.S. Chamber of Commerce examines nine Republican-led state legislatures which increased their gas taxes since 2016, and finds that in six of those states, including Indiana Republicans have since faced the voters and were overwhelmingly reelected. In Indiana, 86% of Republicans voted for the tax hike – the only state among the nine in which more than 80% of Republicans supported a tax increase – and 92% were re-elected.

IN Mayoral Races . . .

● In West Lafayette, citizen activist Zach Baiele, who runs his own business development, strategy, and relations firm, plans to seek the 241 signatures needed to qualify for the ballot as an independent candidate for mayor. West Lafayette Mayor John Dennis (R) was seeking his fourth term without a general election challenger.

IN the Presidential Race . . .

● South Bend Mayor Pete Buttigieg (D) has been absent from the city for almost one-half of the days in recent months, reports the *South Bend Tribune* . . . Morning Consult finds that former vice president Joe Biden (D) is the second choice of 24% of Buttigieg backers, followed by U.S. Sens. Kamala Harris (D-CA) at 17% and Elizabeth Warren (D-MA) at 15% . . . the Sunday, May 19 Fox News town hall event was a big one for Mayor Pete, with 1.1 million viewers and lots of pre- and post-event Butti-Buzz. The hype started before the unfiltered hour-long broadcast, when the President weighed in as part of a tweet-storm, blasting Fox for “wasting airtime on Mayor Pete,” and asserting that “Fox is moving more and more to the losing (wrong) side in covering the Dems. They got dumped from the Democrats boring debates, and they just want in,” he tweeted. At a Monday night Pennsylvania rally, the President asked the crowd rhetorically, “What’s going on with Fox, by the way? What’s going on there? They’re putting more

Democrats on than you have Republicans. Something strange is going on at Fox, folks.” The President also knocked host Chris Wallace via tweet for his comments that “‘Mayor Pete has a lot of substance...fascinating biography.’ Gee, he never speaks well of me - I like Mike Wallace better...and Alfred E. Newman will never be President!” At the start of the event, Wallace told viewers, “I’ve gotta tell ya, and you can feel it, this is a hot ticket. More people have shown up for this town hall than any of our previous ones,” and Mayor Buttigieg earned a standing ovation from the Fox studio crowd at the end of the evening – even after knocking a pair of Fox opinion show hosts. Typically reserved Fox News emeritus analyst Brit Hume raved Monday evening that Mayor Pete “may be the most impressive candidate I’ve seen since the emergence of Barack Obama.” Hume also responded directly to the President: “Say this for Buttigieg. He’s willing to be questioned by Chris Wallace, something you haven’t done since you’ve been president. Oh, and covering the Democratic candidates is part of the job of a news channel...” Team Pete media maven Lis

Smith tells CNN’s Brian Stelter that this was the campaign’s second “biggest media moment,” trailing only the CNN town hall that propelled Mayor Pete onto the presidential map.

● U.S. Rep. Eric Swalwell (D-CA) took his nascent presidential campaign to Columbus, his wife’s home town, for a town hall meeting on Sunday, May 19. Some 250 people attended, along with a substantial contingent of Moms Demand Action for Gun Sense in America, and gun violence, health care, and student loan debt consumed the bulk of his remarks, according to the *Columbus Republic*.

IN Political News . . .

● PoliticalBank, LLC, the Indiana-based venture founded in 2015 by Adam Berry and Frank Short as a non-partisan political ecosystem that connects candidates, their constituents, and the issues, launches a private placement offering through

MicroVentures in accordance with federal crowdfunding regulations. This crowdfunding offering is selling Crowd Notes to raise maximum offering proceeds of \$107,000 with a minimum investment of \$100. The offerors currently anticipate closing this offering on July 14.

□ PoliticalBank, LLC is seeking growth capital to develop proprietary technology (67.29%), market its platform (14.02%), repay debt (14.02%), and purchase equipment (4.67%).

□ The company generated more than \$212,000 in revenue during 2018 and a net loss of roughly \$235,000; hosted more than 1,680 candidate profiles; provided revenue-generating services to 190 candidates; and managed more than \$100,000 in campaign expenditures for then-House candidate Chuck Goodrich (R). Low 2019 cash on hand has led the company to halt salaries for all employees.

● In a unanimous vote during a Wednesday meeting of the RNC’s Midwest Caucus, Indiana Republican Party Chair Kyle Hupfer was elected to serve on the Republican National Committee’s Budget Committee.



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□ Nominated by **John R. Hammond III**, Indiana's Republican National Committeeman, Hupfer will be the new Midwest representative on the budget committee, responsible for helping manage the national GOP budget going into the 2020 election cycle, which will include budget planning for the 2020 Republican National Convention, battleground races, and the presidential election.

IN Brief

IN Federal Circles . . .

● U.S. Sen. **Todd Young** (R) partners with U.S. Sen. **Gary Peters** (D-MI) in the introduction of the "Stop for School Buses Act of 2019," bipartisan legislation that seeks to address such tragedies as occurred last year in Rochester, where a pickup-truck driver struck and killed three young siblings and injured a fourth student while they were boarding a school bus. S. 1254, companion legislation to measure introduced in the House last month by U.S. Rep. **Jackie Walorski** (R), would mandate a comprehensive evaluation of methods to prevent the dangerous and illegal passing of school buses at loading zones. The National Highway Transportation Safety Administration (NHTSA) would be required to review and report on existing school bus passing laws and current school bus safety technology to prevent illegal passing. NHTSA would be required to conduct a comprehensive review and report to Congress on best practices. "The tragedy that occurred in Rochester is unimaginable, and my heart breaks for the parents of those young children. We cannot allow this to happen ever again," said Sen. Young. "The Stop for School Buses Act will help prevent the illegal passing of school buses and keep our children safe on their way to school" . . . Sen. Young, who had written to the President in January 2018 and spoken with him since expressing concern over the pending 232 tariffs against our key global partners, was pleased with the agreement to end steel and aluminum tariffs against Canada and Mexico. "This is welcome news in Indiana," he said Monday, "and I commend President Trump and Ambassador Lighthizer for working with our Canadian and Mexican partners to reach this necessary agreement. Lifting the steel and aluminum tariffs on Canada and Mexico, and ending the retaliatory tariffs on U.S. products, will provide much needed relief to Indiana's manufacturers and farmers. This agreement will allow the United States to work in close concert with our Mexican and Canadian allies to focus on the fundamental source of aluminum and steel overcapacity: China" . . . in what is becoming an increasingly familiar coalition of bill authors, Sen. Young is joined by Sens **Bob Casey** (D-PA), **Bill Cassidy**, M.D. (R-LA), and **Maggie Hassan** (D-NH) to introduce the "Respond, Innovate, Succeed, and Empower (RISE) Act" to help ease the burden of transitioning to college for students with disabilities. "All Hoosiers deserve a fair shot at success. This legislation takes an important step to simplify the college enrollment process for people with disabilities, which will help more students access higher education and open doors of opportunity," said Sen. Young. The legislation would amend the Higher Education Act and clarify that students with previous documentation of a disability would be able to continue using that documentation as proof when they transition to higher education. This would help ensure students who receive special education or accommodations because of a disability do not need to spend time and money to go through unnecessary new diagnostic testing. The RISE Act would also make school policies and data more transparent for students and families so they can make informed decisions on the

college that best fits their needs. The legislation would provide additional support for technical assistance to colleges and universities to better serve people with disabilities . . . the bipartisan legislation cosponsored by Sen. Young to crack down on illegal robocall scams passed the Senate Thursday on an 97-1 vote. The "Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act" would afford regulators more time to find scammers, increase civil forfeiture penalties for those who are caught, promote call authentication and blocking adoption, and bring relevant federal agencies and state attorneys general together to address impediments to criminal prosecution of robocallers who intentionally flout laws. The TRACED Act now heads to the House for consideration. "Hoosiers are fed up with the increasing number of robocall scams that are flooding their phones," noted Sen. Young after the vote. "These calls, sometimes reaching 10 a day, are more than just an annoyance, they are a real threat to the vulnerable people they are designed to prey on" . . . Sen. Young and U.S. Sen. **Chris Murphy** (D-CT), members of the Senate Committee on Foreign Relations, issued a joint statement Thursday, raising continued alarms on the humanitarian crisis in Yemen following reports that the World Food Program (WFP) may be forced to suspend aid deliveries due to illegal diversion by Houthi forces. "We are deeply disturbed by recent reports that the Houthis are diverting desperately needed food aid in Yemen. The Yemeni people already face a collapsed economy, a cholera epidemic, and extremely limited access to food and medicine. Over one million more people now risk starvation if the Houthis do not immediately resume cooperation with the WFP in addition to the over 85,000 children who have died from starvation," said Sens. Young and Murphy. "Congress cannot turn its back on the humanitarian catastrophe and national security threat in Yemen. That includes condemning the Saudi-led coalition's obstruction of aid and bombing of civilians, as well as the Houthis' diversion of aid, torture of detainees, and indiscriminate shelling of civilian areas."

● U.S. Sen. **Mike Braun** (R) adds his voice to those of U.S. Sens. **Marco Rubio** (R-FL), **Ted Cruz** (R-TX), and **Tom Cotton** (R-AR) in condemning what the senators say is the Cuban government's practice of jailing parents who attempt to homeschool their children. The four have introduced a resolution calling for religious freedoms in Cuba. "Parents have a right to teach their children free from state communist indoctrination," says Sen. Braun. "This resolution calls on the Cuban regime to end the shameful practice of jailing parents for enrolling their children in religious education, and expresses American solidarity with Cuban parents who have become political prisoners for something as simple as homeschooling" . . . Sen. Braun takes to Bloomberg TV's *Balance of Power* Wednesday to explain the importance of the United States-Mexico-Canada Agreement passing Congress quickly, adding that Democrats shouldn't play political games with it. "It better be the highest priority here because that is the most important thing. We do more trade with both Canada and Mexico than we do with China, and they are generally friendly in nature," said Sen. Braun. After the show, he tweeted, "#USMCA will be a huge win Hoosiers and all Americans. We can't afford to let this urgent deal be used as a political football in Congress" . . . after he voted against the \$19.1 billion emergency supplemental disaster relief bill on Thursday that the President said he supported and agreed to sign, Sen. Braun explained his rationale for being one of only eight votes against it. "In the private sector we budget for rainy days and offset unexpected expenditures with spending cuts, and the same principles should apply to Congress because the

current disaster assistance process is just another path for runaway spending on unrelated projects,” said Sen. Braun. “If legislators in Washington actually read this \$19.1 billion spending bill, maybe they would share my concern with spending taxpayer funds on pet projects – like provisions for cherry farmers who make over \$900,000 a year – instead of dealing with real problems like relief for victims of natural disasters or the humanitarian crisis on our southern border.”

- U.S. Rep. Jim Banks (R) introduces legislation that would prevent Thrift Savings Plan (TSP) funds from being invested in Chinese and Russian companies. TSP is the principal retirement plan for federal government employees and has a total investing power of over \$550 billion. He observes that “The governments of Russia and China have a long history of malicious activity against the United States. If we are to confront the growing threats from these hostile countries, we should not be supporting their economies financially. This common-sense legislation would prevent federal money from entering countries that are actively attempting to undermine our global leadership.” In an era of near-peer competition with China and Russia, he believes the United States must formulate a whole-of-government approach in preventing unnecessary economic support to either nation – and this includes the investment strategies utilized by TSP. The TSP International Stock Index Investment Fund (I-Fund) is designed to diversify investor portfolios to include companies from outside of the U.S. As written, the Thrift Savings Plan is mandated by law to “select an index [for the I-Fund] which is a commonly recognized index comprised of stock the aggregate market value of which is a reasonably complete representation of the international equity markets excluding the United States equity markets.” Currently, based on the chosen index, the Thrift Savings Plan’s I-Fund invests in the economies of allied nations. In November, the Federal Retirement Thrift Investment Board changed the I-Fund index to the MSCI ACWI Index, to be enacted in 2020, which allows TSP resources to be invested in adversarial nations, principal among them China and Russia. The Banks bill would add new language to the investment mandate to prevent TSP funds from being invested in China and Russia, and force the Investment Board to reevaluate choice of I-Fund index funds to one of many that are both financial lucrative and do not support threatening economies.

- U.S. Rep. André Carson (D) issued a statement below following the House of Representatives’ passage of the “Equality Act,” legislation that would extend anti-discrimination protections to LGBTQ Americans in employment, education, access to credit, jury service, federal funding, housing and public accommodations. “Congress made historic progress in the ongoing struggle to achieve liberty and justice for all Americans. The Equality Act is a major step in securing fundamental rights and protections that LGBTQ people need and deserve. As a longtime member of the Congressional LGBT Equality Caucus, I am proud to cosponsor this bill and even prouder to vote for it “In a majority of states, members of this community don’t have these explicit protections, meaning they can legally be fired from their job, denied housing, and face a number of other injustices simply because of who they are or who they love. That’s unfair and un-American, plain and simple. The Equality Act helps right this wrong, while also respecting religious exemption laws already on the books.” He called the “advancement ... cause for celebration, but we must keep working to make this bill law, which now heads to the Senate. The crusade to protect civil rights for Hoosiers and all Americans continues, and I’m honored to help lead that effort.”

- U.S. Rep. Greg Pence (R), teams up with a fellow former Marine, U.S. Rep. Ruben Gallego (D-AZ), to introduce bipartisan legislation to help American victims of the 1983 Marine Corps barracks terrorist bombing in Beirut satisfy financial judgments against Iran connected to the act of terror. Their measure would amend the Iran Threat Reduction and Syria Human Rights Act of 2012 to allow the families of the bombing victims to execute court judgments on \$1.68 billion in Iranian funds currently held by Clearstream S.A., a Luxembourg-based firm.

- U.S. Rep. Jackie Walorski (R) was pleased that the Trump Administration unveiled a six-month delay in deciding whether to impose Section 232 tariffs on automobiles and automotive parts. “President Trump’s decision not to impose auto tariffs in the coming days comes as a relief to millions of American workers and families who would bear the cost of a massive tax hike on cars and auto parts,” she said. “I support the President’s goal of ensuring a level playing field for U.S. businesses and workers, but auto tariffs would be devastating to manufacturers in my district and across Indiana that make cars, RVs, auto parts, and more. Moving forward, the administration should make the Section 232 national security investigation report public and should not take any action that would threaten our nation’s strong economic momentum.” Rep. Walorski, a member of the House Committee on Ways and Means, has repeatedly called on the Trump Administration not to put American jobs and economic growth at risk with costly auto tariffs, and earlier this month led a bipartisan group of 159 members of Congress urging National Economic Council Director Larry Kudlow and the President not to impose auto tariffs . . . Rep. Walorski introduces a House resolution recognizing the service and sacrifice of military working dogs and their handlers who served in the U.S. Army’s Tactical Explosive Detection Dog (TEDD) program. H.Con.Res. 43 would also encourage government agencies and military services to prioritize former handlers when a former military working dog becomes available for adoption. “Military working dogs and their handlers have served our country with courage, and we owe them a debt of gratitude for risking their lives to protect our national security and keep our servicemembers safe on the battlefield,” Rep. Walorski said, citing the recent experience of a Culver Army vet reunited with the bomb-sniffing dog who served at his side during a nearly year-long deployment to Afghanistan.



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● U.S. Rep. Susan Brooks (R) was one of only eight House Republicans to vote for H.R.5, the “Equality Act,” on May 17. She explains, “Discrimination of any kind, towards anyone, is wrong and at this time in our nation’s history, we cannot turn a blind eye to the discrimination the LGBTQ community faces. In order to work towards eliminating discrimination throughout our country, whether in the workplace, when purchasing or renting a home, staying in a hotel, at schools, applying for credit or in jury service, we must expand civil rights protections to the LGBTQ community. Including sex, sexual orientation, and gender identity among the prohibited categories of discrimination is a necessary step in order to make our country a safer place to live and work for all Americans. Because I’m aware of the discrimination members of the LGBTQ community face around the country when renting or buying a place to call home, I’ve authored legislation with Rep. Brad Schneider (D-IL) that has been included as a provision in the Equality Act. This provision ensures anyone, regardless of their race, religion, sexual orientation, gender identity, handicap, familial status and national origin is treated fairly and equally under the law as they buy or rent a home.” Rep. Brooks added, “I must acknowledge this bill is not perfectly drafted. I am pro-life and share the sentiment of my pro-life colleagues and constituents that conscience protections need to remain in place for medical providers with religious or moral objections so that they cannot be forced to perform abortions. However, these conscience protections under the Weldon and Hyde amendments in current law are not altered by this bill and will remain in place under current law. As the legislative process moves forward, I will advocate for clarification language that would improve this bill.”

● U.S. Rep. Trey Hollingsworth (R) poses this question to his CD 09 constituents last week: “Do you support President Trump’s efforts to put American companies on a level playing field and pave the way for the new U.S. - Mexico - Canada Agreement?”

● U.S. Rep. Larry Bucshon (R) was the only member of the Hoosier congressional delegation not to vote on H.R.5, the “Equality Act,” on May 17 (the delegation split, 5-3 against it) . . . Dr. Bucshon on Thursday released an outline of the bipartisan “Protecting People from Surprise Medical Bills Act,” forthcoming legislation that will cosponsor to help protect patients from unfair and expensive surprise medical bills, particularly those related to out-of-network treatments. The finalized legislation is expected to be introduced in the coming weeks. “As a physician, I believe it is important that patients are not financially burdened with surprise medical bills for unanticipated out-of-network care,” said Dr. Bucshon. “Instead of picking winners and losers, I support this bipartisan proposal that offers an independent dispute resolution process that is mediated by an arbiter. Access to life saving care is critical for all Americans and it should not come with lifelong penalties.” The measure would ban the practice of billing patients for unanticipated out-of-network care; implement a ‘baseball-style’ arbitration model that identifies a reasonable payment rate when insurers and providers cannot agree on the cost of care; and improve transparency by requiring health plans to clearly identify in-network providers and patients’ deductibles.

IN State Circles . . .

● Those magic words from the Legislative Council Tuesday morning: There will be no technical corrections day for the 2019 session.

□ The Council did, however, assign a long litany of study topics to interim study committees. There were 155 proposed topics this year, and the list was pared down by leadership vote to somewhere between 40 and 50 studies. A topic required the votes of three of the four leaders to be approved.

● Look for a five-day-long late October disciplinary hearing for Attorney General Curtis Hill (R) in front of former Supreme Court justice Myra Selby presiding as a special master. Given the timing for the next major public stage of the proceedings (scores of witness statements need to be taken between now and the hearing and some two-dozen witnesses are expected to testify in the hearing - including legislators and lobbyists, who may be called upon to testify as to their own activities and state of inebriation); the 30 days (think Thanksgiving) the former justice will need to allow both parties for their final responses; the need to formally prepare her findings and assemble the evidentiary record; and the time required for the Supreme Court to review her findings and the underlying evidence, there would likely be about a year left in General Hill’s term by the time a decision is rendered. Look for the special master to render her recommendation based upon whether there is clear and convincing evidence that the *Rules of Professional Conduct* were violated (though the Supremes can apply their own standards to a final decision).

□ We’ll stand by our expectation that the Court would be willing to avoid potential constitutional issues, administrative confusion, and the need to appoint an acting attorney general for less than a year *if* it were to believe severe discipline would be merited . . . and instead would broker an agreement under which any appropriate discipline would be meted out effective the day after Hill’s term expires - effectively impinging upon his eligibility for office again, even if no formal agreement were brokered to keep him off the ballot.

● The U.S. Environmental Protection Agency adds the Cliff Drive Groundwater Contamination in Logansport to the Superfund National Priorities List (NPL), which includes the most serious contaminated sites in the country. The Cass County site, at the intersection of Cliff Drive and Ottawa Road, was one of seven new sites nationally added to NPL. EPA uses NPL as a basis for prioritizing contaminated site cleanup funding and enforcement activities. The site, next to the Wabash River, is about 500 feet north of the Logansport Juvenile correctional Facility, and about one-half mile northwest of the Logansport State Hospital.

□ The Cliff Drive Groundwater Contamination site consists of a co-mingled plume of chlorinated substances that has contaminated the untreated groundwater in five municipal wells that supply drinking water to the city of Logansport. The contamination was first discovered in 1994, and the PCE (perchloroethylene) contamination in the municipal wells has remained constant for over 20 years. Untreated water in municipal wells has been contaminated with PCE at concentrations that do not exceed the Safe Drinking Water Act Maximum Contaminant Levels, but the contamination has persisted over the years at a constant level. The contaminated wells provide water to over 18,400 residents, most living in Logansport, Indiana. The water is blended and disinfected before it is distributed to residents. Area residents are hooked up to the municipal water supply distribution systems and use municipal water as their potable supply.

□ Despite several investigations in the area by the Indiana Department of Environmental Management, the origin of the contaminants has not yet been determined. IDEM has identified more than 20 active and former facilities that may have used chlorinated substances and could be contributing to the contamination. The State of Indiana referred the site to the EPA because the site requires further investigation and may require long-term cleanup. Other federal and state cleanup programs were evaluated but are not viable at this time. The EPA received a letter of support for placing this site on the NPL from the state. IDEM told EPA last year that “The state of Indiana remains concerned about the undiscovered source of the contamination that has been constant since 1994, which may present a current or future exposure risk to this community.” There are no EPA or state response actions planned.

● The Air Pollution Control Division issues an emergency rule to temporarily to designate Clark and Floyd counties to nonattainment for the 2015 ozone standard.

● The U.S. Environmental Protection Agency plans a \$26 million cleanup beginning yet this month on Lake George Canal in the cities of East Chicago and Hammond. The waterway is part of the Grand Calumet River Area of Concern on Lake Michigan, and has been identified by the United States and Canada as one of 43 “toxic hotspots” in the Great Lakes basin. Great Lakes Restoration Initiative work will be funded through a cost-sharing partnership with the East Chicago Waterway Management District, Atlantic Richfield Company and BP Products North America. Approximately 60,000 cubic yards of contaminated sediment will be dredged from the Lake George Canal. Any material that may remain will be capped and controlled, as needed. EPA anticipates the cleanup will be completed in 2020.

□ The Grand Calumet River flows 13 miles through Gary, East Chicago, and Hammond. The river was designated as an Area of Concern (AOC) under the Great Lakes Water Quality Agreement of 1987 largely due to legacy pollutants. These types of pollutants were found in sediment both at the bottom of the Grand Calumet River and the Indiana Harbor and Ship Canal. The river is recognized as one of the most contaminated in the nation and consists mostly of drainage from nearby cities and industries. Historical industrial activities such as steelmaking, meatpacking, and oil refining contaminated the river's sediment with heavy metals, polychlorinated biphenyls (PCBs), polycyclic aromatic hydrocarbons (PAHs), and oil and grease. The Grand Cal is the only AOC that was originally considered impaired on all 14 beneficial uses under the bi-national Great Lakes Water Quality Agreement. So far, two beneficial use impairments (BUIs) – “Restrictions on Drinking Water Consumption, or Taste and Odor Problems” and “Added Costs to Industry or Agriculture” – have been removed. Once the remaining 12 BUIs have been lifted, EPA will work with the state to begin the process of delisting.

● The Naval Facilities Engineering Command, Atlantic is working with residents living near Naval Support Activity Crane to inform them about recent groundwater test results in the area that show traces of PFAS, a compound used in military firefighting foam and associated with adverse health conditions. While the testing has largely showed levels below certain federal levels of concern, the Navy is seeking to ensure that the material has not migrated off the Crane footprint, and is offering to test local private drinking water wells.

● The U.S. Court of Appeals for the Seventh Circuit held oral argument Tuesday in *Common Cause Indiana, et al., v. Marion Co. Election Bd, et al.*, No. 18-2735. This is the litigation over a July 2018 consent agreement entered into by the Marion County Election Board with Common Cause and the NAACP to offer additional satellite early voting sites. After the agreement was reached, Attorney General Curtis Hill (R) intervened to block the deal, asserting that it violated state law and was contrary to the public interest given, in part, that the plaintiffs failed to show that the failure of election officials to offer additional early voting options caused unequal voting opportunities for minorities in violation of the First and 14th amendments – that no ruling was ever made on the merits. Much of the dispute focused upon whether the consent decree should be declared moot on the merits or moot because it was moot. Judges Joel Flaum, Diane Sykes, and Michael Kanne heard less than 12 minutes of oral argument on the matter, as Judge Sykes suggested the underlying controversy was not moot. The original plaintiffs argued that there was no collusion.

● The State of Indiana is a party to a settlement agreement with Sephora USA Inc. to resolve allegations that it failed to collect certain taxes on internet sales in violation of the state's False Claims Act. The claims involve shipments to Indiana from February 2010 through March 2019, well before the new state law on online sales tax was enacted. What's interesting about this settlement is that it arises from a claim made by the Chicago law firm of Stephen B. Diamond P.C. in 2016 against Sephora, in which the (Zoeller Administration) Office of the Attorney General declined to become involved, and Stephen B. Diamond P.C., represented by Plews Shadley Racher & Braun LLP, prosecuted the action on behalf of the State under the False Claims Act.

□ Sephora allegedly failed to pay use tax on shipping, handling, and freight charges for internet sales of goods shipped to Indiana consumers. While it disputes the amount sought, Sephora, potentially subject to treble damages and at least \$5,000 per violation, opted to settle, and the State consented to dismissal of the litigation.

□ Under the terms of the settlement agreement, *State ex rel. Stephen B. Diamond P.C. v. Sephora USA, Inc.*, No. 49D13-1602-PL004602, Sephora will pay \$68,293 to Stephen B. Diamond P.C., which raised the initial concerns regarding alleged false claims conduct, and another \$157,358 in attorney's fees and costs to Plews Shadley. The State pockets \$159,349.

□ “My office works tirelessly on behalf of Hoosier taxpayers to root out fraud against the government and recover taxpayer monies,” Attorney General Curtis Hill (R) said in a news release. “Settlements such as this one send a message to all business entities that we will hold them accountable for following the law and being truthful.” OAG reports that This investigation and settlement resulted from the coordinated efforts of the Litigation Division of the Office of the Attorney General. As best as we can tell from the Marion County court docket, the State's role was largely just in signing off on the deal under law. “In September 2018, the parties reached an agreement in principal to settle this case and agreed on the terms of a settlement agreement. That draft was forwarded to the Indiana Attorney General's Office for the State to review. The State has returned the draft with its changes and the parties are reviewing the revised draft,” read a February status update submitted to Marion County Superior Court 13 Judge James Joven.

- Purdue University tax guru Dr. Larry DeBoer tweets that “K-12 appropriations have grown 3.9% above inflation from 2012-2021. That’s just a smidge higher than the general state revenue increase over the same time period.”

- In *City of Gary v. Smith & Wesson Corp., et al.*, No. 18-A-CT-181, a unanimous Court of Appeals panel allows the City of Gary’s liability lawsuit against 10 handgun manufacturers to proceed, even in light of the 2015 amendment to the State’s Immunity Statute which seemingly barred the action. In a 33-page ruling authored by Judge Terry Crone and concurred in by judges Ted Najam and Rudy Pyle, the court allowed the action to continue despite finding that “the City has failed to establish that the Amendment is unconstitutional.”

□ The panel rules that Gary’s lawsuit is not an unlawful attempt to regulate firearms; the Immunity Statute does not bar all of its claims; the manufacturers are not entitled to attorney’s fees and costs; and it reaffirms its prior holding that the federal Protection of Lawful Commerce in Arms Act (PLCAA) does not bar the City’s claims. The panel affirms in part, reverses in part, and remands the matter to the Lake County Superior Court for further proceedings on claims for public nuisance and negligence in distribution of firearms (but not on its claim of negligent design).

- Hoosier legislative leaders (specifically House Speaker Brian Bosma (R), House Committee on Public Policy Chair Ben Smaltz (R), and former Senate president pro tem David Long (R)) stood firm against Hoosiers for Life and their often over-the-top crusade for “the protection of innocent human life from conception to natural death” that even provoked a backlash from Indiana Right to Life, will leaders be able to resist H4L (and Rep. Curt Nisly (R)) going forward after other states have so publicly enacted “fetal heartbeat” legislation in recent weeks – since Hoosier lawmakers adjourned *sine die*?

□ And will the fate of pending lawsuits filed by the American Civil Liberties Union of Indiana have any bearing on the General Assembly taking the next step just before the 2020 primaries – in which social conservative groups have pledged to battle the Governor – and legislators who have differed with the groups on bias crimes legislation?

- The Supreme Court of the United States emerges from its May 16 conference without a decision on whether the justices will grant a *writ of certiorari* to the State of Indiana on either Pence-era Indiana abortion case awaiting a decision. The initial Indiana case up for appeal was before the Court for the 14th time for decision on acceptance, more appearances than any other case on the SCOTUS conference docket . . . and the national news media continues to watch the initial Indiana case more closely as other appeals of more extreme laws are likely to emerge and talk suggests this many appearances may be a record. Expect the two Indiana cases to be back on the conference docket on May 23, with dispositions announced on Tuesday, May 28.

□ The State of Indiana filed its petition for *cert* back in October in *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. You know the drill by now: This case involves a challenge to provisions of HEA 1337-2016 that would: (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, *i.e.*, by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ Joined on the May 16 conference list: *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the appeal of a constitutional challenge to the requirement of ultrasound as part of informed consent at least 18 hours before an abortion. There had been some speculation that the Court had been waiting for this case to pop up on the conference list before joining the Indiana challenges and considering them together. With the spate of recent laws in other states seeking to reverse *Roe v. Wade*, joinder and decision of these less “radical” laws could offer SCOTUS a way to uphold or set limits on *Roe* instead of overturning it.

□ “AG Curtis Hill defends ban on abortions in which living fetuses are ripped from womb piece by piece” is the headline on a news release last week announcing that the State of Indiana has filed its response to the American Civil Liberties Union of Indiana in *Bernard, M.D., v. Indiv. Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv-1660-SEB-DML. General Hill defends HEA 1211-2019, a law banning dismemberment abortions (which those who support availability of the second trimester procedure label by the medical term “dilation & evacuation”; the nomenclature debate is similar to the war of words some two decades ago between “partial-birth abortions” and late-term abortions). The State’s filing is in response to an ACLU motion for a preliminary injunction against the law that would prevent it from going into effect July 1 as planned. ACLU is representing a physician at IU Health Methodist and Eskenazi hospitals in Indianapolis, who performs abortions using the procedure to be banned.

□ The State’s response begins by explaining, “The State of Indiana seeks to ban a single specific abortion procedure – one that entails ripping a live fetus limb-from-limb from the mother’s womb. The State has determined that this ‘brutal and inhumane procedure’ will ‘coarsen society to . . . vulnerable and innocent human life,’ and the Constitution permits the State to prohibit the procedure in light of this judgment.” In its release about the law, Hill’s office explains that under this procedure, “physicians use forceps to rip live fetuses piece by piece from their mothers’ wombs. As they are being dismembered, the fetuses bleed to death.”

□ OAG, in a submission by Solicitor General Tom Fisher, sets forth the following in its memo in support of denying the preliminary injunction: The dismemberment ban does not impose an undue burden on a woman’s right to decide whether or not to bear a child, and the ban “does not violate a woman’s right to bodily integrity.” The State’s filing asserts that the State has a compelling interest in “protecting the value and dignity of fetal life by banning a brutal and inhumane procedure; rulings by the Supreme Court of the United States allow bans of specific procedures as long as safe alternatives remain available and evidence demonstrates that there are safe alternatives to dismemberment abortion. The State also contends that the ban” will not impose an undue burden on a large fraction of women between 16 and 20 weeks’ gestation.” OAG’s bottom line: the plaintiff has not demonstrated irreparable harm and public policy and the balance of equities favor the State.

□ On the same day as AG Hill released his statement about the latest abortion law defense, the Democratic Attorney Generals Association sent a fundraising email nationally seeking first-time contributions “to support Democratic AGs in their fight against Trump and Republicans who are waging a war on women,” noting that “Trump and the GOP have repeatedly tried to defund Planned Parenthood and other

healthcare providers and to restrict access to abortion for women across the country. And in Republican controlled states, we're seeing a flood of radical abortion bans that seek to overturn *Roe v. Wade* That's why Democratic AGs are so important. Since Trump took office, they have taken non-stop action to protect access to abortion, contraception, and funding for family planning clinics like Planned Parenthood. And they're winning. Simply put, no other elected officials in the country have had more success stopping Trump and Republican attacks on women's health than Democratic AGs. When Trump came after access to birth control, Democratic AGs across the country sued and won injunctions to preserve access to contraception nationwide. When Trump came after funding for healthcare providers like Planned Parenthood, Democratic AGs again sued and won more injunctions to continue funding for healthcare centers and education. And when Kentucky moved to restrict abortion access, a coalition of Dem AGs came together to protect women's rights."

□ The missive concludes, "There are more than a dozen AG races at stake in 2019 and 2020, and the outcome could determine whether we will be able to stop the next Republican attack on women's rights and abortion."

● R-CALF USA (Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America), files suit in U.S. District Court for the District of Montana seeking to declare the beef checkoff practices in 15 states - including Indiana - as unconstitutional.

□ R-CALF USA, the largest producer-only membership based organization that exclusively represents U.S. cattle and sheep producers on domestic and international trade and marketing issues, contends that in each of the 15 states, the state beef councils are private corporations that have been keeping one-half of all the mandatory beef checkoff assessments collected within their states to fund their private speech. The group challenges this practice on the grounds that the First Amendment prohibits the government from compelling cattle producers and other citizens to subsidize private speech. The remedy to this violation, according to R-CALF USA, is to allow producers in those 15 states to choose whether or not to fund private corporations. If producers choose not to fund their private state councils, their money should go to the government to fund its work on behalf of ranchers, which the Supreme Court has held is constitutional. The lawsuit claims R-CALF USA and its members are injured by the state council's private speech because rather than promote consumption of domestically produced beef, which R-CALF USA believes will benefit its members, the councils promote beef regardless of how or where it was raised. The alleged injury arises because the councils are not accountable to the public, meaning R-CALF USA cannot employ traditional lobbying techniques to advocate for change. Another of the group's objections is that the state beef councils send checkoff money to third-party entities that are likewise not publicly accountable and that use the money to support the consolidation of the cattle and beef industry.

● The Office of the Attorney General's Complex Litigation team, assisted by the law firms of Cohen Milstein Sellers of Washington, D.C. and and Toll PLLC and Zimmerman Reed LLP of Minneapolis, files suit in Marion County Superior Court, Civil Division 13 against members of the Sackler family, alleging that as owners and directors of Purdue Pharma the Sacklers have played a key role in worsening the opioid crisis in Indiana. *State v. Sackler, et al.*, No. 49D13-1905-PL-020498.

□ Cohen Milstein describes itself as "a pioneer in plaintiff class action lawsuits on behalf of victims of corporate abuses," while Zimmerman Reed calls itself "a firm committed to being the voice of people injured by fraud, negligence or other illegal conduct." Purdue Pharma is best known for manufacturing and marketing the painkiller OxyContin. In November, the State filed a lawsuit against Purdue Pharma, alleging the company intentionally understated the health risks of long-term opioid use and deceptively marketed several drugs in ways that violated Indiana law. That matter remains pending in Marion County Superior Court. In last week's lawsuit, the State of Indiana, following the lead of some other states, alleges that members of the Sackler family directed, approved of, and participated in their company's "destructive" strategies. The lawsuit further alleges that the Sacklers enriched themselves to the tune of billions of dollars from these schemes. In fact, according to the Office of the Attorney General, the Sacklers instructed Purdue Pharma to distribute approximately \$4.3 billion to the Sackler family from April 2008 until 2016 alone." The State alleges that certain members of the Sackler family - who individually served as Purdue Pharma's CEO, vice presidents and/or board directors - violated the Deceptive Consumer Sales Act, the Prescription Drug Discount and Benefit Card Statute, the False Claims Act and the Medicaid False Claims Act, among other unlawful activities. The lawsuit seeks civil penalties, treble damages, disgorgement of ill-gotten gains, and restitution of sums constituting unjust enrichment.

□ "We believe the Sacklers' wrongful acts have left a wake of addiction, death and devastation in Indiana and across the country," Attorney General Curtis Hill (R) said. "The Sackler family and Purdue Pharma bear substantial responsibility for causing this crisis. Now they must bear substantial responsibility to help fix it." He adds, "I hope this lawsuit serves notice to all that this office will continue to hold accountable companies and individuals who are engaging in abusive, deceptive, illegal and/or unfair conduct that causes harm to Indiana consumers."

● Look for the State Ethics Commission to propose a rules package that would amend 40 IAC 2-2-1 regarding Commission procedures; amend 40 IAC 2-2-2 regarding reconsideration or clarification of formal advisory opinions; amend 40 IAC 2-2-4 regarding advisory opinions signed by the director; amend 40 IAC 2-2-5 regarding others providing information; amend 40 IAC 2-2-6 regarding the public record; amend 40 IAC 2-3-1 regarding applicable statutes and rules; add 40 IAC 2-3-1.5 to include new definitions; add 40 IAC 2-3-2.3 regarding investigations; add 40 IAC 2-3-2.5 regarding complaints filed by the inspector general; amends 40 IAC 2-3-3 regarding agreed settlements; adds 40 IAC 2-3-4.1 regarding public hearings; add 40 IAC 2-4.5 regarding fines; and amend 40 IAC 2-5-4 regarding certification of documents and records.

□ A series of policy and procedural provisions would also be repealed.

● The Indiana Department of Transportation updates its Conflict of Interest Policy, and the new policy does not allow consultants that performed design work to serve as prime consultant for inspection, and does not allow these consultants to provide the Project Engineer/Supervisor services. Design firms, however, could perform in any subconsultant capacity subservient to the prime consultant and to the Project Engineer/Supervisor.

□ INDOT clarifies Monday in response to an inquiry that the updated policy applies to Local Public Agency (LPA) program projects “except when indicated otherwise in the specific details. The construction inspection policy change was on a detail statement only applicable to INDOT sponsored projects.”

● We’re hearing that an embarrassment of riches is posing problems for some local road projects. Talk around the state is that some local government units are asking the Indiana Department of Transportation to hold off on funding some local projects from the big bucket ’o bucks generated by the Next Level Roads program because so much highway and infrastructure work is taking place now that contractors are telling them they can’t handle all the work because they don’t have enough workers and equipment.

□ Another problem: Short-term infrastructure issues popping up that require immediate responses, including road and roadside slides in southeastern Indiana, and a major I-265 sinkhole that required closure of several miles of all eastbound lanes in Floyd County at mid-week.

□ We’re also hearing, however, that with projects not just a one-time, short-term phenomenon, contractors are looking to invest in equipment, hiring, and training to bolster their resources going forward.

● On the same day that Carmel Mayor Jim Brainard (R) offered insights at a sustainable living seminar in Carmel from his travels to international climate conferences . . . and the same day that the Purdue Climate Change Research Center’s statewide effort that puts global change into local perspective, helping Hoosiers understand the risks of a changing climate so they can make better decisions for the future rolled out a new set of resources including county-level climate summaries, and made available in one place eight recent Indiana climate change reports, Attorney General Curtis Hill (R) revealed that he led a coalition of 18 Republican attorneys general in filing an *amicus* brief in the U.S. Court of Appeals for the Ninth Circuit arguing that the cities of San Francisco and Oakland should not be able to use the common law of “public nuisance” to force five fossil fuel companies to pay for the harms the cities say the companies created by contributing to global climate change. *City of Oakland, et al., v. BP p.l.c., et al.*, No. 18-16663.

□ General Hill urged the appellate court to dismiss the lawsuit filed by the State of California on behalf of the two cities against the five named companies. “The justiciability of climate change lawsuits is an issue of extraordinary importance to the *Amici* States,” begins the brief authored by Solicitor General Tom Fisher. “Adjudication of claims to abate harms allegedly produced by global climate change would disrupt carefully calibrated state-federal regulatory schemes devised by politically accountable officials. Courts should not use public nuisance theories to confound state and federal political branches’ legislative and administrative processes. Courts should not be in the business of establishing emissions policy (or, as is more likely, multiple conflicting emissions policies) on a piecemeal, ad hoc, case-by-case basis under the aegis of common law.” Fisher explains, “States have an especially strong interest in this case because the list of potential defendants is limitless. Plaintiffs’ theory involves nothing more specific than promoting fossil fuels. As utility owners, power plant operators, and significant users of fossil fuels, States and their political subdivisions themselves may be future defendants in similar actions.”

□ “The issues surrounding climate change and its effects – and the proper balance of regulatory and commercial activity – present political questions that cannot be resolved by judicial decree,” General Hill said. “Indeed, were the court to intervene here it would trample Congress’s carefully calibrated process of cooperative federalism, in which states work in tandem with the EPA to administer the federal Clean Air Act.” He adds, “States have an especially strong interest in this case because the list of potential defendants is limitless. As utility owners, power plant operators, and significant users of fossil fuels, states and their political subdivisions themselves may be future defendants in similar actions. Our *amicus* brief should send a loud message that the rest of the nation will not stand idle while California tries to become its own regulatory empire.”

● Attorney General Curtis Hill (R) and Arkansas Attorney General Leslie Rutledge (R-AR) co-lead a coalition of Republican attorneys general from 12 states (six of whom are on the nine-member executive committee of the Republican Attorneys General Association) supporting the rescission of a 2017 Consumer Financial Protection Bureau rule governing small, short-term loans and replacing it with a proposed regulation that they contend would return consumer protection to the states and recognize state attorneys generals as the frontline consumer defenders. They assert that the 2017 rule, drafted under the Obama Administration, improperly sought to cut the states out of the consumer-protection picture, and that this one-size-fits-all approach to short-term lending hurt consumer freedom to choose which financial products best serve their own individual interests. In the letter, the attorneys general write, “The proposed rule respects the states’ role in maximizing consumers’ welfare by ensuring both that consumers are protected from illegal practices and that they have access to credit” on fair terms.

● Attorney General Curtis Hill (R) is not among a bipartisan coalition of 38 state and territorial attorneys general signing a letter under the auspices of the National Association of Attorneys General urging congressional leaders to pass the federal Secure and Fair Enforcement (SAFE) Banking Act to afford licensed cannabis businesses access to the federal banking system. The attorneys general argue that under existing law, federal regulators are forcing legal businesses to operate as cash-only operations, which poses serious safety threats, creating targets for violent and white-collar crime. They also explain that law enforcement is less able to track potential financial crimes, and it is more difficult for businesses to pay – and for the state to collect – tax deposits.”

□ Those AGs who did sign the letter – including those from each of our neighboring states – explain that they “recognize that the states, territories and federal government share a strong interest in protecting public safety and bringing grey market financial activities into the regulated banking sector. To address these goals, we urge Congress to advance legislation that would allow states and territories that have legalized certain use of marijuana to bring that commerce into the banking system Our banking system must be flexible enough to address the needs of businesses in the various states and territories, with state and territorial input, while protecting the interests of the federal government. This includes a banking system for marijuana-related businesses that is both responsive and effective in meeting the demands of our economy.” The AGs contend that allowing banks the requested safe harbor would promote a flow of billions of dollars into the banking industry and help state and federal regulatory authorities to be more effective in their roles in monitoring and taxing marijuana businesses.

□ General Hill was also not a signor of a similar January 2018 letter sent by a bipartisan coalition of 18 AGs to congressional leaders urging them to enact such legislation.

IN the Economy

● How well-prepared is Indiana to weather a recession? Moody's evaluates all 50 states on four fiscal and credit variables to determine the likelihood a state will be able to effectively weather a moderate recession without significant adverse credit impact, and doesn't find Indiana in particularly good shape. Indiana is one of 26 states that only rates in the "moderately prepared" category overall and in each individual category, including revenue volatility (25% weight); coverage by budgetary reserves and rainy day funds (25%); pension liability risk (20%); and financial flexibility (30%). Indiana is joined in the "moderately prepared" category by our neighbors to the north in Michigan and south in Kentucky, while Illinois is one of only two states that fares "weaker in recession preparedness," and Ohio grades out in the "strongly prepared" classification.

● The April unemployment rate in Indiana remains unchanged from March at 3.6% unemployment. The rate in Indiana has only fluctuated by one-tenth of a percentage point since August 2018. The current rate is 0.4 percentage points higher than the 2018 low of 3.2% that lasted from February through May of that year. This extends the longest period of no improvement in unemployment on record in the state. Sixteen months have now passed since the Indiana unemployment rate has decreased, dating back to November to December 2017.

□ With the exception of one month when it was equal (in October 2014, at a hefty 5.7%), Indiana's rate held below the U.S. rate for 5½ years – until April 2019. Indiana's April rate failed to trail the national average for the first time in a remarkable 66 months, with both the Indiana and national rates tied at 3.6% in April as the national average was down from the previous month's rate of 3.8 percent. Indiana remains ranked 23rd for lowest unemployment in the country for the second month in a row.

Monthly Unemployment Rates, Indiana vs. Neighbors

	04/19	04/18	03/19	02/19	01/19	12/18	Monthly	Annual
Indiana	3.6%	3.2%	3.6%	3.5%	3.5%	3.5%	0.0%	0.4%
Illinois	4.4%	4.3%	4.4%	4.3%	4.3%	4.3%	0.0%	0.1%
Kentucky	4.0%	4.4%	4.0%	4.1%	4.2%	4.3%	0.0%	(- 0.4%)
Michigan	4.1%	4.3%	4.0%	4.0%	4.0%	4.0%	0.1%	(- 0.2%)
Ohio	4.3%	4.6%	4.4%	4.6%	4.7%	4.5%	(- 0.1%)	(- 0.3%)
National	3.6%	3.9%	3.8%	3.8%	4.0%	3.9%	(- 0.2%)	(- 0.3%)

□ Indiana remains unchanged in having the lowest unemployment rate compared to our immediate neighbors, though we have seen a much higher increase in unemployment rates over the last year (rates in all of our surrounding states except Illinois have decreased). Indiana is one of 20 states that saw no changes from March to April. Only six states nationally experienced an increase in unemployment over the last month, and one of them was Michigan. Indiana's unemployment rate remains 7.0 percentage points lower than the 10.6% rate in July 2009, the high point of unemployment experienced in the state during the national financial crisis.

□ While three of our neighboring states have seen their unemployment rates decline since the beginning of 2018, Indiana has seen a growth of 0.3 percentage points, just as it did in March. Since the new administrations respectively took office in Indiana and nationally, our unemployment rate is down by 0.2 percentage points, which continues to be a significantly less impressive decrease than that which any of our neighbors recorded . . . and while we can no longer claim that our rate is at the lowest it had been since 3.1% in December 2000, it does remain lower than that of any of our neighbors for a 32nd consecutive month. The gap between Indiana's April unemployment rate and that of our closest neighbor-state remains at 0.4 percentage points.

Rate of Change in Unemployment Rate

	04/19	01/18	01/17	vs. 01/18	vs. 01/17
Indiana	3.6%	3.3%	3.8%	0.3%	(- 0.2%)
Illinois	4.4%	4.4%	5.2%	0.0%	(- 0.8%)
Kentucky	4.0%	4.3%	5.2%	(- 0.3%)	(- 1.2%)
Michigan	4.1%	4.5%	5.0%	(- 0.4%)	(- 1.1%)
Ohio	4.3%	4.5%	5.2%	(- 0.2%)	(- 0.9%)
National	3.6%	4.1%	4.8%	(- 0.5%)	(- 1.2%)

□ Indiana's total labor force – the number of people who have a job or are actively looking for one – continues to grow (for a 14th successive month), experiencing a net increase of 1,349. The rate of growth continues to be lower than previous months, 5,420 fewer than in March. The Department of Workforce Development attributes the gains to an increase of 2,634 unemployed residents and an increase of 4,135 employed Hoosiers.

□ Indiana's seasonally adjusted total labor force now stands at 3,415,523, up marginally from 3,414,389 in March. Indiana's labor force has grown for 27 consecutive months now, the longest streak in more than a decade. While the state ended 2018 with record employment numbers for the year, the total number of employed Hoosiers in April preliminarily reached 3,292,177, a new record high, topping the previous peak of 3,291,068 for the state set in March. Total private employment exceeded its December 2018 peak by 11,400, now standing at 2,743,500. An estimated 123,346 Hoosiers are currently unemployed and seeking employment, virtually spot-on the 123,321 March number. Since the low point of global financial crisis unemployment in July 2009, private sector employment growth in Indiana (18.0%) has been passed by the U.S. growth rate (18.8%).

□ The state's 65.3% labor force participation rate had improved slightly each month this year until stalling in April, but it remains above the national rate of 62.8% (which fell slightly). Indiana's labor force participation rate has now outperformed the national average for 59 consecutive months.

□ After reaching new heights for the last five months, private sector employment has grown by 36,700 over the year, but fell by 3,600 over March. Losses were primarily driven by decreases in Financial Activities (- 600) and Manufacturing (- 400). Losses were partially offset by gains in the Leisure and Hospitality (1,600) and the Construction (1,100) sectors.

□ Howard County, which had ranked 18th in March unemployment at 4.4%, jumped to the top of the unemployment rate chart at 6.9% for April, well above the 5.1% rates posted by Miami and Vermillion counties – one of the largest disparities we can recall seeing between first and

second place. Lake County topped the state at a steady rate of 6.9% in February and March, and dipped to a fourth-place finish at 4.8% in April. Only 13 counties exceeded the 3.6% average state unemployment rate. While only four counties were at or above five percent unemployment in December, 13 counties earned that dubious distinction in January and the same number were in that cohort during February before dropping to 11 in March and back to just three in April, better resembling where we ended 2018. While only 12 counties topped the four percent unemployment rate threshold in December, 37 did so in February, down from 50 in January (and four more were also at precisely 4.0% in both January and February), and 38 were in that category for March. Nine were at 4.0% or below in April, closer to the eight counties that were above 4.0% in November.

□ There were 50 counties below 3.0% unemployment during April compared only six in March, with Bartholomew and Dubois, counties tied for lowest unemployment honors at 2.1%, between than the three-way state tie at 2.8% seen in March. There were 27 counties under the three percent threshold in December after November had seen just 11 counties that fell below. In October, 17 counties did so – but 41 had been south of that mark in September. A majority of counties (52.17%, or 48 counties) trailed 3.0% as recently as April 2018.

● Indiana Farm Bureau recently conducted an online survey of farmer members to gauge how the ongoing trade conflicts and increasing tariffs are impacting their operations. Almost three-quarters (72%) of respondents claim the current trade environment's impact on commodity prices is jeopardizing their farm operation. The INFB survey also sought to understand the level of satisfaction with the current trade climate and the importance of passing the United States-Mexico-Canada Agreement. When asked about the current trade situation, 56% of Farm Bureau members who responded said they were not satisfied, and 65% said it was very important that USMCA is ratified.

□ “Farmers’ patience on the trade situation certainly seems to be stretched thin,” says IFB President Randy Kron. “It’s crucial that the administration finalizes and implements the USMCA, and that they continue to work toward additional agreements with Japan, the European Union and other nations. It will take many years to replace the export market that was lost during the trade war with China. Farmers understand the need to take corrective action regarding some of the trade inequities with China and to address the Chinese disregard for intellectual property rights. But if agreements aren’t passed and additional efforts aren’t made, some Indiana farmers will not be able to weather this storm.”

● We’ve mentioned that Hoosier farmers are high on the prospect of hemp as a major Hoosier cash crop thanks to changes in federal and now state law, and the state is also seeing an infusion into the economy from CBD products. We’ve told you about the regional convention about CBD products in Indianapolis a few months ago, and web sites, broadcast media, print publications and billboard companies have benefited from a spate of advertising for CBD retailers. One other benefit: vacant spaces in often-aging strip malls across the state have been filled by retailers of CBD products. Craft 1861, a provider of CBD, was on track to make sports history over the weekend as the first CBD industry sponsor of a major professional team to race at the Indianapolis 500.

□ Lawmakers recognize this boom: a legislative interim study committee will study taxation of CBD oil.

□ But this buzz could prove short-lived as consumers find that they may not be realizing any medicinal benefit; supply becomes so prevalent that prices plummet; or the Food and Drug Administration allows some minimal level of CBD in food and supplements, making the product less novel.

● When the economist for the national economic consulting firm retained by the State Budget Agency to provide guidance for the revenue forecast update last month was asked by State Budget Committee members as to what constituted “red flags” for a coming recession, IHS Markit economist Tom Jackson he indicated a decline in manufacturing (hard goods and vehicle manufacturing in general) as well as “rising gas prices” should be monitored as signals. Well, gas prices at several stations in Indianapolis were at \$2.99 per gallon race week, and the *Wall Street Journal’s* “Real Time Economics” newsletter reported Friday, that the latest surveys on manufacturing- and service-sector activity for the U.S. “plunged in May, suggesting American business confidence is faltering and the economy is decelerating much more than expected. IHS Markit’s U.S. index for manufacturing dropped to the lowest level since September 2009 and the measure for services to the lowest level since March 2016. ‘Worse may be to come, as inflows of new business showed the smallest rise seen this side of the global financial crisis,’ said IHS economist Chris Williamson.”

□ Pay attention. Both canaries in the Hoosier coal mine identified by IHS Markit just last month are now chirping, with the manufacturing data IHS Markit’s own, and Jackson’s own IHS Markit colleagues exhibiting national concern.

● Dressbarn is the latest retailer to fall victim to national trends, closing all of its locations nationally, including 16 throughout Indiana (three in Indianapolis proper) . . . Penske Logistics plans to close its Fort Wayne operations beginning in mid-July, ending 80 jobs after a local trucking contract was terminated . . . NIBCO, Inc. plans to close its Charlestown plastics plant as a result of its sale to another company. The closure will begin in mid-July, and some of the employees may be rehired by the purchaser. . . Schneider Electric plans a closure of its Peru switchgear and switchboard apparatus manufacturing facility by the end of July, ending more than 30 jobs . . . controversial moves by Biglari Holdings shutter scores of Steak ‘n Shake units nationally and across the state, albeit purportedly temporarily . . . Tuchman Cleaners closes several Central Indiana units as well amidst questions about the parent’s plans and viability.

● LHP Engineering Solutions (LHPES), a global engineering services provider of engineering services and technology integration for embedded controls, telematics, data analytics and model-based design for the automotive, aerospace and medical industries, plans to invest more than \$1 million to grow its headquarters its operations in Columbus, expecting to create up to 135 new jobs by 2023. The Indiana Economic Development Corporation offers LHP Engineering Solutions up to \$1.6 million in performance-based tax credits . . . as its service areas grow and new lines are introduced later this year, IndyGo looks to hire 150 new bus drivers . . . New York-based Ranger Power plans to invest \$175 million to build a 199-megawatt solar project in northeastern Shelby County beginning in 2022. When the array is brought online in 2023, it will generate sufficient power to serve 35,000 households, (roughly equivalent to all the homes in Fishers). Electricity generated by the “Speedway Solar” project through 2057 will be distributed exclusively by Indianapolis-based Wabash Valley Power Association, a wholesale electric supplier to 19 Indiana non-profit electric cooperatives . . . Matthews Aurora Funeral Solutions plans to hire 35 new employees for a new cremation casket product line at its Aurora casket facility.

IN Transition

- Whitney Downard will take over the CNHI State House Bureau when Scott Miley retires at the end of June. Downard is a 2016 graduate of St. Bonaventure University. She has worked for CNHI in Mississippi as a reporter for the *Meridian Star* since September 2016 and has already been named journalist of the year twice by the Mississippi Associated Press.

- Alicia Kielmovitch leaves her position as senior policy director for the State Board of Education to become chief of staff for the Governor's Workforce Cabinet.

- Expect to hear yet this month about a very familiar face (and voice) moving from one state entity to another to handle media work.

- The incoming slate of officers for the Government Finance Officers Association chosen last week includes **Dan Hugel** of the Indiana Finance Authority, the state's public finance director, as one of five new at-large selections to GFOA's 18-member executive board.

- **Scott Rudd**, director of broadband opportunities in the Office of the Lieutenant Governor, is a new appointee to the Federal Communications Commission's newly convened Broadband Deployment Advisory Committee. The panel will address how to best improve broadband infrastructure before a disaster occurs and how to use strategies during and after the response to a disaster to minimize broadband network downtime; how to encourage the deployment of high-speed broadband infrastructure and services to low-income communities; and make job skills training and development opportunities more widely available.

- Legislative Council Subcommittee assignments for 2019:

Audit Subcommittee: Sen. Victoria Spartz (R) - Chair

• Sen. Karen Tallian (D), Reps. Matt Lehman (R) and Greg Porter (D)

Personnel Subcommittee: Sen. Rodric Bray (R) - Chair

• Speaker Brian Bosma (R), Senate Democratic Leader Tim Lanane (D), House Democratic Leader Phil GiaQuinta (D)

Space Utilization Subcommittee: Sen. Sue Glick (R) - Chair

• Sen. Karen Tallian (D), Reps. Greg Steuerwald (R) and Mara Candelaria-Reardon (D)

Technology Oversight Subcom.: Sen. Randy Head (R) - Chair

• Sen. Jean Breaux (R), Reps. Todd Huston (R) and Cherrish Pryor (D)

IN the Lobby

- Hobart Hallaway & Quayle Ventures, LLC files a federal lobby registration on behalf of the International Franchise Association to lobby Congress on "Issues related to the Trademark Licensing Protection Act."

- Sextons Creek files a federal lobby registration on behalf of Nuo Therapeutics Inc., a "Biomedical therapies" firm based in Gaithersburg, Maryland, for former Indiana Republican Party chair and Pence Administration policy advisor Jeff Cardwell to lobby on "Medicare/Medicaid approval."

- NiSource, Inc. retains the Washington, D.C. law firm of Wilmer Cutler Pickering Hale and Dorr LLP to lobby Congress on "Issues related to pipeline safety and natural gas transportation and distribution."

- Faegre Baker Daniels Consulting terminates its federal lobby registration on behalf of Collegium Pharmaceutical, Inc.

IN Court

- A few years ago we were first to tell you of the interest by then-new Chief Justice **Loretta Rush** in establishing a pilot commercial court program. After the Supreme Court enacted the pilot program in 2016 in six counties to help expedite business and commercial litigation and provide litigants with arbiters better qualified to preside over such dockets, it has deemed the experiment a success, and an order makes the Commercial Courts Pilot Project a permanent component of the Hoosier judiciary effective June 1 - the date the pilot was to expire.

□ The order formalizes six permanent commercial courts to be presided over by the current pilot judges:

- Judge Craig Bobay, Allen County Superior Court Civil Division

- Judge Stephen Bowers, Elkhart County Superior Court 2

- Judge Richard D'Amour, Vanderburgh County Superior Court

- Judge Maria Granger, Floyd County Superior Court 3

- Judge John Sedia, Lake County Superior Court

- Judge Heather Welch, Marion Co. Superior Ct. Civil Division 1

□ Under the order, the commercial court judges will select the members of the Indiana Commercial Court Committee, a panel tasked with providing the commercial courts with guidance and comprised of the commercial court judges, litigators, transactional attorneys and in-house counsel representing businesses, other attorneys with commercial experience, a lawmaker, an Indiana Chamber of Commerce representative and a commercial law professor. The panel has been helping guide the judges during the pilot phase and will be made permanent. A rules change from existing pilot rules will also allow the commercial court judges the discretion to appoint a special master without consent of the parties.

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Attachments: [Howey 5-31-19.pdf](#)
[GamInsight May 31.pdf](#)
[LegInsight May 31.pdf](#)

Pillar 1- Diversify our economy

Inside IN Business- [GM Announces \\$24M Investment in Fort Wayne Truck Plant](#)
Journal Gazette- [GM CEO visits, announces \\$24 million investment](#)
CBS4- [GM to invest \\$24M to expand truck production in Indiana](#)
Republic- [Officials: Indianapolis-to-Paris nonstop flight flying high](#)
Inside IN Business- [Bloomington Hosts Trades District Launch Party](#)
WNDU- [Wet weather washes out much of corn planting season](#)
WTHR- [Indiana farmers weather the storm](#)

Pillar 2- Upgrade our infrastructure

Republic- [Residents learn more about overpass plans](#)

Pillar 3- Strengthen our workforce

NWI Times- [Indiana's workforce hits record peak in April](#)
Pharos Tribune- [Fast-food chain adding experience to the workforce](#)
NWI Times- [BNutty artisan peanut butter to hire 100 in major expansion](#)

Pillar 4- Attack the drug epidemic

Indy Star- [Eskenazi Health receives \\$5M from Sandra Eskenazi for mental health care](#)
Inside IN Business- [Eskenazi Receives Grant to Expand Assistance Program](#)
WBAA- [Grant Supports Increased Access To Addiction Treatment](#)
WFYI- [How One Hospital Drastically Cut Opioid Prescriptions](#)
Fayette Tribune- [Needle exchanges are but one piece of the drug puzzle](#)
Inside IN Business- [Addressing The Hidden Healthcare Costs in Your Workforce](#)

2019 Legislative Session

NWI Times- [Editorial: Leaner NICTD board lays tracks to commuter rail expansion](#)
News Dispatch- [Michigan City gets front row seat at NICTD](#)
Rushville Republican- [Tighter school bus safety bill signed into law](#)
Sun Commercial- [School officials react to new school bus safety law](#)
WTHR- [Governor signs law to create tracking system for sexual assault kits](#)
Chesterton Tribune- [NWI Forum holds panel on its legislative agenda](#)
Courier Journal- [Opinion: Lawmakers failed on gun violence and school safety](#)
14 News- [Indiana Gov. Holcomb signs victims' rights bill](#)
Journal Gazette- [Editorial: Strength in numbers](#)

Misc.

WFYI- [Teacher Pay Commission Chairman: Recommendations Won't Be 'One Size Fits All'](#)
WBIW- [IDEM And Volkswagen Committee Remind Grant Applicants Of June 17 Deadline](#)

SB Tribune- [Some Lake Michigan beaches see high bacteria in water](#)
Banner Graphic- [Lt. Gov. Crouch speaks on rural revitalization efforts](#)
Republic- [Columbus to participate in greenhouse gas emissions study](#)
Rushville Republican- [Former resident awarded Indiana's highest honor](#)
WISHTV- [Indiana Child Services Foster Parent Bill of Rights: 1 year later](#)
Inside IN Business- [Indiana Included in Data Breach Judgment](#)

Sincerely,

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AREA MAYORS PAN HOGSETT'S REGIONAL PLAN: Mayor Joe Hogsett's plan to shore up funding for Marion County roads by pooling income tax revenue from a nine-county area has struck a nerve with public officials in other counties, who say the proposal isn't in line with a larger vision they've been forming together. Several area mayors say they've been meeting to discuss regional cooperation—talks that Hogsett has been a part of—but had not signed off on any plan like the one the Indianapolis Democrat proposed (Colombo & Quinn, [IBJ](#)). The plan "doesn't reflect the conversations many mayors and town leaders have been having about ways to collaborate and invest in transformative projects," Greenwood Mayor Mark Myers said Thursday morning. And Fishers Mayor Scott Fadness, a strong proponent of regionalism, said the group's discussions have focused on long-term solutions that go "beyond fixing potholes." Fadness said he's "perplexed" by Hogsett's proposal and said it's not consistent with work that's underway by the Central Indiana Conference of Elected Officials. Brownsburg Town Council President Brian Jessen equated Hogsett's proposal to "standing on a street corner with a cup asking for contributions." And Westfield Mayor Andy Cook said he's seeking "a future-focused system in which we all participate in the decision-making versus an Indianapolis-only solution." Still, some observers—including officials at Indy Chamber—say the proposal is an encouraging sign that local mayors are thinking regionally. "This was such a taboo topic. It was a third rail type issue," said Indy Chamber CEO Michael Huber. "These mayors talk very frequently. A decade ago they didn't." Under Hogsett's plan, all nine central Indiana counties—Marion, Hamilton, Madison, Boone, Hendricks, Hancock, Morgan, Johnson and Shelby counties—would send a portion of their future income tax revenue growth to a fund that would be used to issue bonds for infrastructure.

PROF WHO PREDICTED LAST 9 RACES SAYS DEMS SHOULD IMPEACH: An American University professor who has correctly predicted the last nine presidential elections says President Trump will win the 2020 election unless congressional Democrats, "grow a spine," CNN reported ([The Hill](#)). Allan Lichtman, a political historian, said Democrats only have a shot at the White House if they begin impeachment proceedings against Trump, calling the decision both "constitutionally" and "politically" right in the wake of special counsel Robert Mueller's investigation into Russian interference in the 2016 presidential election. "It's a false dichotomy to say Democrats have a choice between doing what is right and what is constitutional and what is politically right. Impeachment is also politically right," Lichtman told CNN's Brooke Baldwin on Wednesday. Lichtman has developed a system of 13 "key factors" that help determine whether the party in the White House will maintain its hold, according to CNN. The factors range from whether the party has an incumbent president running to the country's short- and long-term economic conditions to foreign policy successes and failures. If the party loses out on six factors or more, he says they will lose the presidency. Lichtman says the Trump administration is down three key factors: Republican losses in the midterms elections, a "lack of foreign policy success" and Trump's "limited appeal to voters," CNN reported. Impeachment would trigger a fourth key — scandal over the proceeding's public nature. "Let's not forget, impeachment is not just a vote in the House," Lichtman said. "It involves public hearings as part of the impeachment inquiry, and, what everyone forgets, a public trial in the Senate in which House prosecutors present evidence, present documents, make opening and closing statements." Lichtman cited scandal as a central factor in former Vice President Al Gore's loss in the 2000 presidential election after President Clinton's impeachment process. "Democrats are fundamentally wrong about the politics of impeachment and their prospects for victory in 2020," Lichtman told CNN's Chris Cillizza on Tuesday.

BUTTIGIEG CONDEMNS TRUMP ON USS MCCAIN: Navy Reserve veteran and Democratic presidential candidate Pete Buttigieg is critical of President Trump's treatment of the USS John McCain during his Memorial Day state visit to Japan (*Howey Politics Indiana*). "This is not a show. Our military is not a prop. Ships and sailors are not to be toyed with for the benefit of a fragile president's ego," Buttigieg tweeted Thursday. It came after multiple media reports surfaced that the White House sought to hide the USS John McCain during Trump's visit. Trump said he didn't order the snub but said the White House effort was "well meaning." The [Wall Street Journal](#) reported that in addition to instructions for the proper landing areas for helicopters and preparation for the USS Wasp — where the president was scheduled to speak—the official issued a third directive: "USS John McCain needs to be out of sight." The White House official wrote, "Please confirm #3 will be satisfied." A tarp was hung over the ship's name ahead of the president's trip, according to photos reviewed by the Journal, and sailors were directed to remove any coverings from the ship that bore its name. After the tarp was taken down, a barge was moved closer to the ship, obscuring its name. Buttigieg served an Afghanistan war zone tour of duty as a Naval Reserve intelligence officer in 2014. U.S. Sen. John McCain was a Navy pilot shot down during the Vietnam War and spent five years in a POW camp. President Trump received a military draft deferment for bone spurs.

TRUMP SLAPS 5% TARIFF ON ALL MEXICAN IMPORTS: In a surprise announcement that could derail a major trade deal, President Donald Trump announced Thursday that he is slapping a 5% tariff on all Mexican imports, effective June 10, to pressure the country to do more to crack down on the surge of Central American migrants trying to cross the U.S. border ([AP](#)). He said the percentage will gradually increase — up to 25% — "until the Illegal Immigration problem is remedied." The decision showed the administration going to new lengths, and looking for new levers, to pressure Mexico to take action — even if those risk upending other policy priorities, like the United States-Mexico-Canada Agreement, a trade deal that is the

cornerstone of Trump's legislative agenda and seen as beneficial to his reelection effort. It also risks further damaging the already strained relationship between the U.S. and Mexico, two countries whose economics are deeply intertwined. Trump made the announcement by tweet after telling reporters earlier Thursday that he was planning "a major statement" that would be his "biggest" so far on the border. The tariffs would then increase by 5 percent on the first day of each month, starting on July 1." The tariffs could hit as high as 25%. An across-the-board tariff on all Mexican goods would exact a serious toll on American consumers and corporations, and is likely to generate significant opposition among businesses (New York Times).

MEXICAN TARIFF COULD BATTER AUTO INDUSTRY: The auto industry is facing a direct hit from President Trump's threatened tariffs on all goods from Mexico, *Axios* Markets editor Dion Rabouin reports: The industry has already laid off the highest number of employees in nearly a decade, and is attempting to recover from a year in which declining global car sales likely reduced world GDP by 0.2%. The White House followed up Trump's tweet by saying that if the "crisis" at the border isn't resolved, tariffs on Mexican goods will rise by 5 percentage points each month, as high as 25% on Oct. 1. Mexico recently became the No. 1 trading partner with the U.S., and a significant percentage of that trade is completed by auto companies. In addition to impacting consumers and company bottom lines, the tariffs are likely to impact jobs. The economic consequences of Trump's new plan could be swift and severe (Washington Post). If the tariffs damaged the Mexican economy, more of its citizens would try to cross the border to find work in the United States."

TRUMP CHALLENGES PELOSI ON USMCA PACT: The White House plans to trigger a process Thursday that would allow President Trump to submit his new trade deal with Canada and Mexico to Congress within 30 days, three people briefed on the planning said, a direct challenge to House Speaker Nancy Pelosi (D-Calif.) who had warned against such a step ([Washington Post](#)). The decision to send the draft "Statement of Administrative Action" to Congress would mark a major milestone in President Trump's push to overhaul the 1994 North American Free Trade Agreement, but it heightens tensions with Democrats who have said they need more time to review the deal and work for changes. Pelosi directly cautioned U.S. Trade Representative Robert Lighthizer not to send the draft report until Democrats had spent more time working with the White House on the plan. By filing the report with Congress, the White House will signal to Democrats that it does not plan to allow lawmakers to delay the process and will push for a vote soon.

TARIFF WAR CHANGING MANUFACTURING PLANS: When the Trump administration first imposed tariffs on \$34 billion in Chinese imports in July, Andy LaFrazia figured it was just another curveball for his company ([New York Times](#)). "Everyone was saying: 'Oh, it's a negotiating tactic. It won't last long,'" Mr. LaFrazia recalled. But nearly a year later, the trade war shows no sign of cooling off. So ControlTek, the electronics manufacturer that Mr. LaFrazia runs near Portland, is taking steps to protect itself, a strategic shift that has been repeated in boardrooms and executive suites around the world in recent weeks. ControlTek is rewriting contract language to make it easier to pass the cost of tariffs on to its customers. It is shifting supply chains out of China where possible, and redesigning products to avoid Chinese components where it isn't. And as a tiny player in an enormous global industry, it is discovering that there is only so much it can do. "We're very much at the end of the whip getting thrown around," Mr. LaFrazia said. Despite dire warnings from economists, Mr. Trump's trade war has so far done little to derail the decade-long recovery from the Great Recession. Economic growth has remained strong, and the unemployment rate last month hit a 50-year low. But evidence is mounting that the conflict has taken an economic toll. The Commerce Department said Thursday that trade — both imports and exports — slumped in April, and data released earlier this week showed a sharp slowdown in the manufacturing sector, amplifying a recent trend. The bond market in recent days has been sending signals that the trade war could be a threat to growth in the United States and globally.

NORTH KOREA EXECUTES ENVOY TO U.S. FOLLOWING HANOI SUMMIT: North Korea executed its nuclear envoy to the United States as part of a purge of officials who steered negotiations for a failed summit between leader Kim Jong Un and U.S. President Donald Trump, a South Korean newspaper said on Friday ([Reuters](#)). Kim Hyok Chol was executed in March at Mirim Airport in Pyongyang, along with four foreign ministry executives after they were all charged with spying for the United States, the Chosun Ilbo reported, citing an unidentified source with knowledge of the situation. "He was accused of spying for the United States for poorly reporting on the negotiations without properly grasping U.S. intentions," the source was quoted as saying.

HOOSIER FARMERS FACE UNPRECEDENTED WEATHER: In Kendell Culp's corner of northwest Indiana, relentless rain began falling on his farm months ago, saturating the ground his family has nurtured for generations and delaying the start of their planting season by more than a week ([Washington Post](#)). It eased up briefly at the end of April, enough time to plant corn on about 350 of his 2,000 acres. Then the rain started falling all over again. "There's just not a lot you can do," he said. "I've never had a yield where I couldn't get my crop planted," Culp said, noting that his father, who is in his 80s, recalled the same. "This is unprecedented, what we're facing." For months now, the Culpes — and many farmers across wide swaths of the Midwest — have rarely seen days dry enough to work, leading to what agricultural experts are calling a historically delayed planting season that could exacerbate the economic and personal anxieties brought on by a multiyear slump in farm prices and the Trump administration's trade war with China, the world's largest soybean buyer. For the past five years, the 18 states that produce the majority of the United States' corn crop had an average of 90 percent of their fields planted by the end of May, according to data released Tuesday by the Agriculture Department. At the same point this year, 58 percent

of the corn crop is in the ground. The outlook for soybeans is just as dismal, with 29 percent in the ground compared with 66 percent in years past.

U.S. HAD WETTEST YEAR ON RECORD: There's never been a wetter 12 months than the period that recently ended, reported the National Weather Service, which has been keeping such records for 124 years ([CNN](#)). The continental US is also free of severe to exceptional drought for the first time in the two decades the US Drought Monitor has been in business, officials reported. It's all a result of hurricanes, atmospheric rivers and the very wet autumn that unfolded between May 1, 2018, and April 30. The effect fits the broad trend of climate change pushing up US precipitation totals. The continental United States averaged 6 inches of precipitation above average during the one-year period, with 36.2 inches tallied. That blew away the previous record, set in 2015 and 2016, by almost half an inch.

HPI DAILY ANALYSIS: If you're a U.S. Navy or Marine veteran (i.e. Gov. Holcomb, Sen. Young), you have to wonder what they're really thinking. On Memorial Day in Japan, with President Trump on a state visit, the White House apparently ordered the USS John McCain to be hidden from view. Its proud name honoring three generations of this patriotic Navy family was covered up with a tarp in the harbor and later obscured by a barge. Its sailors were ordered off duty and to lay low. The reason? Apparently to keep our president from having another conspicuous temper tantrum from just seeing the name of a man he despises. Trump denies knowledge of this disgraceful incident, but described the effort as "well-meaning" and is now calling the story "fake news." I keep watching this "show," hoping and praying for an uneventful week or month where the norms we would teach our children and students aren't breached with such ludicrous behavior. - *Brian A. Howey*

Campaigns

DEFIANT MOORE PUSHES BACK AT TRUMP: A defiant Roy Moore brushed aside Donald Trump's warning not to run for Senate again, telling [POLITICO](#) on Wednesday that Alabama voters are capable of deciding for themselves whether he's fit for office (Politico). "The president doesn't control who votes for the United States Senate in Alabama," Moore said in a phone interview. "People in Alabama are smarter than that. They elect the senator from Alabama, not from Washington, D.C." The scandal-plagued former judge said he is "seriously considering" running for Senate again and plans to decide in a "few weeks."

Presidential 2020

BUTTIGIEG HOSTS MAYOR'S NIGHT OUT IN SOUTH BEND: It was not your typical Mayor's Night Out, but these aren't typical times for Pete Buttigieg. During his more than seven years as mayor, before announcing he was exploring a run for president in late January, Buttigieg had tried to host Mayor's Night Out every other month, intended as a way to periodically bring his office to the people rather than requiring them to visit him on the County-City Building's 14th Floor (Parrott, [South Bend Tribune](#)). He usually does them in school gymnasiums or city recreational centers, where he sets up a card table and gives anyone with a comment, question or complaint about city business up to five minutes of one-on-one time, usually drawing about 50 people. On Thursday night, about 180 people came to the South Bend Civic Theatre's 200-seat Wilson Theatre for the first Mayor's Night Out in more than four months. "For some reason, attendance has picked up a little bit," Buttigieg quipped to the crowd. Pat Hinkle asked Buttigieg, simply, "Why are the streets so bad?" Buttigieg began his response by saying the state must increase the money it sends cities to maintain roads, but until that happens, he said there are things the city can do to mitigate against northern Indiana's roller coaster freeze-and-thaw cycles as winter turns into spring. Buttigieg thanked the city's common council for approving his administration's request for this year to spend more money on sealing cracks in streets with tar before they grow into potholes.

BUTTIGIEG IN CALIFORNIA THIS WEEKEND: This weekend, Mayor Pete Buttigieg will travel to California for a series of public events (*Howey Politics Indiana*). On Saturday morning, he will speak at the SEIU California Democratic delegate breakfast. On Saturday afternoon, he will address the California Democratic Party State Convention. On Monday, he will host a meet and greet in the morning and join MSNBC's Hardball Live for a special town hall event at 7:00 PM ET.

WARREN TOWN HALL IN FORT WAYNE NEXT WEDNESDAY: Democratic presidential candidate Elizabeth Warren will make a campaign appearance in Fort Wayne next week – but the venue is already sold out (Francisco, [Fort Wayne Journal Gazette](#)). Cable news network MSNBC on Wednesday night tweeted an image promoting a town hall forum featuring the Massachusetts senator and Chris Hayes, host of the network's "All In" program, scheduled for 8 p.m. Wednesday in Fort Wayne. MSNBC could provide no information on the event Thursday morning, and neither the network nor Warren's campaign responded to emailed questions later in the day. Allen County Democratic Party Chair Misti Meehan confirmed that the event is taking place and said in an email, "I've been helping MSNBC get panelists and work on the location." On

Thursday night, the party's Facebook page linked to an announcement of the town hall on the ticketing website Eventbrite, which stated the town hall would be from 7:30 to 9 p.m. at Ceruti's Bergstaff Place, 2020 E. Washington St., and would air live at 8 p.m. But the site also stated that the event was sold out. Bergstaff Place has a capacity for 300 people.

HALEY TO CAMPAIGN FOR ERNST IN IOWA: Nikki Haley is emerging as a fundraiser and surrogate for 2020 Republican Senate candidates, and next month will begin zigzagging across the country to campaign for a trio of GOP senators (*Politico*). The former South Carolina governor's summer itinerary includes a June 15 stop in Boone, Iowa, where Haley will help Sen. Joni Ernst launch her reelection campaign at Ernst's annual Roast 'n Ride event, where Iowans are slated to grill over 2,000 pounds of pork. "Given its location in a key presidential caucus state, the event is sure to spark murmurs about Haley's own political ambitions, including the prospect of a 2024 presidential bid.

Congress

60% OF EX-MEMBERS GO LOBBY AS BRAUN TAKES AIM: Roughly 60% of recently defeated or retired members of Congress went straight to lobbying firms and other gigs with political influence, according to a report by left-leaning advocacy group Public Citizen published Thursday ([Daily Caller](#)). The report examined members of the 115th Congress taking part in the so-called "revolving door of K Street" — lawmakers using their connections to join lobbying firms once they are out of office. The list includes former Indiana Sen. Joe Donnelly. Law mandates ex-House members must wait a year to lobby their former colleagues, while ex-senators must wait two. While there is a waiting period for congressmen, "they often engage in so-called shadow lobbying, participating in activities that might be considered lobbying but declining to register under the Lobbying Disclosure Act (LDA)," according to Open Secrets. "Here's something I don't say often: on this point, I AGREE with [Rep. Alexandria Ocasio-Cortez]. Indeed, I have long called for a LIFETIME BAN on former Members of Congress becoming lobbyists. The Swamp would hate it, but perhaps a chance for some bipartisan cooperation?" Republican Texas Sen. Ted Cruz wrote on Twitter Thursday. In the Senate, two Republicans introduced legislation in Feb 28 to permanently ban members of Congress from lobbying Congress once they exit office. Sens. Rick Scott of Florida and Mike Braun of Indiana are the cosponsors of the Banning Lobbying and Safeguarding Trust (BLAST) Act. "Whenever you've got a system that is so ingrained like this one, I'm sure there will be resourceful ways to skirt," Braun told The Daily Caller News Foundation in an interview in March. "If you craft good legislation from the get-go ... you have a way to at least throw something out there as the first barricade." Braun is serving his first term in the Senate after beating former Democratic Indiana Sen. Joe Donnelly in a close race during the 2018 midterm elections. Donnelly is one of the former lawmakers highlighted in Public Citizen's Thursday report for joining lobbying and law powerhouse Akin Gump in April. He's focusing on financial services, defense and health care clients.

SEN. GRASSLEY CONDEMNS MEXICAN TARIFF: U.S. Sen. Chuck Grassley, the chairman of the Senate Finance Committee, said this Thursday evening (*Politico Playbook*): "Trade policy and border security are separate issues. This is a misuse of presidential tariff authority and counter to congressional intent. Following through on this threat would seriously jeopardize passage of USMCA, a central campaign pledge of President Trump's and what could be a big victory for the country."

SEN. COCHRAN DIES AT AGE 81: Thad Cochran, a Mississippi Republican who brought Southern gentility to Washington and Washington largesse to the South over nearly four decades in the U.S. Senate, where he was a past chairman of the powerful Appropriations Committee, died May 30 at a nursing home in Oxford, Miss. He was 81 ([Washington Post](#)). His death was announced by the office of U.S. Sen. Cindy Hyde-Smith (R-Miss.), who succeeded Mr. Cochran in the Senate after he resigned in April 2018 amid failing health. The cause was renal failure, said his daughter, Kate Cochran. Mr. Cochran spent nearly half a century on Capitol Hill, first as a House member representing a district that included Jackson, Miss., from 1972 to 1978 and later in the Senate. He narrowly defeated an insurgent tea party challenger — in a primary race that drew national headlines for its nastiness — and went on to win his seventh term in 2014.

State

GOVERNOR: MAYOR MEER BACKS HOLCOMB PLAN FOR SOUTH SHORE - When he heard that the state legislature was changing the makeup of the NICTD board, which oversees the South Shore Line, Mayor Ron Meer made a personal call

to the governor's office (Mayes, [Michigan City News-Dispatch](#)). "Michigan City is at the heart of the South Shore corridor, both the commuter line and the freight line. With the yards here and Double Tracking on the way, I felt it was important for the city to have a voice on the NICTD board," Meer said Wednesday. "I contacted the governor's office to make sure we were properly represented." And though the mayor and governor are from different parties, Holcomb must have paid attention. In announcing the four members – one from each county served by the South Shore – of the new Northern Indiana Commuter Transportation District board, he named Meer as La Porte County's representative. The five-member board will also include Gary Mayor Karen Freeman Wilson, Porter County Commissioner Jeff Good, St. Joseph County Commissioner Andrew Kostielney, and will be chaired by Indiana Department of Transportation Commissioner Joe McGuiness. Meer thinks a smaller board might be a good thing. "In my experience, I have found that smaller boards and commissions are more effective and more able to respond effectively," he said. "This will give the four counties more immediate representation. There were concerns about Michigan City and La Porte County having proper representation, and I felt having the chief executive of Michigan City on the board was critical."

GAMING: SPORTS BETTING COULD BE DELAYED - Hoosiers may have wait a little longer than expected to legally bet on sports (Erdody, [IBJ](#)). Indiana Gaming Commission Executive Director Sara Gonso Tait said Thursday that state regulators might not be ready by Sept. 1 to allow sports betting, even though a law approved earlier this year makes it legal beginning on that date. "It is a tall order," Tait said during a meeting of the regulatory body. "And there are many factors outside of our control." Tait said commission members are aiming to have everything in place for a Sept. 1 start date, but "are making no promises." The law, which Gov. Eric Holcomb signed May 8, legalizes sports wagering on professional and college sports such as basketball, football and soccer as of Sept. 1, and implements a 9.5% tax rate on those wagers. Betting on esports or high school and other amateur youth sports is prohibited.

AUTOS: BARRA ANNOUNCES \$24M INVESTMENT AT FORT WAYNE GM PLANT - Mary Barra, chairman and CEO of General Motors Co., today announced plans for a \$24 million investment in GM's local assembly plant (Slater, [Fort Wayne Journal Gazette](#)). Barra traveled to the facility from corporate headquarters in Detroit to share the news with workers and state and local officials. GM employees have expressed a desire to see top executives more often, according to a spokeswoman. This is the first time in at least a decade that GM's chief executive has visited the local operation, which assembles Chevrolet Silverado and GMC Sierra pickups. The trucks are among the industry's best-sellers.

TOURISM: INDY TO PARIS FLIGHT POPULAR - Indianapolis International Airport officials say they're encouraged by strong passenger bookings during the first year of Delta Air Lines Inc.'s nonstop service to Paris_and they're excited about the ways the high-profile route's success might make it easier to land new routes ([AP](#)). "The flight has exceeded our expectations," said Maggie Bishop, the airport's business development analyst for air service development. "We are pleased with the performance in the first year." Atlanta-based Delta began flying between Indianapolis International Airport and Paris' Charles de Gaulle Airport on May 24, 2018, giving Indiana its first-ever nonstop trans-Atlantic flight. Between then and the end of November_the most recent date for which U.S. Department of Transportation data is available_Delta carried nearly 23,400 Paris-bound passengers on the flight.

EDUCATION: NOTRE DAME PURCHASES LONDON LIBRARY - The University of Notre Dame's London Global Gateway has announced plans to acquire the G.K. Chesterton Library. The collection includes books, personal effects, art and other items related to the 20th Century English writer. Financial terms of the acquisition were not disclosed (Brown, [Inside Indiana Business](#)). The library is currently housed at the Oxford Oratory and will be transferred to the London Global Gateway, which Notre Dame says will provide increased access to researchers and Chesterton enthusiasts. It was compiled by Aidan Mackey, who the university describes as one of the foremost Chesterton experts.

ENVIRONMENT: LAKE MICHIGAN BEACHES HAVE HIGH BACTERIA - Some of the beaches along Lake Michigan, but not all, were seeing high levels of E. coli bacteria in the water this week. Meanwhile, surface water temperatures are still cold — in the 40s and 50s — at the southern end of Lake Michigan ([South Bend Tribune](#)). The beach at Warren Dunes State Park was temporarily closed Wednesday for high E. coli levels but reopened Thursday as further tests showed that bacteria levels had dropped. You can check for beach advisories and closures across Michigan at www.deq.state.michigan.us/beach. Indiana Dunes National Park doesn't close its beaches, but it advised visitors against swimming at Dunbar, Kemil, Porter and West beaches because of high bacteria levels that were tested Wednesday. The beaches at Mount Baldy and Lake View, though, weren't over Indiana's safety threshold of 235 colonies of bacteria per 100 milliliters. Health officials advise that people can get sick when they have direct contact with water at that level.

WHITE HOUSE: TRUMP MEXICAN TARIFF SENT STAFF SCRAMBLING - As Trump announcements go, this one appeared more orchestrated than most, *Axios'* Jonathan Swan reports: At 7:30 last evening, President Trump tweeted: "On June 10th, the United States will impose a 5% Tariff on all goods coming into our Country from Mexico, until such time as illegal migrants coming through Mexico, and into our Country, STOP. Shortly after that, there was a presidential statement from the press office and a background call with reporters. But behind the scenes, it was an administration-wide scramble. As with many presidential "announcements," this once sprang from intense frustration and boiled over quickly with staff rushing to react. While the plan was hurried out the door to appease Trump, he has been privately talking about doing this for a while, per two sources who've discussed it with him. Between the lines: The White House has made a number of immigration demands of Mexico over the past several months, but Trump has not defined what they need to show him. "Mexico has very strong immigration laws and could easily halt the illegal flow of migrants, including by returning them to their home countries," the president said in his statement. The bottom line: Seeing as there's no chance of a "STOP" to illegal migration through Mexico into the U.S., Trump's demand is entirely subjective. The president's next move may depend as much on his mood as anything else.

WHITE HOUSE: TRUMP ATTACKS MUELLER - President Trump on Thursday attacked Robert S. Mueller III as "totally conflicted" and "a true never-Trumper" and claimed that the former special counsel would have brought charges against him if he had any evidence — a characterization directly at odds with what Mueller said in a public statement Wednesday ([Washington Post](#)). Trump's attacks came in morning tweets and later while speaking to reporters at the White House. In one of his tweets, he also seemingly acknowledged for the first time that Russia had helped him get elected in 2016 — but he strongly pushed back against that notion while talking to reporters as he prepared to leave Washington. Mueller ended his role as special counsel on Wednesday and said his office could not consider whether to charge Trump with a crime because of a long-standing Justice Department opinion that a sitting president cannot be indicted. Mueller repeated a line in his report explaining that his team would have exonerated Trump if it could have.

WHITE HOUSE: CHINA THREATENS RETALIATION WITH PRECIOUS METALS - Facing new trade sanctions and a U.S. clampdown on its top telecommunications company, China issued a pointed reminder Wednesday that it has yet to unleash all its weapons in its trade war with the Trump administration ([AP](#)). Chinese state media warned that Beijing could cut America off from exotic minerals that are widely used in electric cars and mobile phones. The threat to use China's rich supply of so-called rare earths as leverage in the conflict has contributed to sharp losses in U.S. stocks and sliding long-term bond yields. For months, the world's two biggest economies have been locked in a standoff over allegations that China deploys predatory tactics—including stealing trade secrets and forcing foreign companies to hand over technology—in a drive to supplant U.S. technological dominance.

WHITE HOUSE: SHORT PUSHED FOR AGGRESSIVE TRADE STANCE - Elements of the White House including Marc Short, the VP's chief of staff -- had pushed for a more aggressive stance in getting the trade deal passed (*Politico Playbook*). House Speaker Nancy Pelosi said Thursday evening that the White House's decision to start the clock indicated "a lack of knowledge on the part of the administration on the policy and process to pass a trade agreement." House Democrats feel like this deal -- as written -- is toothless, lacking enforcement provisions Democrats had been demanding. One aide told us it was "worse than NAFTA" without the changes Democrats were seeking.

WHITE HOUSE: PENCE SAYS RELATIONS WITH CANADA STRONG - Vice President Mike Pence said Thursday that the U.S.-Canada relationship has "never been stronger," less than a year after a trade tiff had chilled the allies' historically warm ties ([AP](#)). Pence was in the Canadian capital hoping to build momentum to pass a new trade deal with Canada and Mexico. President Donald Trump recently removed U.S. steel and aluminum tariffs on Canada and Mexico, clearing a roadblock to a North American trade deal that his team negotiated last year. The trade penalties were a sore point in relations that reached a low last summer when Trump called Prime Minister Justin Trudeau "weak" and "dishonest" after the Canadian-hosted Group of Seven summit of major industrial nations. "President Trump and I believe the relationship between the United States and Canada has never been stronger and that is a reflection of his leadership and your leadership," Pence told Trudeau.

WHITE HOUSE: TRUMP SCHEDULE - President Trump and first lady Melania Trump will attend a reception for Gold Star families at 5:30 p.m. on the State Floor.

JUSTICE: BARR SAYS MUELLER COULD HAVE INDICTED TRUMP - Attorney General William Barr said special counsel Robert Mueller could have reached a decision on whether President Donald Trump obstructed justice ([AP](#)). Barr said in an interview with "CBS This Morning" that though Justice Department rules prevent the indictment of a sitting president, Mueller nonetheless could have decided whether Trump had committed a crime. The interview excerpt was aired one day after Mueller made his first public remarks on the Russia investigation. In that statement Wednesday, Mueller said it was "not an option" to consider whether Trump had broken the law in light of a longstanding Justice Department legal opinion that presidents cannot be charged.

EPA: SUMMER ETHANOL BAN LIFTED - The Trump administration has decided to approve expanded use of ethanol fuel, a move that will help corn farmers hurt by the trade conflict with China—and that might pay political dividends for President Trump in farm-belt states such as Iowa ([Wall Street Journal](#)). Under the decision to be made public Friday, the Environmental Protection Agency will allow gasoline with a 15% mix of ethanol to be sold year-round, instead of just eight months a year, effective as soon as it is published in the Federal Register, which officials expect to happen within days. The move has been opposed by oil companies and environmentalists, who object that it could lead to higher prices at the gas pumps and increase air pollution during the summer months when 15% ethanol fuels had been banned. They are expected to sue to try to block the move.

MEDIA: SUNDAY TALK - CBS "Face the Nation": Sen. Mark Warner (D-Va.), Sen. Joe Manchin (D-W.Va.), UK Foreign Secretary Jeremy Hunt. Panel: Jan Crawford, Jamal Simmons, Susan Page and Ramesh Ponnuru. **NBC "Meet the Press":** Panel: Hugh Hewitt, Carol Lee, Jon Meacham and Kristen Welker. **CNN "State of the Union":** Rep. Seth Moulton (D-Mass.). Political panel: Andrew Gillum, Diane Black, Joe Lockhart and Mia Love. **CNN "Inside Politics":** Panel: Julie Hirschfeld Davis, Eliana Johnson, Shawna Thomas and Matt Viser (host: Dana Bash). **"Fox News Sunday":** Panel: Karl Rove, Donna Edwards, Jason Chaffetz and Juan Williams (live from Dubuque, Iowa ahead of a town hall with Sen. Kirsten Gillibrand (D-N.Y.), which will air at 7 p.m.). **ABC "This Week":** Panel: Matthew Dowd, Rachael Bade, Lanhee Chen and Jen Psaki.

Local

CITIES: INDY TO RENOVATE 'ANN DANCER' - The Indianapolis Cultural Trail hopes to raise \$262,800 to keep an electronic piece of public art in operation for years to come ([IBJ](#)). If successful, the Keep Ann Dancing fundraising campaign, announced Thursday morning, will pay for hardware and technology upgrades and a maintenance fund for Ann Dancing by British artist Julian Opie. Originally designed to be a temporary installation, Ann Dancing is more than 10 years old and is the oldest piece of public art on the Indianapolis Cultural Trail. She is installed at the intersection of Massachusetts Avenue and Vermont Street in the Mass Ave Cultural District. Organizers said the goal is to raise the money by June 29.

CITIES: KEVIN SMITH TO HEAD HAMMOND LAW DEPARTMENT - A local trial lawyer and close ally of Hammond Mayor Thomas McDermott Jr. has been selected to head the city's law department ([NWI Times](#)). Kevin Smith, a partner at Munster law firm Smith Sersic, will become corporate counsel effective June 3, according to McDermott's office.

CITIES: BLOOMINGTON EXTENDS PROTECTIONS FOR CONTRACTORS - The city of Bloomington is proposing extending harassment protections to contractors and volunteers because of gaps illustrated by sexual harassment allegations a contractor made against former Monroe County commissioner Amanda Barge earlier this year (Brosher, [Indiana Public Media](#)). The city says in a press release the allegations prompted Mayor John Hamilton, the Bloomington Human Rights Commission and City Legal Department to evaluate how well Bloomington's code protects contracted employees. "What really sparked the city taking action and reviewing its policy to make sure we had all the protections we could was the incident at the county," says Barbara McKinney, director of the Human Rights Commission and assistant city attorney. "And we wanted to make sure we were protecting independent contractors to the extent we can."

CITIES: MUNCIE MALL GOES BACK TO BANK - Its owner has identified Muncie Mall as an over-leveraged shopping center for which it plans to engage a special servicer on the property's \$33.9 million mortgage (Slabaugh, [Muncie Star Press](#)). This information, disclosed by owner Washington Prime Group in its first-quarter statement, matches its earlier annual report indicating WPG is planning to remove Muncie Mall from its assets. "In short, handing the property back to the bank," Michael Hicks, a Ball State University economist, told The Star Press. "This implies the future value of the property is expected to be less than the cost of making further payments." Special servicers handle the administration of loans that are delinquent, in default or need special attention. As for what happens next with Muncie Mall, there is definite uncertainty. "The question is whether it is better for the bank to again lease or sell the property or simply close it down," Hicks said. "This does not yet mean the mall's closure."

CITIES: DOWNTOWN SOUTH BEND PROJECT HALTED - Construction has halted in the massive hole developer Dave Matthews has dug next to his Commerce Center building in the 300 block of East LaSalle Avenue, in a scenario South Bend Common Council member Oliver Davis called a "nightmare" ([South Bend Tribune](#)). "It was a tough process anyway," Davis said, recalling the contentious series of council meetings in late 2016 and early 2017 in which Matthews obtained a variance to build the 10-story structure taller than what zoning rules allowed. "It was a stressful situation but we were finally able to get that done. This is something we didn't see coming." That something was Grand Rapids-based, publicly traded grocery chain SpartanNash buying South Bend-based Martin's Super Markets in December, months after Martin's CEO Rob Bartels

had been a very public supporter of the project. SpartanNash has signed a letter of intent to consider still opening a Martin's on the ground floor but hasn't yet committed to doing so.

CITIES: INDOT TO BUILD OVERPASS IN COLUMBUS - Construction of a planned railroad overpass over the State Road 46 and State Road 11 crossing on Columbus' west side could begin in November ([Columbus Republic](#)). More than 50 people attended a public hearing Wednesday night at Columbus City Hall to learn more details about the \$30 million overpass project. The first steps of the project will take place this summer as utility poles and other infrastructure are relocated along State Road 11, Indiana Department of Transportation officials said. INDOT is scheduled to open bids for the project on Oct. 9, and construction could begin in late November or early December, said Dave Hayward, Columbus' executive director of public works and city engineer.

COUNTIES: FENNEL MUST REPLAY VIGO SCHOOLS \$110K - A federal appeals court has upheld the \$110,600 restitution that Franklin Fennell must repay to the Vigo County School Corp. after his December 2017 conviction in a vendor kickback scheme ([Terre Haute Tribune-Star](#)). The former facilities and transportation director for the school district, Fennell had asked the Seventh Circuit Court of Appeals to review U.S. Chief District Judge Jane Magnus-Stinson's order for restitution. Fennell claimed the U.S. Probation Office should have performed an independent accounting of the Vigo County School Corp.'s actual loss. In the seven-page decision issued Thursday, however, Judge David F. Hamilton wrote Fennell's objection to the restitution amount cited no factual errors in the restitution calculation. And, Hamilton wrote, it was fair to assign the restitution using the government's chart created for Fennell's trial.



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INDIANA GAMING INSIGHT

Vigo vote now vs. later

Referendum on track for November vote – is history still relevant?

Under strong encouragement from Wabash Valley leaders, the Vigo County Election Board is moving forward with plans to conduct the countywide casino referendum during the general election on November 5 instead of waiting for the 2020 primary election next May. The cost to do so now is estimated to be around \$50,000.

Holding a countywide referendum in November is an interesting strategy, given that only voters in Terre Haute and the county's several towns will have any races on the ballot; voters in the county outside municipalities will have to make a special decision to cast a ballot in the election (as our sister Hannah News Service newsletter, INDIANA EDUCATION INSIGHT, reported, a Vigo County School Corporation referendum could also land on the November ballot – affecting the dynamics – but may be more likely to wait until May).

Do the factors which shaped the riverenda around a quarter-century ago still stand true? Back in the Day, voters in urban areas of each county generally strongly favored the casino authorization, while those in smaller towns and the rural areas even more overwhelmingly opposed the coming of casinos. Some of that opposition was ginned up by social and religious conservative groups – particularly the Methodist Church – and by the fear of The Mob extending its tentacles into those respective counties (this was largely before most of the casino operators were publicly held companies), a skeptical Indiana Republican Party, as well as concern over high crime rates and the creation of “downtown Disneylands.”

When Vigo County voters are called upon to decide “Shall inland casino gambling be permitted in Vigo County,” they will do so with a Methodist Church that no longer has two key leaders (one from Indianapolis and one from Valparaiso) who had led the anti-casino crusade and which seems much more accepting of casinos in Indiana; a quarter-century history of casinos operating largely devoid of business or political scandals; more than 10,000 direct gaming jobs statewide; billions of state and local tax dollars and local investment; no suggestion that the casinos have led to additional crime (beyond that expected by the numbers of daily patrons visiting communities); no strain on local public safety resources; a casino landscape which sees more Republican than Democratic lawmakers representing Indiana casino, racino, and satellite wagering facility districts; and no negative alterations of community quaintness or values.

While this would suggest that the factors that downed some of the original riverenda, no longer apply, there is one big anti-casino factor you should add in for a November 5 contest.

The ability of rural voters to cast a ballot is much easier today (largely through “no-fault” absentee ballots and in-person early voting), and county officials seem prepared to offer more voting options in the form of convenient vote centers. County officials appear poised to open vote centers outside of city limits for 30 days prior to election day. That means the voters who might be more predisposed to oppose a casino will find it more convenient to turn out . . . perhaps canceling out the impact of not having any races on the rural ballot that would encourage voting.

For more, please see the following page . . .

Lottery on record pace – again

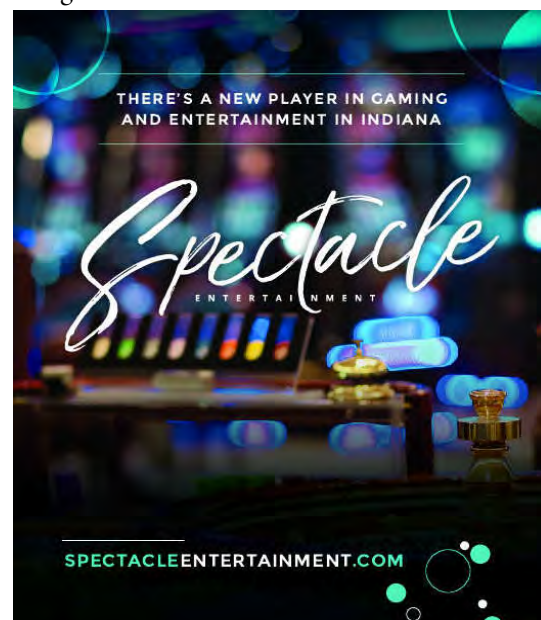
Sales should be up by 4.5% over FY 2018

The Hoosier Lottery is on pace to transfer a record \$309 million to the State of Indiana for Fiscal Year 2019, according to an updated forecast provided at mid-May to the State Lottery Commission of Indiana. The Lottery contributed \$306 million to the State last year.

The forecast anticipates finishing Fiscal Year 2019 with sales of \$1.33 billion, another new all-time record, and an increase of 4.5% over \$1.27 billion in FY 2018. If the forecast comes to fruition, FY 2019 will mark the first time in history that lottery sales have topped \$1.3 billion, even as scratch-off ticket sales have not performed up to budget.

Provider Net Income is on track for \$323 million, easily exceeding the Incentive Net Income threshold of \$305 million spelled out in the operating contract.

IGT Indiana and the Hoosier Lottery split 50/50 anything above the Incentive Net Income level, meaning IGT is in line to receive a year-end bonus of \$9.02 million. IGT received a \$9.19 million bonus in FY 2018 based on an incentive threshold of \$300 million and actual income of \$318 million. The \$323 million of income currently forecasted for FY 2019 would represent an increase of 5.6% over the \$306 million in the budget.



Waiting until primary day in May 2020 would mean that a high voter turnout could be expected, but its composition would be in question.

There is considerable grassroots Trump voter support, both among rural Republican and urban blue collar Democrats in what is a national general election bellwether county. No one knows yet who might generate particular interest on the Democratic presidential primary ballot, and there should be no other high-salience state or federal races to watch – at least as of now – with no serious CD 08 races expected, no U.S. Senate race on the ballot for the first time since 2014, and no serious primary contest for governor. If abortion continues to increase in importance as a national issue, that could drive voters from both sides to the polls.

IN General

● At its Thursday meeting, members of the Indiana Gaming Commission were briefed on the key gaming law changes from the 2019 session. Commission staff outlined the provisions of the charity gaming law changes (and the need for new regulations thanks to the remodification); the mechanism by which a Gary casino can move inland within Gary off the footprint and a license can be opened for Vigo County; and the intricacies of the new sports wagering law.

□ Since some of the details of what will become I.C. 4-38 thanks to HEA 1015-2019, Licensed facilities – riverboats, racinos, satellite wagering facilities – may conduct sports wagering. The law established three new license types:

- (1) Certificate of Authority
 - Casinos, racinos, and satellite wagering facilities
 - \$100,000 application fee
- (2) Vendor
 - An entity that contracts with certificate holders
 - Three allowed per certificate holder (e.g., FanDuel)
 - \$100,000 application fee
- (3) Sports Wagering Service Provider:
 - Odds providers
 - \$10,000 application fee

□ This includes a \$50,000 “removal fee” for certificate of authority and vendor licensees. Fees will be paid into to the newly created Sports Wagering Fund which will support supplier and occupational licensing work by the Gaming Commission for both individuals and entities. The Gaming Commission is also authorized to test and approve sports wagering devices before authorizing certificate holders or their respective vendors to conduct sports wagering activities. The Gameboys must also test and approve any sports wagering platform and devices, a process that likely will be undertaken by the Commission’s long-time contract testing firm, Gaming Laboratories International.

□ A Certificate holder or a vendor may only accept wagers placed on mobile devices within the state, under strict geofencing technology. The Commission may also approve data sources, such as requirements for use of official league or sanctioning body data for certain types of wagers.

□ The Commission should begin accepting the assorted sports wagering applications on July 1, and sports wagering is authorized by law to begin on September 1. Recall that the original start date envisioned by optimistic lawmakers was July 1, but Indiana Gaming Commission Executive Director Sara Tait told them that the Department of Revenue could not implement appropriate taxation systems that quickly, and even the licensing process would be pressed by a September 1 target.

□ “We are making no promises for a September 1st launch,” Tait explained, “but we are going to say this is a goal we are striving to meet.” Nevertheless, while she comminutes to target September 1, “it is a tall order with many factors outside of our control,” and thus “are making no promises.” The panel still has to draft, approve, and implement the enabling rules. Look for draft regulations to be ready by early July, and largely mirror the process Commission staff took with paid fantasy sports, with formal rules prepared for adoption at the Commission’s August business meeting.

□ Much of the timing may be contingent on the operators, Tait explained, and their ability to get comprehensive applications in on time and be prepared for background investigations. One option Tait outlines: a possible two-tiered launch, with Thursday, Tait suggested it’s possible that sports betting will be rolled out in phases—initially by launching at casinos, racinos, and satellite wagering facilities going first before mobile wagering, given the additional complications with additional vendors, player verification and geofencing.

● **Cris Johnston**, a former member of the Indiana Gaming Commission, will become the new director of the Office of Management and Budget June 30, bringing some gaming knowledge to the green eyeshade division. Johnston is currently the Governor’s deputy chief of staff, and previously served eight years in the Daniels Administration as executive director of OMB’s division of government efficiency and later, as deputy chief of staff. The Region native was also a practice director with KSM Consulting, LLC, and was a deputy state treasurer in the O’Laughlin Administration.

● In its May 21 meeting, the Legislative Council approved a lengthy list of interim study topics . . . and none this year pertain to gaming, largely because the state and local fiscal impact of the changes that everyone seems interested in studying will not take hold for another year or so (live table games at the racinos January 1; the eventual inevitable move of the Gary casino; free play deduction increases; wagering tax structural changes; and a potential Vigo County casino . . . and perhaps the impact of the charity gaming overhaul and related tweaking?).

● From the “We just thought you might be interested in this table department”:

Indiana State Budget Summary Revenue Changes in the Past 6 Biennia (Average Annual Percent Change)

	Actual 2010-15	Actual 2015-17	Budget 2017-19	Budget 2019-21
Revenues				
Sales Tax	4.2%	1.1%	2.8%	2.5%
Ind. Income Tax	6.2%	1.9%	4.7%	3.5%
Corp. Income Tax	13.1%	-5.4%	-5.7%	-2.1%
Gaming	-7.6%	-1.8%	-2.1%	0.8%
All Other	-1.2%	-1.2%	4.9%	0.7%

IN Illegal Gambling

● An investigation started with a tip from a concerned citizen to Crime Stoppers early last Fall uncovered another alleged multi-county animal fighting operation. An Indiana Gaming Commission raid on a pair of properties in Morgan County and Owen County May 23 resulted in the removal of about one-dozen dogs found tied to heavy chains and housed in a manner consistent with dogfighting, and more than 550 roosters found with physical alterations commonly associated with cockfighting. Search warrants executed by the Indiana Gaming Commission at the two properties also found animal fighting paraphernalia.

□ Martin James Anderson of Camby was arrested at his home on Handley Road, where investigators seized one pit bull and searched for documents. At the LMB Farm on Cunot Cataract Road in northern Owen County, said to be owned by Anderson, more than 550 roosters and at least nine pit bulls were recovered. Anderson was arrested and sent to the Morgan County Jail on one preliminary count in Morgan County Superior Court 2 of purchasing an animal to be used in an animal fighting contest. In Indiana, conducting an animal fight and the possession of animals for fighting are level 6 felonies, each punishable by six months in county jail to 2.5 years in state prison, and a potential maximum fine of \$10,000.

□ Indiana Gaming Commission Superintendent for Law Enforcement Rob Townsend tells Russ McQuaid of WXIN-TV Fox 59 in Indianapolis "the tipster told investigators they would find roosters trained for fighting. 'We don't have anything at this point that leads us to believe that there is fighting going on here. Basically we have the tip that they're being raised for the purpose of fighting and that's why we acted.' Townsend says his office has received 37 tips in the past two years about animal fighting for gambling purposes in Indiana. While the Owen County seizure was of average size, Townsend said the number of birds and dogs would overwhelm the abilities of his agency and local animal shelters to handle." The animals were transported in two semi-tractor trailers to temporary shelters at undisclosed locations established by the American Society for the Prevention of Cruelty to Animals (ASPCA), which is also assisting local authorities with evidence collection, medical assessments, and veterinary forensic exams by ASPCA veterinary and behavior experts until custody is determined by the court. Townsend tells McQuaid that "while the ASPCA, a not-for-profit entity, provided logistical support, his agency was solely responsible for the investigation. 'We rely on them very heavily and we have a great partnership with them in the state of Indiana and whenever we do one we always reach out to them and ask them for help. We have built the investigation and developed the probable cause for the search warrant. They have subject matter expertise that comes on the property on the day of the search warrant and helps us build and continue on that foundation.'"

□ The following animal welfare organizations provided ASPCA volunteers to assist with this case: Animal Care Centers of NYC; Animal Care Services - City of Indianapolis; Charleston Animal Society; Humane Society of the Pikes Peak Region; Humane Society of Southwest Missouri; Oregon Humane Society; Quincy Humane Society; San Diego Humane Society.

Southern Market News . . .

● Full House Resorts, Inc., parent company of Rising Star Casino • Resort, issues \$10 million of Senior Secured Notes (due 2024), and required the Indiana Gaming Commission to sign off. Full House President and CEO Dan Lee jokes with investment analysts on the company's first quarter earnings call that "It was kind of interim; we needed the Indiana Gaming Commission's approval - as we do for almost everything. And in that discussion they said, 'Well, so how levered are you?' I said, 'Well, we're a lot less levered than Caesars.' They started laughing. They said, 'Please don't use Caesars as your modicum of financial propriety.' And I said, 'No, we don't,' but we are probably less levered than other licensees in Indiana as well probably a little more levered than I would normally like to be, but I hope we can get de-levered through growth and we did this at Mirage. We did it at Pinnacle," when Lee ran the company which was then in charge of Belterra Casino Resort. "Where you go and build something that might cause your leverage to go up in the mean time, but then when it comes on stream and does 20% cash on cash return or something then ultimately you come out of that with less leverage than you had before," he adds.

● A body was found near the pond next to the Hollywood Casino Lawrenceburg parking garage during the daylight hours on Monday. While the circumstances still seem a bit

unclear, assorted local media outlets were reporting that there was no foul play, nor was there anything to connect the victim to any gaming activity while he was on HCL property.

IN Other Casino News . . .

● Governor Eric Holcomb (R) appeared on WJOB 1230-AM in Hammond Tuesday morning and was asked by *Jed in the Morning's* Jim Dedelow about the new casino legislation.

□ Governor Holcomb labeled it "just another tool in the economic development tool box for the Northwest region," and when all the factors were considered, it was a "win-win-win" for everyone. "It's a game-changer, no pun intended," he believes. "This legislation will obviously spur economic growth." The Governor said that when he was asked about the concepts at the beginning of the session, he had said that "Every 20 years or so, you need to review where you're at" and make any changes that are needed," and lawmakers did so this session. The Guv observed that members from not only The Region but from Southeastern Indiana "minimized if not eliminated negative impacts."

□ Dedelow asked the Governor about the strong statements made by Hammond Mayor Tom McDermott, Jr. (D) on WJOB that Spectacle Entertainment, LLC's Rod Ratcliff had "corrupted" the process, if not the Governor himself. "That's unfortunate, but I'm not shocked," that Mayor McDermott would "twist the facts and make it something it wasn't," responded the Guv. He dismissed the mayoral comments by explaining that the process was "transparent" and that he "didn't dictate the terms," but simply reviewed the legislation sent to his desk after a lengthy legislative process. "I understand peoples' emotions and personalities might flare up" with so much at stake was his last word on the subject.

● The president of UNITE HERE Local 23 writes to the members of the Indiana Gaming Commission "to raise concern about recent changes in the leadership at Caesars Entertainment," citing Carl Icahn winning the rights to three board seats at Caesars and effectively gaining the right to select the next CEO while owning less than 10% of the company's stock. "This change, while significant in itself, seems to be part of a broader trend of hedge fund investors pushing for changes in gaming companies that serve their own short-term interests."

□ Marlene Patrick-Cooper explains, "The State of Indiana and its residents have an interest in sustained reinvestment in the casino industry to ensure that the economic benefits from gaming revenue and casino jobs are preserved. Wall Street investors do not necessarily share this perspective. Hedge funds and private equity generally operate on short investment timelines and are interested in extracting maximal amounts of capital without regard to the long-term effects on the company. As such, they are a serious threat to the stability and longevity of the casino industry. Yet regulators currently seem ill-equipped to deal with the ability of hedge funds and other corporate raiders to exert control over a company while owning a relatively small percentage of the stock. We come to you not to simply raise the alarm. We believe that workers, regulators, politicians, and other community stakeholders need to work together to develop a solution. We hope you will work with us," she concludes.

□ Unite Here Local 23 Research Director Kate O'Neil was at the meeting to express the union's concern about recent changes to the ownership and the board of Caesars, and the need for reinvestment.

● Here are your April casino numbers:

CASINO	TABLE WIN	SLOT WIN	TOTAL WIN
Ameristar	\$ 4,712,310	\$ 13,694,904	\$ 18,407,214
Belterra	\$ 987,222	\$ 7,474,856	\$ 8,462,078
Blue Chip	\$ 1,370,693	\$ 11,239,878	\$ 12,610,571
French Lick	\$ 1,089,801	\$ 6,738,309	\$ 7,828,110
Hollywood	\$ 2,093,956	\$ 11,640,738	\$ 13,734,694
Hoosier Park	N/A	\$ 18,139,362	\$ 18,139,362
Horseshoe HD	\$ 9,389,588	\$ 23,808,246	\$ 33,197,834
Horseshoe SI	\$ 3,338,741	\$ 13,399,270	\$ 16,738,011
Indiana Grand	N/A	\$ 24,857,837	\$ 24,857,837
Majestic Star I	\$ 2,520,168	\$ 5,976,652	\$ 8,496,820
Majestic Star II	\$ 130,923	\$ 5,303,614	\$ 5,434,537
Rising Star	\$ 244,297	\$ 3,307,992	\$ 3,552,289
Tropicana	\$ 1,705,810	\$ 9,712,535	\$ 11,418,345
STATEWIDE	\$27,583,509	\$155,294,193	\$182,877,702

CASINO WIN, past six months (\$ in millions)

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe HD	\$ 33.20	\$ 38.29	\$ 30.58	\$ 28.56	\$ 32.37	\$ 29.79
Indiana Grand	\$ 24.86	\$ 29.65	\$ 24.23	\$ 20.68	\$ 23.80	\$ 22.11
Ameristar	\$ 18.41	\$ 23.05	\$ 17.01	\$ 16.16	\$ 19.50	\$ 18.40
Hoosier Park	\$ 18.14	\$ 20.75	\$ 16.94	\$ 14.68	\$ 18.32	\$ 17.29
Horseshoe SI	\$ 16.74	\$ 20.25	\$ 13.98	\$ 16.47	\$ 20.43	\$ 18.76
Hollywood	\$ 13.73	\$ 15.84	\$ 14.37	\$ 12.32	\$ 15.38	\$ 14.26
Blue Chip	\$ 12.61	\$ 15.35	\$ 11.90	\$ 10.30	\$ 13.16	\$ 12.17
Tropicana	\$ 11.42	\$ 15.27	\$ 11.97	\$ 11.34	\$ 12.94	\$ 11.75
Majestic Star I	\$ 8.50	\$ 8.48	\$ 7.42	\$ 6.54	\$ 7.54	\$ 6.94
Belterra	\$ 8.46	\$ 10.70	\$ 6.84	\$ 7.43	\$ 9.64	\$ 8.45
French Lick	\$ 7.83	\$ 9.02	\$ 7.97	\$ 6.84	\$ 9.03	\$ 7.53
Majestic Star II	\$ 5.43	\$ 6.25	\$ 5.23	\$ 4.29	\$ 5.20	\$ 4.77
Rising Star	\$ 3.55	\$ 4.50	\$ 3.71	\$ 3.25	\$ 4.10	\$ 3.99
STATEWIDE	\$182.88	\$217.40	\$172.16	\$158.87	\$191.41	\$176.19

CASINO WIN, vs. prior month, past five months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018
Majestic Star I	0.19%	14.26%	13.53%	- 13.24%	8.58%
Hoosier Park	- 12.58%	22.51%	15.37%	- 19.88%	5.95%
Majestic Star II	- 13.02%	19.36%	21.93%	- 17.37%	9.02%
French Lick	- 13.22%	13.16%	16.55%	- 24.27%	19.93%
Hollywood	- 13.26%	10.16%	16.65%	- 19.88%	7.86%
Horseshoe HD	- 13.30%	25.20%	7.07%	- 11.76%	8.66%
Indiana Grand	- 16.18%	22.36%	17.20%	- 13.11%	7.66%
Horseshoe SI	- 17.35%	44.83%	- 15.13%	- 19.38%	8.94%
Blue Chip	- 17.84%	29.04%	15.48%	- 21.70%	8.12%
Ameristar	- 20.14%	35.50%	5.26%	- 17.14%	6.01%
Belterra	- 20.93%	56.51%	- 7.96%	- 22.93%	14.10%
Rising Star	- 21.02%	21.24%	14.15%	- 20.81%	2.96%
Tropicana	- 25.24%	27.63%	5.55%	- 12.42%	10.16%
STATEWIDE	- 15.88%	26.28%	8.37%	- 17.00%	8.64%

CASINO WIN, past six years (\$ in millions)

CASINO	04/2019	04/2018	04/2017	04/2016	04/2015	04/2014
Horseshoe HD	\$ 33.20	\$ 36.10	\$ 35.11	\$ 36.62	\$ 36.16	\$ 38.73
Indiana Grand	\$ 24.86	\$ 23.64	\$ 23.45	\$ 23.01	\$ 20.98	\$ 20.39
Ameristar	\$ 18.41	\$ 21.41	\$ 18.16	\$ 21.16	\$ 19.97	\$ 19.24
Hoosier Park	\$ 18.14	\$ 18.06	\$ 17.81	\$ 17.97	\$ 17.27	\$ 17.95
Horseshoe SI	\$ 16.74	\$ 20.54	\$ 21.14	\$ 21.00	\$ 20.89	\$ 23.49
Hollywood	\$ 13.73	\$ 13.97	\$ 14.18	\$ 16.34	\$ 15.77	\$ 17.48
Blue Chip	\$ 12.61	\$ 13.00	\$ 13.49	\$ 14.02	\$ 13.40	\$ 12.99
Tropicana	\$ 11.42	\$ 12.82	\$ 11.29	\$ 11.11	\$ 9.50	\$ 9.39
Majestic Star I	\$ 8.50	\$ 8.92	\$ 8.65	\$ 8.55	\$ 8.11	\$ 8.47
Belterra	\$ 8.46	\$ 9.44	\$ 10.04	\$ 9.09	\$ 9.47	\$ 9.81
French Lick	\$ 7.83	\$ 7.72	\$ 8.06	\$ 7.26	\$ 6.47	\$ 5.84
Majestic Star II	\$ 5.43	\$ 5.31	\$ 5.38	\$ 5.95	\$ 5.99	\$ 5.82
Rising Star	\$ 3.55	\$ 4.41	\$ 4.48	\$ 4.35	\$ 3.75	\$ 4.51
STATEWIDE	\$182.88	\$195.35	\$191.23	\$196.42	\$187.72	\$194.11

CASINO WIN, vs. prior year, past five years

CASINO	04/2019	04/2018	04/2017	04/2016	04/2015
Indiana Grand	5.15%	0.83%	1.90%	9.69%	2.89%
Majestic Star II	2.42%	- 1.46%	- 9.45%	- 0.72%	2.85%
French Lick	1.40%	- 4.20%	11.01%	12.19%	10.81%
Hoosier Park	0.42%	1.43%	- 0.90%	4.07%	- 3.81%
Hollywood	- 1.69%	- 1.47%	- 13.22%	3.64%	- 9.84%
Blue Chip	- 3.01%	- 3.60%	- 3.76%	4.61%	3.13%
Majestic Star I	- 4.70%	3.05%	1.17%	5.49%	- 4.25%
Horseshoe HD	- 8.04%	2.82%	- 4.11%	1.27%	- 6.65%
Belterra	- 10.39%	- 5.92%	10.46%	- 4.08%	- 3.40%
Tropicana	- 10.97%	13.57%	1.60%	16.95%	1.22%
Ameristar	- 14.03%	17.91%	- 14.18%	5.98%	3.77%
Horseshoe SI	- 18.52%	- 2.84%	0.66%	0.55%	- 11.06%
Rising Star	- 19.37%	- 1.47%	2.87%	15.88%	- 16.75%
STATEWIDE	- 6.38%	2.15%	- 2.64%	4.64%	- 3.30%



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STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
05/18	\$ 191,065,884	- 0.25%	(\$ 474,507)
06/18	\$ 186,792,189	4.49%	\$ 8,019,573
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856
03/19	\$ 217,397,977	- 1.66%	(\$ 3,659,436)
04/19	\$ 182,877,702	- 6.38%	(\$ 12,471,796)

STATEWIDE WIN, same month, past 20 years

	Total Win	% Change Prior Year	Actual Change Prior Year
04/99	\$ 136,261,727	26.67%	\$ 28,687,165
04/00	\$ 143,141,165	4.81%	\$ 6,879,438
04/01	\$ 150,018,938	4.81%	\$ 6,877,773
04/02	\$ 165,289,742	10.18%	\$ 15,270,804
04/03	\$ 182,637,147	10.50%	\$ 17,347,405
04/04	\$ 201,190,480	10.16%	\$ 18,553,333
04/05	\$ 211,589,384	5.17%	\$ 10,398,904
04/06	\$ 210,365,329	- 0.58%	(\$ 1,224,055)
04/07	\$ 224,816,967	6.87%	\$ 14,451,638
04/08	\$ 215,885,045	- 3.97%	(\$ 8,931,922)
04/09	\$ 244,541,029	13.27%	\$ 28,655,984
04/10	\$ 237,062,458	- 3.06%	(\$ 7,478,571)
04/11	\$ 239,042,511	0.84%	\$ 1,980,053
04/12	\$ 231,524,245	- 3.15%	(\$ 7,518,266)
04/13	\$ 212,972,619	- 8.01%	(\$ 18,551,626)
04/14	\$ 194,114,229	- 8.85%	(\$ 18,858,390)
04/15	\$ 187,716,865	- 3.30%	(\$ 6,397,364)
04/16	\$ 196,423,041	4.64%	\$ 8,706,176
04/17	\$ 191,234,750	- 2.64%	(\$ 5,188,291)
04/18	\$ 195,349,498	2.15%	\$ 4,114,748
04/19	\$ 182,877,702	- 6.38%	(\$ 12,471,796)

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 130,631,284	\$ 140,716,811	(\$ 10,085,527)	- 7.17%
Indiana Grand	\$ 99,425,277	\$ 94,308,515	\$ 5,116,762	5.43%
Ameristar	\$ 74,625,924	\$ 80,156,680	(\$ 5,530,756)	- 6.90%
Hoosier Park	\$ 70,508,266	\$ 71,248,265	(\$ 739,999)	- 1.04%
Horseshoe SI	\$ 67,446,076	\$ 74,395,520	(\$ 6,949,444)	- 9.34%
Hollywood	\$ 56,266,598	\$ 57,551,888	(\$ 1,285,290)	- 2.23%
Blue Chip	\$ 50,156,154	\$ 49,738,784	\$ 417,370	0.84%
Tropicana	\$ 49,992,848	\$ 52,955,358	(\$ 2,962,510)	- 5.59%
Belterra	\$ 33,431,353	\$ 34,990,092	(\$ 1,558,739)	- 4.45%
French Lick	\$ 31,659,309	\$ 30,423,657	\$ 1,235,652	4.06%
Majestic Star I	\$ 30,938,163	\$ 31,820,510	(\$ 882,347)	- 2.77%
Majestic Star II	\$ 21,210,086	\$ 20,394,547	\$ 815,539	4.00%
Rising Star	\$ 15,009,290	\$ 16,417,357	(\$ 1,408,067)	- 8.58%
STATEWIDE	\$731,300,628	\$755,117,984	(\$ 23,817,356)	- 3.15%

REGIONAL WIN (\$ in millions), past six months

REGION	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Lake	\$ 78.15	\$ 91.41	\$ 72.14	\$ 65.86	\$ 77.76	\$ 72.06
Southern	\$ 61.73	\$ 75.58	\$ 58.84	\$ 57.65	\$ 71.53	\$ 64.73
Racinos	\$ 43.00	\$ 50.41	\$ 41.17	\$ 35.36	\$ 42.12	\$ 39.40

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Caesars*	\$ 92.93	\$ 108.94	\$ 85.74	\$ 80.40	\$ 94.92	\$ 87.95
Penn National*	\$ 32.14	\$ 38.88	\$ 31.38	\$ 28.48	\$ 34.88	\$ 32.66
Boyd Gaming*	\$ 21.07	\$ 26.05	\$ 18.73	\$ 17.73	\$ 22.80	\$ 20.62
Spectacle	\$ 13.93	\$ 14.73	\$ 12.66	\$ 10.83	\$ 12.73	\$ 11.71

* Assumes current combinations looking retrospectively

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN	TABLE WIN
Indiana Grand	5.15% \$ 1,216,588	N/A N/A
Majestic Star II	2.32% \$ 120,032	6.86% \$ 8,406
French Lick	0.51% \$ 34,284	7.30% \$ 74,152
Hoosier Park	0.42% \$ 76,134	N/A N/A
Hollywood	- 0.82% (\$ 96,628)	- 6.25% (\$ 139,644)
Blue Chip	- 3.90% (\$ 455,862)	4.90% \$ 64,021
Horseshoe HD	- 7.30% (\$ 1,874,456)	- 9.87% (\$ 1,027,878)
Tropicana	- 8.00% (\$ 844,423)	- 24.79% (\$ 562,215)
Majestic Star I	- 8.40% (\$ 548,181)	5.39% \$ 128,889
Belterra	- 9.86% (\$ 817,829)	- 14.22% (\$ 163,627)
Ameristar	- 13.09% (\$ 2,062,803)	- 16.66% (\$ 942,198)
Rising Star	- 15.16% (\$ 590,905)	- 51.79% (\$ 262,397)
Horseshoe SI	- 19.01% (\$ 3,145,664)	- 16.50% (\$ 659,592)
STATEWIDE	- 5.47% (\$ 8,989,713)	- 11.21% (\$ 3,482,083)

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN	TABLE WIN
Indiana Grand	7.20% \$ 1,990,544	N/A N/A
Majestic Star II	5.10% \$ 295,571	1.75% \$ 2,752
Blue Chip	2.51% \$ 337,904	- 5.81% (\$ 96,224)
Tropicana	1.26% \$ 162,955	- 20.92% (\$ 577,109)
Horseshoe HD	- 0.22% (\$ 63,349)	- 15.41% (\$ 1,750,331)
Hoosier Park	- 0.81% (\$ 169,675)	N/A N/A
French Lick	- 0.88% (\$ 70,309)	- 2.61% (\$ 30,068)
Hollywood	- 4.47% (\$ 648,247)	- 3.19% (\$ 65,048)
Horseshoe SI	- 4.69% (\$ 792,985)	- 16.56% (\$ 820,577)
Belterra	- 6.14% (\$ 583,810)	2.31% \$ 40,072
Rising Star	- 6.41% (\$ 271,289)	- 3.46% (\$ 19,262)
Majestic Star I	- 6.62% (\$ 481,765)	- 9.39% (\$ 174,891)
Ameristar	- 7.48% (\$ 1,371,532)	32.72% \$ 1,497,237
STATEWIDE	- 0.89% (\$ 1,665,987)	- 6.08% (\$ 1,993,449)

COIN-IN, past five months (\$ in millions)

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018
Indiana Grand	\$ 266.57	\$ 313.49	\$ 257.10	\$ 226.05	\$ 252.78
Horseshoe HD	\$ 243.14	\$ 286.85	\$ 225.14	\$ 203.11	\$ 241.70
Hoosier Park	\$ 197.23	\$ 220.47	\$ 186.15	\$ 162.65	\$ 200.98
Ameristar	\$ 135.59	\$ 167.69	\$ 132.90	\$ 122.59	\$ 143.02
Horseshoe SI	\$ 134.56	\$ 159.52	\$ 105.13	\$ 133.28	\$ 157.44
Blue Chip	\$ 130.44	\$ 155.64	\$ 120.56	\$ 105.47	\$ 137.39
Hollywood	\$ 118.31	\$ 140.04	\$ 117.63	\$ 102.71	\$ 129.49
Tropicana	\$ 96.32	\$ 121.92	\$ 98.68	\$ 88.43	\$ 104.77
Belterra	\$ 78.53	\$ 94.00	\$ 67.11	\$ 65.38	\$ 86.22
French Lick	\$ 77.13	\$ 96.25	\$ 77.03	\$ 67.38	\$ 92.02
Majestic Star I	\$ 60.24	\$ 69.55	\$ 56.70	\$ 51.25	\$ 58.88
Majestic Star II	\$ 52.42	\$ 59.01	\$ 49.08	\$ 41.08	\$ 48.87
Rising Star	\$ 38.37	\$ 45.67	\$ 39.05	\$ 32.35	\$ 44.99
STATEWIDE	\$ 1.629B	\$ 1.930B	\$ 1.532B	\$ 1.402B	\$ 1.699B

SLOT PAYBACK, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Blue Chip	91.38%	91.14%	91.26%	91.42%	91.58%	91.23%
Rising Star	91.38%	91.33%	91.43%	91.43%	91.78%	91.20%
French Lick	91.26%	91.80%	91.40%	91.39%	91.47%	91.53%
Hoosier Park	90.80%	90.59%	90.90%	90.97%	90.88%	90.19%
Indiana Grand	90.68%	90.54%	90.57%	90.85%	90.59%	90.33%
Belterra	90.48%	90.51%	90.87%	90.73%	90.99%	90.82%
Horseshoe HD	90.21%	90.00%	89.78%	90.21%	90.24%	89.87%
Hollywood	90.16%	90.10%	89.54%	89.91%	89.68%	90.12%
Majestic Star I	90.08%	90.23%	90.03%	90.00%	90.07%	89.86%
Horseshoe SI	90.04%	89.90%	90.05%	90.21%	90.02%	90.22%
Tropicana	89.92%	89.26%	89.80%	89.44%	89.72%	89.45%
Ameristar	89.90%	89.88%	90.13%	90.32%	89.81%	89.90%
Majestic Star II	89.88%	89.68%	89.57%	89.92%	89.61%	89.66%
STATEWIDE	90.47%	90.33%	90.37%	90.53%	90.47%	90.28%

SLOT MACHINES, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe HD	2,197	2,199	2,217	2,217	2,221	2,205
Indiana Grand	2,072	2,073	2,074	2,069	2,069	2,069
Ameristar	1,748	1,738	1,738	1,749	1,762	1,774
Blue Chip	1,668	1,676	1,676	1,678	1,678	1,675
Horseshoe SI	1,580	1,577	1,580	1,580	1,579	1,586
Hoosier Park	1,570	1,543	1,542	1,599	1,611	1,658
Hollywood	1,566	1,574	1,543	1,541	1,522	1,509
Belterra	1,176	1,176	1,167	1,180	1,186	1,170
Tropicana	1,118	1,127	1,124	1,125	1,128	1,130
French Lick	913	915	915	915	916	916
Rising Star	887	898	896	897	897	894
Majestic Star II	831	829	832	838	842	859
Majestic Star I	789	788	789	700	818	819
STATEWIDE	18,115	18,133	18,093	18,088	18,229	18,264

WIN PER SLOT PER DAY

CASINO	04/2019	04/2018	03/2019
Indiana Grand	\$ 400	\$ 372	\$ 461
Hoosier Park	\$ 385	\$ 326	\$ 434
Horseshoe HD	\$ 361	\$ 373	\$ 421
Tropicana	\$ 290	\$ 310	\$ 375
Horseshoe SI	\$ 283	\$ 347	\$ 330
Ameristar	\$ 261	\$ 318	\$ 315
Majestic Star I	\$ 252	\$ 259	\$ 278
Hollywood	\$ 248	\$ 269	\$ 284
French Lick	\$ 246	\$ 241	\$ 278
Blue Chip	\$ 225	\$ 232	\$ 265
Majestic Star II	\$ 213	\$ 207	\$ 237
Belterra	\$ 212	\$ 233	\$ 245
Rising Star	\$ 124	\$ 141	\$ 142
STATEWIDE	\$ 286	\$ 296	\$ 332

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 42,316,214	\$ 9,389,588 22.19%
Ameristar	\$ 28,424,714	\$ 4,712,310 16.58%
Horseshoe SI	\$ 16,350,772	\$ 3,338,741 20.42%
Majestic Star I	\$ 10,332,675	\$ 2,520,168 24.39%
Hollywood	\$ 9,633,642	\$ 2,093,956 21.53%
Tropicana	\$ 8,595,714	\$ 1,705,810 19.84%
Blue Chip	\$ 6,641,622	\$ 1,370,693 20.64%
Belterra	\$ 5,741,429	\$ 987,222 17.19%
French Lick	\$ 4,689,512	\$ 1,089,801 23.24%
Rising Star	\$ 2,395,355	\$ 244,297 10.20%
Majestic Star II	\$ 112,419	\$ 130,923 116.46%
STATEWIDE	\$ 135,234,068	\$ 27,583,509 20.40%

TABLE HOLD, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Majestic Star II	116.46%	117.65%	112.18%	152.29%	112.02%	115.59%
Hollywood	31.53%	27.04%	34.41%	34.17%	28.29%	36.29%
Majestic Star I	24.39%	15.37%	22.90%	17.45%	21.47%	20.08%
French Lick	23.24%	19.14%	23.87%	22.04%	20.76%	23.71%
Horseshoe HD	22.19%	21.07%	19.84%	22.41%	21.51%	21.96%
Blue Chip	20.64%	21.34%	22.52%	21.86%	22.20%	21.62%
Horseshoe SI	20.42%	21.37%	26.53%	20.61%	25.63%	24.17%
Tropicana	19.84%	19.71%	20.83%	23.43%	22.01%	25.20%
Belterra	17.19%	24.55%	14.81%	25.14%	27.48%	24.60%
Ameristar	16.58%	20.40%	16.06%	16.55%	15.72%	16.41%
Rising Star	10.20%	17.23%	14.00%	21.07%	13.00%	15.28%
STATEWIDE	20.40%	20.28%	20.36%	20.85%	20.87%	21.42%

TABLE GAMES, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe HD	150	150	157	155	154	156
Horseshoe SI	103	103	103	103	103	103
Ameristar	78	79	79	79	80	76
Hollywood	78	78	78	78	78	73
Majestic Star I	49	49	49	49	49	50
Blue Chip	48	48	48	48	48	48
Belterra	43	43	43	43	43	43
Tropicana	41	41	41	41	41	41
French Lick	37	37	37	37	37	37
Rising Star	25	27	29	29	25	25
Majestic Star II	14	14	14	14	14	14
STATEWIDE	665	669	678	676	672	671

WIN PER TABLE PER DAY

CASINO	04/2019	04/2018	03/2019
Horseshoe HD	\$ 2,087	\$ 2,270	\$ 2,067
Ameristar	\$ 2,014	\$ 2,618	\$ 2,480
Majestic Star I	\$ 1,714	\$ 1,563	\$ 1,110
Tropicana	\$ 1,387	\$ 1,844	\$ 1,717
Horseshoe SI	\$ 1,080	\$ 1,294	\$ 1,294
French Lick	\$ 982	\$ 915	\$ 979
Blue Chip	\$ 952	\$ 907	\$ 1,048
Hollywood	\$ 895	\$ 897	\$ 817
Belterra	\$ 765	\$ 913	\$ 1,334
Rising Star	\$ 339	\$ 582	\$ 642
Majestic Star II	\$ 312	\$ 215	\$ 368
STATEWIDE	\$ 1,383	\$ 1,527	\$ 1,486

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	04/2019	03/2019	02/2019	01/2019
Majestic Star II	97.6/02.4%	97.4/02.6%	97.8/02.2%	96.5/03.5%
Rising Star	93.1/06.9%	88.1/11.9%	90.2/09.8%	85.3/14.7%
Blue Chip	89.1/10.9%	89.8/10.2%	88.6/11.4%	87.8/12.2%
Belterra	88.3/11.7%	83.4/16.6%	89.6/10.4%	81.6/18.4%
French Lick	86.1/13.9%	87.6/12.4%	83.1/16.9%	84.8/15.2%
Tropicana	85.1/14.9%	85.7/14.3%	84.1/15.9%	82.4/17.6%
Hollywood	84.8/15.2%	87.5/12.5%	85.6/14.4%	84.1/15.9%
Horseshoe SI	80.1/19.9%	79.6/20.4%	74.8/25.2%	79.2/20.8%
Ameristar	74.4/25.6%	73.7/26.3%	77.1/22.9%	73.4/26.6%
Horseshoe HD	71.7/28.3%	74.9/25.1%	75.3/24.7%	69.6/30.4%
Majestic Star I	70.3/29.7%	80.1/19.9%	76.1/23.9%	78.4/21.6%
STATEWIDE	84.9/15.1%	85.8/14.2%	85.7/14.3%	83.6/16.4%

STATE MARKET SHARE BY CORPORATE PARENT, past six months

CORP	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Caesars*	50.82%	50.11%	49.80%	50.61%	49.59%	49.92%
Penn National*	17.58%	17.89%	18.23%	17.93%	18.22%	18.53%
Boyd Gaming*	11.52%	11.98%	10.88%	11.16%	11.91%	11.70%
Majestic Star	7.62%	6.77%	7.35%	6.82%	6.65%	6.64%

* Assumes current combinations looking retrospectively

STATE MARKET SHARE, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe HD	18.15%	17.61%	17.76%	17.98%	16.91%	16.91%
Indiana Grand	13.59%	13.64%	14.08%	13.02%	12.43%	12.55%
Ameristar	10.07%	10.60%	9.88%	10.17%	10.19%	10.44%
Hoosier Park	9.92%	9.55%	9.84%	9.24%	9.57%	9.82%
Horseshoe SI	9.15%	9.31%	8.12%	10.37%	10.68%	10.65%
Hollywood	7.51%	7.28%	8.35%	7.76%	8.03%	8.09%
Blue Chip	6.90%	7.06%	6.91%	6.48%	6.87%	6.91%
Tropicana	6.24%	7.03%	6.95%	7.14%	6.76%	6.67%
Majestic Star I	4.65%	3.90%	4.31%	4.12%	3.94%	3.94%
Belterra	4.63%	4.92%	3.97%	4.68%	5.04%	4.80%
French Lick	4.28%	4.15%	4.63%	4.31%	4.72%	4.27%
Majestic Star II	2.97%	2.87%	3.04%	2.70%	2.71%	2.70%
Rising Star	1.94%	2.07%	2.15%	2.05%	2.14%	2.26%

STATE MARKET SHARE BY REGION, past six months

REGION	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Lake	42.73%	42.05%	41.91%	41.45%	40.62%	40.90%
Southern	33.76%	34.76%	34.18%	36.29%	37.37%	36.74%
Racinos	23.51%	23.19%	23.92%	22.26%	22.01%	22.36%

LAKE REGION MARKET SHARE, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe HD	42.48%	41.88%	42.39%	43.37%	41.63%	41.34%
Ameristar	23.55%	25.21%	23.58%	24.54%	25.08%	25.53%
Blue Chip	16.14%	16.79%	16.49%	15.64%	16.92%	16.88%
Majestic Star I	10.87%	9.28%	10.29%	9.93%	9.69%	9.63%
Majestic Star II	6.95%	6.83%	7.26%	6.52%	6.68%	6.61%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Horseshoe SI	27.11%	26.79%	23.76%	28.58%	28.57%	28.98%
Hollywood	22.25%	20.95%	24.43%	21.37%	21.50%	22.03%
Tropicana	18.50%	20.21%	20.34%	19.66%	18.09%	18.15%
Belterra	13.71%	14.16%	11.62%	12.89%	13.48%	13.05%
French Lick	12.68%	11.94%	13.55%	11.86%	12.63%	11.63%
Rising Star	5.75%	5.95%	6.30%	5.64%	5.74%	6.16%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Ameristar	Horseshoe HD	Indiana Grand
(3)	Horseshoe SI	Hoosier Park	Ameristar
(4)	Majestic Star I	Ameristar	Hoosier Park
(5)	Hollywood	Horseshoe SI	Horseshoe SI
(6)	Tropicana	Hollywood	Hollywood
(7)	Blue Chip	Blue Chip	Blue Chip
(8)	French Lick	Tropicana	Tropicana
(9)	Belterra	Belterra	Majestic Star I
(10)	Rising Star	French Lick	Belterra
(11)	Majestic Star II	Majestic Star I	French Lick
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Indiana	\$ 182.88	\$ 217.40	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19
IL Casinos	\$ 114.76	\$ 126.20	\$ 97.55	\$ 94.71	\$ 117.69	\$ 107.13
SPREAD	\$ 68.11	\$ 91.20	\$ 74.60	\$ 64.16	\$ 73.72	\$ 69.06
IL VGTs	\$ 144.77	\$ 158.71	\$ 129.06	\$ 120.47	\$ 133.51	\$ 125.14
IL Total	\$ 259.53	\$ 284.91	\$ 226.61	\$ 215.18	\$ 251.20	\$ 232.27
SPREAD	(\$ 76.65)	(\$ 67.51)	(\$ 54.45)	(\$ 56.32)	(\$ 62.45)	(\$ 56.08)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	04/2019	03/2019	02/2019	01/2019	12/2018	11/2018
Indiana	\$ 182.88	\$ 217.40	\$ 172.16	\$ 158.87	\$ 191.41	\$ 176.19
OH Casinos	\$ 70.58	\$ 81.08	\$ 69.99	\$ 62.45	\$ 76.25	\$ 67.73
OH Racinos	\$ 89.64	\$ 103.11	\$ 84.96	\$ 78.29	\$ 89.69	\$ 80.41
OH Total	\$ 160.22	\$ 184.19	\$ 154.95	\$ 140.74	\$ 165.94	\$ 148.15
SPREAD	\$ 22.66	\$ 33.21	\$ 17.21	\$ 18.13	\$ 25.47	\$ 28.05

April State Summary

Indiana's 13 commercial gaming properties generated the weakest April win since 2003 (the first April with dockside gaming) with only \$182.88 million, dwindling from last year by 6.38% (- \$12.47 million).

The decline constitutes the steepest year-over-year tumble since February 2018 (and was the first \$10 million+ shortfall since then), as well as the most precipitous in any April since 2014. Win has declined from the prior year by more than five percent in two out of the first four months of the calendar year – a phenomenon not experienced since 2014, when record cold, snow, ice, and wind devastated the state from January through March. This also interrupts the first two successive months of over-the-year improvement since March-April 2018. The calendar was consistent from April 2018, so it played no part. After every property showed a February to March gain, only one (Majestic Star Casino I) did so from March to April, and that was marginal (a 0.19% gain)..

Year-over-year gains were enjoyed at only four properties (one north, one south, and both racinos), while nine properties endured over-the-year declines. Five casinos (four along the Ohio River) were hit by a double-digit percentage decline in win, the most in the state since February 2018. Indiana Grand posted a record April high for the Shelbyville property (and has posted successive April gains since 2014), but the lowest April totals this century were seen at Blue Chip Casino, Rising Star Casino • Resort, and Hollywood Casino Lawrenceburg. While five properties saw March win (and April 2018 win) top \$20 million, only two did so in April 2019.

Year-to-date Indiana casino win stands at \$731 million through April, off by 3.15% (- \$23.8 million) compared to the same four months of 2019. Win has eroded on a year-to-date basis at nine of the 13 properties. Just four have seen their respective fortunes improve: Indiana Grand, Blue Chip Casino, Majestic Star Casino II, and French Lick Resort • Casino.

The five Lake Michigan commercial casinos brought in April win of \$78.15 million, the lowest for the region in any April since 2000, and representing a year-over-year decline of 7.78% (- \$6.59 million). The entire Chicagoland market was down by 6.6%, and the Illinois side was up by 1.6% itself, so Indiana fared worse than its Illinois counterparts. The largest over-the-year decline in the region occurred at Ameristar Casino East Chicago, whether you measure by percentage or actual dollar. Slot volume was largely lower across the market (down by about 5.5% in Chicagoland). While table drop was marginally up, there were a lot of lucky table players across the northern tier in April.

The six southern tier casinos managed win of \$61.73 million, the weakest result for this region in any April since 1999, when there were two fewer casinos operating. Regional win plummeted from prior year performance by 10.41% (- \$7.17 million). The largest year-over-year percentage decline in the state occurred at Rising Star Casino • Resort (for the property, this was its largest one-year decline since February 2015; Rising Star has recorded win of less than \$4 million in three of the first four months of 2019). The largest over-the-year decline in the state as measured in actual dollars took place at Horseshoe Casino Southern Indiana (constituting the property's steepest April-to-April decline since 2011). A relatively low table hold was a factor in this result (although it was largely flat on a year-over-year basis). The biggest driver of the over-the-year April 19.01% (- \$ 3,145,664) decline at HCSI is found on the slot side of the business – and a chunk of this is due to the continued competitive pressures with the new Derby City Gaming facility across the Ohio River in Louisville.

The two racinos combined for record-high April win of \$42.997 million, a year-over-year boost of 3.10% (\$1.29 million). Both racinos posted year-over-year improvement (this was the first such gain at Harrah's Hoosier Park so far in 2019). Indiana Grand paced the state in year-over-year growth for the second month in a row and stands as the only property where year-to-date win has improved by greater than five percent.

Statewide slot win fell to the lowest April level since 2003 at \$155.29 million, plummeting from the prior year by 5.47% (-\$8.99 million). That's the second-steepest real dollar decline over the past three years and the steepest April-to-April contraction since 2014. After win per slot per day reached the highest level this decade in March, April sees win per slot per day slip back down to the more pedestrian territory of \$286, even with fewer machines on casino floors. The slot payback percentage averaged 90.466%, a new April record trough as casinos continue to tighten the payouts. One exception: Blue Chip Casino, which effectively offered players the loosest slots in the state (along with Rising Star) for the first time since January 2018 (when the Four Winds Casino South Bend opened nearby) - and the lowest payout percentage, 89.88% at Majestic Star Casino II, was the highest state low payout for any month since February 2017. Players risked \$1.6289 billion at the slots - the lowest in any April since 1998 when there were five fewer properties. Coin-in sank by \$144 million compared to April 2018, the second-largest decline over the past four years. For the first time since 2014, coin-in has tumbled on a year-over-year basis in each of the first four months of the calendar year as the state now faces competition from the historical horse racing machines in Louisville as well as additional video gaming terminals along our western border with Illinois. Indiana properties offered up 18,115 slot machines as of the end of April - 370 fewer than were in play in April 2018. The statewide slot inventory has not increased in any April since 2010.

The 11 Hoosier casinos with traditional table games collected table win of \$27.58 million in April, the weakest April performance in four years. Table win was down by 11.21% (-\$3.48 million) compared to the same month last year, marking its most vertical April-to-April decline since 2010. Table win has experienced year-over-year slippage in each of the first four months of the calendar year, a phenomenon not seen since 2014 (the first January - April in which all four Ohio land-based casinos were open). Moreover, table win has declined for six successive months for the first time since 2016. The last time any Hoosier casino hit \$10 million in monthly table win was October, and but this also occurred in April 2018. Win per table per day declined less rapidly than overall table win. At \$1,383, win per table per day fell by 6.9% compared to \$1,486 in April 2018. Players could pick from 665 table games active across all properties as of the end of April, the paltriest selection available in any month since 2008, when the Hammond and Lawrenceburg properties had not yet transitioned to their current gaming platforms. The table hold percentage ended April at 20.40%, the third consecutive month under 20.5%, a phenomenon not seen since 2016. This constitutes the lowest table hold percentage in any April since 2011. Players anted up \$135.23 million on table games, off by 3.53% (- \$4.94 million) compared to April 2018, which represents the steepest April decline since 2013.

Caesars Entertainment Corporation captured just under \$93 million from its four properties in April, representing 50.82% of statewide win, the largest state share since the merger. Cumulatively, the two Horseshoe-branded properties report that year-to-date win has declined by eight percent, or just over \$17 million, but Caesars is the only corporate combo to grow market share in successive months since February. Horseshoe Casino Hammond also posts the highest single-property state share (18.15%) since it led the state last October with an 18.85% revenue share. Penn National Gaming, Inc. accrued an April state market share of 17.58% on win of \$32 million. January - April win for the two Penn National properties is off from the same point last year by approximately five percent (- \$6.8 million). Boyd Gaming Corporation recorded an 11.52% April share of overall state revenue on win of \$21 million. Through the first four months of 2019, Boyd has collected win of \$84 million, sinking from last year's January - April performance by 1.3% (- \$1 million). Spectacle Entertainment, LLC accounted for a state market share of 7.62% in April with April revenues of \$13.93 million. Spectacle has essentially treaded water so far this year, as year-to-date win of \$52 million is down from the same four months in 2018 by just \$67,000.

Illinois garnered April revenues of \$114.76 million from its 10 casinos - the lowest April total since 1999. Illinois also added to its purse a new all-time April high of \$144.77 million from Video Gaming Terminals. This marks the second month this year in which Illinois VGT revenue alone has trailed Indiana casino win by less than \$40 million. Combined, the Land of Lincoln reaped just under \$260 million in April from the fruits of gaming. Illinois has brought in more than \$200 million from casinos and VGTs in every month since July 2016 - Indiana has done so only three times in that span (each of the three months of March) from its casinos and racinos. The spread between Illinois and Indiana revenues was up to \$76.65 million - in favor of the Illini - during April, a new all-time record.

Ohio amassed \$70.58 million in April receipts from its four casinos and another \$89.64 million from its racinos - both figures represent year-over-year declines (- 2.4% for casinos and - 0.1% for the racinos). All told, Ohio brought in just over \$160 million from gaming, down slightly (- 1.1%) from \$162 million a year ago. JACK Cincinnati Casino, the land-based casino in downtown Cincinnati that has led the Indiana properties in the local market, saw April revenue of \$16.8 million, down from \$17.5 million in April 2018. Table game revenue rose by about \$100,000, but slots were down by about \$800,000 over the year. By comparison, the strongest Hoosier casino in the Cincinnati market, Hollywood Casino Lawrenceburg, posted April win of just \$13.73 million, down from \$13.97 million in April 2018. Two of the three Indiana casinos in the Cincinnati market saw double-digit over-the-year percentage declines.

Hoosier Lottery

- In the coming months, you should expect IGT Indiana, LLC to present an action plan to the State Lottery Commission of Indiana for online lottery and rapid-selection monitor games . . . something we've been telling you to steel yourself for over the past 18 months or so.

□ IGT recently completed a comprehensive evaluation of the viability of monitor games and is in the process of wrapping up a similar study of online or interactive lottery – what the industry refers to as iLottery. The potential new games and platforms could significantly increase revenue and profit for IGT and the Hoosier Lottery as the partners approach the half-way point of their 15-year Integrated Services Agreement (and the Hoosier Lottery marks its 30th anniversary in October).

□ The forthcoming action plan will cover both iLottery and monitor games and should be presented to the Commission for consideration during the upcoming fiscal year once the iLottery study is complete. The action plan is expected to address timelines, technology requirements, game types, prize structure and payouts, legal and regulatory issues, capital investment, marketing, and staffing needs. The expansion plans could likely be accomplished without legislative approval . . . which would avoid some of the same uncomfortable debate as you saw this Spring on the House floor about mobile sports wagering (though some lawmakers might find this more problematic because it would actually be the State conducting the activity, and not just a casino or vendor authorized by the State).

□ Monitor games are offered as often as every three minutes, seven days a week and include not only Keno – which we told you was definitely on the radar screen – but also bingo and computer-simulated sporting events. Monitors are typically placed in social environments like bars and restaurants where players place their bets and then watch the outcome unfold in real time on a screen. In this way, monitor games offer the Hoosier Lottery the opportunity to expand outside of traditional retailer channels. Monitor games also diversify and expand the player base. Compared to the profile of other lottery products, Keno consumers are more likely to be younger and male. IGT also offers an iKeno product that lets consumers play Keno from their smartphones. The potential benefits to bars and restaurants include increased foot traffic, higher food and beverage sales, and keeping patrons in their establishment for longer periods of time.

□ An iLottery platform would allow players to play the equivalent of digital scratch-off tickets (“eInstants”) and make online purchases of traditional draw games like Powerball and Hoosier Lotto. Internet wagering would broaden the Lottery’s reach to young adults.

□ Estimates we’ve seen suggest that once fully implemented in Indiana, Keno could annually generate \$450 million in sales and \$100 million in profit. Internet wagering on Hoosier Lottery games could annually generate \$100 million in sales and \$25 million in profit.

● The Kentucky Lottery retains the Washington, D.C. law firm of Akin Gump Strauss Hauer & Feld to lobby Congress to “Support ability of state lotteries to continue to operate under the Wire Act.”

● Through the first 10 months of Fiscal Year 2019, the Hoosier Lottery achieved sales of \$1.12 billion, up by \$51.1 million (4.8%) over the same point in the prior fiscal year and topping the budget by \$39.9 million (3.7%). Indiana reached the \$1 billion sales mark in March – the earliest the Lottery has ever reached 10 figures.

□ Players spent just under \$807 million on scratch-off tickets from July 2018 through April 2019, up by \$21.4 million (2.7%) over the same point in Fiscal Year 2018 but down by \$10.3 million (- 1.3%) compared to the budget. As we’ve been telling you, scratch-off sales at the \$1 and \$2 price points have been steadily declining for many years, despite the introduction of monthly second-chance promotions. Sales of the big jackpot draw games (Powerball, Mega Millions, and Hoosier Lotto) came in at a shade over \$200 million on a fiscal year-to-date basis, a gain of \$24.2 million (13.7%) over the same period in the prior fiscal year, and ahead of budget by \$42.6 million (26.9%). As we wrote at this time last year, the Hoosier Lottery and IGT expected a decline in Powerball sales in FY 2019, but actual results have outperformed expectations. Powerball sales of \$83 million for the 10-month period are down by \$12.2 million (-12.8%) from the same point in FY 2018, yet are \$6.3 million (8.3%) greater than budget. Mega Millions sales of \$68 million are \$28.6 million (72.6%) ahead of the same point in FY 18 and \$28.0 million (70.2%) ahead of where the Lottery expected to be, aided by the October jackpot of more than \$1.5 billion. Hoosier Lotto sales of just under \$50 million at the 10-month mark are \$7.8 million (18.5%) better than this point in FY 2018 and \$8.2 million (19.9%) better than budget. Fast Play, launched in FY 2015, had been seeing dwindling sales, but IGT Indiana has engineered a turnaround this year, with the product line generating \$12.0 million in sales thus far in FY 2019, up by \$2.4 million (24.5%) compared to the same point in FY 18, and beating expectations by \$1.7 million (16.3%). Combined revenue from the Daily 3 and Daily 4 games of just under \$64 million represents an improvement of \$5 million (8.5%) from the same July-April stretch in FY 2018, and an increase over budget of \$6 million (10%).

□ Cash4Life will expand to a daily draw beginning July 2, which may help reinvigorate a game that has seen fiscal year-to-date sales erode by 17% compared to the same 10 months in FY 2018.

● The State Lottery Commission of Indiana at its May 21 meeting approved the Fiscal Year 2020 business plan for IGT Indiana. The plan anticipates achieving Provider Net Income of \$312 million in FY 2020. The latest forecast shows FY 2019 results on track for \$323 million, meaning income in the upcoming fiscal year is expected to decline. The FY 2020 budget expects sales of \$1.323 billion, which is about \$4.5 million below where sales are forecasted to end up for FY 19. The FY 2020 budget envisions scratch-off sales of \$988.6 million and draw game sales of \$334.4 million – maintaining a ratio of 75/25. FY 2020 scratch-off sales are anticipated to grow by about 2.5% over forecasted FY 2019 sales of \$966 million, while draw game sales are budgeted to decline by about eight percent from forecasted FY 19 levels of \$364 million. Mega Millions is on track to end FY 19 with \$75 million in sales, yet the FY 2020 budget plans for sales to tumble by some 30% to \$52 million, perhaps recognizing the high number of top 10 jackpot sales for that game over the past 10 months. Mega Millions sales for FY 2019 through April 30 are running 73% higher than at the same point last year, and are also tracking 70% higher than projections. The business plan calls for launching 45 new scratch-off games, down from 58 in FY 18 and 50 in FY 19. The Incentive Net Income threshold grows from \$305 million in FY 2019 to \$310 million in FY 2020. With PNI budgeted at \$312 million, the FY 2020 business plan assumes that the private manager will collect a \$1 million incentive bonus. The amount that IGT Indiana must deliver to avoid paying a shortfall penalty remains at \$300 million.

□ Look for IGT and the Hoosier Lottery to launch a new game in March 2020 called Cash Pop. Officials describe it as essentially a “Pick One” game where players choose one number. The new daily game is expected to contribute about \$4 million in sales in FY 20. IGT will also launch the first-ever \$20 Fast Play ticket, building on the price-point progression strategy that has proven successful for scratch-off tickets.

□ The upcoming fiscal year will also see the Hoosier Lottery celebrate its 30th anniversary in October. No word yet as to whether the Lottery will reprise the “I’m so Excited” Poynter Sisters theme that kicked off the debut three decades ago.

□ Notably, the Lottery will expand its self-service footprint to Walmart during FY 2020, with about 80 machines deployed at Walmart stores across Indiana during the coming fiscal year. Look for some 20 stores to have two machines, and the rest of the stores will each have one. Another enhancement in the works involving key retailers will be adding the capability for consumers to purchase lottery tickets from regular check-out lanes rather than having to make an additional stop at a separate service counter or instant ticket vending machine.

● About one month after the Indiana Supreme Court voted unanimously to deny transfer in *Parsley, II v. Indiana*, No. 18A-CR-72, the strange odyssey we’ve chronicled for you over the past few years involving Jackie Harold Parsley, II and the extended Parsley clan in a case involving fraud perpetrated on the Hoosier Lottery, the Supremes also voted unanimously to deny transfer to Ashlee Parsley in *Parsley v. Indiana*, No. 18A-CR-221. She had appealed her convictions for false passing of a lottery ticket, theft, five counts of money laundering, and perjury. While she largely just questioned whether the evidence was sufficient to sustain her convictions, the Indiana Court of Appeals found in an unpublished December opinion that “evidence of probative value was presented from which the jury as the trier of fact could determine that Ashlee passed the winning lottery ticket with intent to defraud the Hoosier Lottery, knowingly exerted unauthorized control over the currency of the Hoosier Lottery, knowingly possessed or transferred the proceeds of the theft, and made a false statement on her claim form.”

● In March, we were first to tell you about a lawsuit filed by South Bend-based upstart start-up Vice Lotteries in U.S. District Court for the Northern District of Indiana, *Curtis v. Hill*, No. 3:19-cv-00073-JD-MGG, in part seeking a declaratory judgment allowing Vice to prepare for and conduct its “equitable gambling” for the benefit of the public. Vice Lotteries is trying to break into the lottery business nationally with an “equitable gambling” model under which every dollar wagered will be returned as prize money . . . and started by seeking to overturn the Hoosier Lottery’s Hoosier monopoly status.

□ While there has been no recent action in the Indiana case, we can tell you that a federal court in Michigan has scheduled a June 6 hearing on a lawsuit that Vice Lotteries filed there, with charges similar to those which it levied in Indiana, where Vice contends that “The State violates its sovereignty by offering and engaging in *quid pro quo* bargains for exemptions from its laws in exchange for payment to the Hoosier Lottery”; violates Vice’s due process and equal protection rights by barring competition to protect “monopoly profits”; and violates Vice’s free speech rights by criminalizing certain of its prep work to compete with the Hoosier Lottery.

□ And, we’ve learned, a third such lawsuit will be filed early this month in federal court in New York, making the same general claims against the state lottery in the Empire State.

● Silver Express in Indianapolis maintains the lottery sales lead for an eighth consecutive month, and continues its remarkable run of not having been lower than first or second statewide since a third-place finish way back in November 2015. But a new face that showed up in second place in March – MCR Short Stop in Portage – stays in that slot in April, maintaining its highest place in the rankings since we started monitoring retailer sales in detail back in 2013. Troy Foods Inc. in Indianapolis, which had placed first or second in each month since it transitioned from Buck’s Market ownership in the mid-July 2018 buyout (and it had largely been on the podium with Silver Express for years before the change), dropped to third place in February and has remained there since. Silver Express had held the top spot statewide during a strong run from December 2015 through October 2017 and again from January through April. Troy had jumped from 10th to first in August following the July ownership flip. The Troy Foods predecessor, Buck’s, had finished second in March 2018. K & D Marathon in Hammond moved up to fourth place in March after three consecutive months in fifth but slips back even further, down to ninth place. Indianapolis now has posted three consecutive months without a win-place showing. Until February, the last time that happened was in July 2018. Before that, the last time Indianapolis failed to post a win-place showing was back in December 2017.

Top 10 Hoosier Lottery Retailers - March 2019 Sales Rank

Apr. 19 18	Mar	Feb	Jan	Dec	Nov	Oct
1 (1) Silver Express - Indianapolis	1	1	1	1	1	1
2 (7) MCR Short Stop - Portage	2	4	6	8	4	6
3 (-) Troy Foods Inc. - Indianapolis	3	3	2	2	2	2
4 (6) Grand Food Junction - Fort Wayne	7	2	3	4	5	10
5 (9) Phillip’s 66 - Indianapolis	5	6	4	6	6	9
6 (-) Southside Marathon - Fort Wayne	9	10	—	10	8	—
7 (5) Lucky’s Mart LLC - Speedway	6	7	7	3	7	8
8 (9) The Hen - Crown Point	—	9	—	—	—	6
9 (4) K & D Marathon - Hammond	4	5	5	5	3	3
10 (-) Munster Citgo - Munster	8	—	—	—	—	—

□ Grand Food Junction in Fort Wayne, which ended February in second place statewide, its highest showing since we began tracking retailers in detail in 2013, fell all the way to seventh place in March, about on par with its sixth-place March 2018 performance, but grew in April to fourth. The Hen in Terre Haute dropped off the top 10 list in March after a brief (February) reappearance, but it is back, and ranks eight in April, displacing Jerry’s Burger Dairy in Fort Wayne, which had returned to the ladder in March in 10th place after a lengthy absence. The eighth-place March finisher, Munster Citgo, was among the top 10 retailers in the state for the first time that month, and though it slips to 19th, it remains among the leaders.

□ Only four different counties are represented among the top 10 retailers for a second straight month, down from six in February and seven in January, and remaining at the smallest cadre of counties earning top 10 honors that we can recall. Four retailers continue to be found in **Marion County**. **Allen County** returned to the multiple outlet list in February after dropping off in January, placing three on the list in March, but that drops to two in April with **Lake County** adding a third and one retailer from **Porter County**. After the top three December retailers hailed from Marion County – a phenomenon we had not seen since August – that slipped to the top two spots in January, and first and third in February and again in March.

□ Here's your deeper dive into the historical April retailer rubric:

#	2019	2018	2017
1	Silver Express	Silver Express	Silver Express
2	MCR Short Stop	Buck's Market	Buck's Market
3	Grand Food Junction	K & D Marathon	Grand Food Junction
4	Phillip's 66	MCR Short Stop	K & D Marathon
5	South Side Marathon	Grand Food Junction	MCR Short Stop
#	2016	2015	2014
1	Silver Express	Buck's Market	Buck's Market
2	Buck's Market	Silver Express	Silver Express
3	K & D Marathon	Grand Food Junction	K & D Marathon
4	Lucky's Mart LLC	Friendly Market	Lucky Stop
5	Grand Food Junction	K & D Marathon	Lightning Food Mart
#	2013	2012	2011
1	Buck's Market	K & D Marathon	K & D Marathon
2	K & D Marathon	Lightning Food Mart	Lightning Food Mart
3	Lightning Food Mart	Silver Express	Buck's Market
4	Safeway Foods #14	Lucky Stop	Dinner Bell Market
5	Silver Express	Jerry's Burger Dairy	Lucky Stop

● The May 31 Mega Millions jackpot climbed to \$441 million, 20th largest overall, eighth-largest in the game's history, and only the 10th time in the game's history in which its jackpot has topped the \$400 million mark – with four of those instances falling just within the past calendar year. This is the largest Mega Millions jackpot available since a January 1, 2019 \$437 million winner.

□ The record prize for Mega Millions, \$1.537 billion, was claimed last October, so the game has strongly contributed to a good fiscal year for the Hoosier Lottery.

● The Hoosier Lotto jackpot for Saturday, June 1, grew to \$38.6 million, a \$300,000 jump over the previous jackpot. The draw on Wednesday, March 6 had marked the first time in more than seven years (since February 18, 2012) that the Hoosier Lotto jackpot topped \$30 million, a key psychological number for casual players, but this jackpot is now climbing slowly toward record territory . . . and the next big psychological milestone – a \$40 million pot – is just weeks away, barring a winner.

□ The jackpot growth of \$1.6 million seen in the three draw periods beginning with the draw last Halloween has not been matched since then, and typically has been about one-half as much.

□ The Hoosier Lotto jackpot continues to reign as the largest up for grabs since the matrix was revised in May 2014, topping the \$25.5 million jackpot of October 14, 2017. This jackpot is the largest available in Indiana in almost 12 years (having topped the \$34.50 million jackpot hit on February 18, 2012 and a similar-sized jackpot that was won on October 30, 2010), but still significantly lags the record \$54.5 million collected on November 7, 2007. Second place is a closer target: \$42.0 million (won on June 5, 1999). The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for almost 16 months.

□ When the jackpot exceeded \$35 million, internet users saw a ramping up of web ads promoting the new bottom line, but those ads seemed to have backed off since.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	06/01/19	\$38.6 Million	\$300,000
WED	05/29/19	\$38.3 Million	\$400,000
SAT	05/25/19	\$37.9 Million	\$300,000
WED	05/22/19	\$37.6 Million	\$200,000
SAT	05/18/19	\$37.4 Million	\$300,000
WED	05/15/19	\$37.1 Million	\$200,000
SAT	05/11/19	\$36.9 Million	\$300,000
WED	05/08/19	\$36.6 Million	\$300,000
SAT	05/04/19	\$36.3 Million	\$500,000
WED	05/01/19	\$35.8 Million	\$200,000
SAT	04/27/19	\$35.6 Million	\$400,000
WED	04/24/19	\$35.2 Million	\$300,000
SAT	04/20/19	\$34.9 Million	\$500,000
WED	04/17/19	\$34.4 Million	\$300,000
SAT	04/13/19	\$34.1 Million	\$400,000
WED	04/10/19	\$33.7 Million	\$200,000
SAT	04/06/19	\$33.5 Million	\$500,000
WED	04/03/19	\$33.0 Million	\$200,000
SAT	03/30/19	\$32.8 Million	\$300,000
WED	03/27/19	\$32.5 Million	\$200,000
SAT	03/23/19	\$32.3 Million	\$400,000
WED	03/20/19	\$31.9 Million	\$300,000
SAT	03/16/19	\$31.6 Million	\$400,000
WED	03/13/19	\$31.2 Million	\$400,000
SAT	03/09/19	\$30.8 Million	\$500,000
WED	03/06/19	\$30.3 Million	\$400,000
SAT	03/02/19	\$29.9 Million	\$500,000
WED	02/27/19	\$29.4 Million	\$300,000
SAT	02/23/19	\$29.1 Million	\$300,000
WED	02/20/19	\$28.8 Million	\$200,000
SAT	02/16/19	\$28.6 Million	\$300,000
WED	02/13/19	\$28.3 Million	\$200,000
SAT	02/09/19	\$28.1 Million	\$300,000
WED	02/06/19	\$27.8 Million	\$200,000
SAT	02/02/19	\$27.6 Million	\$300,000
WED	01/30/19	\$27.3 Million	\$200,000
SAT	01/26/19	\$27.1 Million	\$300,000
WED	01/23/19	\$26.8 Million	\$200,000
SAT	01/19/19	\$26.6 Million	\$400,000
WED	01/16/19	\$26.2 Million	\$200,000
SAT	01/12/19	\$26.0 Million	\$300,000
WED	01/09/19	\$25.7 Million	\$200,000
SAT	01/05/19	\$25.5 Million	\$300,000
WED	01/02/19	\$25.2 Million	\$200,000
SAT	12/29/18	\$25.0 Million	\$300,000
WED	12/26/18	\$24.7 Million	\$200,000
SAT	12/22/18	\$24.5 Million	\$300,000

WED	12/19/18	\$24.2 Million	\$200,000
SAT	12/15/18	\$24.0 Million	\$300,000
WED	12/12/18	\$23.7 Million	\$200,000
SAT	12/08/18	\$23.5 Million	\$400,000
WED	12/05/18	\$23.1 Million	\$200,000
SAT	12/01/18	\$22.9 Million	\$400,000
WED	11/28/18	\$22.5 Million	\$200,000
SAT	11/24/18	\$22.3 Million	\$300,000
WED	11/21/18	\$22.0 Million	\$200,000
SAT	11/17/18	\$21.8 Million	\$300,000
WED	11/14/18	\$21.5 Million	\$300,000
SAT	11/10/18	\$21.3 Million	\$400,000
WED	11/07/18	\$20.9 Million	\$500,000
SAT	11/03/18	\$20.4 Million	\$600,000
WED	10/31/18	\$19.8 Million	\$500,000

□ The Hoosier Lotto jackpot ranked as the nation's fourth-largest domestic jackpot from the \$24.2 million December 19 draw until January 2, trailing the two multistate draw games and California's SuperLotto Plus . . . but after the California jackpot was hit, the Hoosier Lotto jackpot was third domestically, and the top non-multistate game from January 24 until the draw dated April 10. That's when the Golden State game posted a \$34 million jackpot compared to Indiana's \$33.7 million stake - illustrating the power of \$1 million increments in each draw, sometimes five times as much as Indiana was offering each time out. For the June 1 draw, the California jackpot hit \$49.0 million to Indiana's \$38.6 million.

● Shelby County has landed more economic development investment - \$645 million - in the past seven months than during any comparable period in the county in living memory . . . and that's even before what we expect will be as much as \$100 million or so in expansion of **Indiana Grand Racing & Casino** to accommodate live table games, and perhaps double that for a potential new hotel that - if constructed - would not be a low-budget property given the **Caesars Entertainment Corporation** vision for Indiana Grand to become a destination venue, and one which can be tied into sporting events and concerts in Indianapolis for VIPs and top-tier Caesars Rewards patrons.

□ The additional local outside investment is also paying dividends for Indiana Grand. A new ethanol plant being built - **POET Biorefining Shelbyville** - helped the city build out a new \$2.5 million water line that should help ensure that water service to Indiana Grand is not interrupted again as the property experienced in March due to a water main break.

IN Horse Racing & Racinos

● Caesars Entertainment Corporation launches its new **Empire of Hope** program, designed to help raise awareness and funding for the care of horses after their racing careers are over. Developed with support from accredited racehorse aftercare programs, Empire of Hope will directly assist efforts to relocate, rehabilitate, and repurpose retired horses. "Empire of Hope is a direct reflection of the appreciation and pride we have for the horses that participate in Caesars' racing program," explains **Rick Moore**, the veteran vice president and general manager of racing at **Harrah's Hoosier Park**. "Our equine athletes are the stars of our sport and we want to ensure that when they retire, they are placed in productive and loving environments to live out a long and healthy life."

□ Horses that compete at the Caesars racing properties range in age from two through 14; they retire on their 15th birthday, and the cost to relocate, rehabilitate, and repurpose these equine athletes can run as high as several thousand dollars per horse. Through Empire of Hope, Caesars will provide funding and support to accredited non-profit racehorse aftercare organizations, including **Thoroughbred Aftercare Alliance** and **Standardbred Transition Alliance**.

□ Empire of Hope will be launched at four of the Caesars racing properties: HP and Indiana Grand in Indiana, as well as **Harrah's Louisiana Downs** in **Bossier City, Louisiana**, and **Harrah's Philadelphia**. Tasked with a goal to raise \$30,000, Empire of Hope activities will range from food and drink specials to entertainment and promotional activities. Each property has designed numerous ways to accept donations and raise funds during the weekend of Saturday, July 20 and Sunday, July 21.

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Donut dynamic growth in whole

New population data shows recent trends continue, North Lake down

For a second consecutive year, Whitestown (Boone County) and Westfield (Hamilton County) top the list of Indiana's fastest-growing communities among those with a population of at least 5,000 residents, according to estimates released by the U.S. Census Bureau and analyzed by the Indiana Business Research Center (IBRC) at Indiana University's Kelley School of Business.

The two Indianapolis-area suburbs both grew by roughly 5.2%, marking the eighth straight year in which Whitestown takes home the title of the state's fastest-growing locale. Aided by major investments in the logistics industry (Amazon and others), Whitestown's population has almost tripled over this span, from 3,132 in 2010 to 8,627 in 2018. Effective community planning and development efforts have enticed people to reside there, as the town has avoided many of the problems that rapid topsy-turvy development could cause. Westfield has seen strong growth based in part from ancillary development surrounding its Grand Park youth sports complex that is now also home to the training camp of the Indianapolis Colts.

Other fast-growing communities identified by IBRC demographers include the Town of St. John in Lake County (4.9% growth in 2018 as residents move south within the county), as well as Avon (4.4%) and Plainfield (4.3%) in Hendricks County, also benefiting from investments by the logistics industry.

In all, 17 of the state's 20 fastest-growing communities are found in either the Indianapolis donut area or the Indiana portion of the Chicago metro area, particularly in south Lake County. Outside these areas, Westville in LaPorte County (2.4%), Auburn in DeKalb County (1.7%) and Goshen in Elkhart County (1.7%) set the pace for the state in 2018.

In terms of numeric change, Indiana's two largest cities posted the state's most sizeable gains, with Indianapolis adding 5,235 residents in 2018, and Fort Wayne growing its population by 2,178 people. A trio of Hamilton County communities – Westfield (2,046 increase) Fishers (up by 1,679) and Carmel (adding 1,521 residents) – round out the state's top five largest gains.

The top 10 cities in terms of 2018 population are led by Indianapolis – the nation's 17th-largest city in 2018, settling in just behind Charlotte, North Carolina (872,498), and ahead of Seattle, Washington (744,955). Fort Wayne's population ranks as the 77th largest city in the United States. A majority (12) of Indiana's 20 largest cities posted a population gain in 2018.

Rank	City	2018 Population	Growth/Loss vs. 2017
(1)	Indianapolis	867,125	5,235
(2)	Fort Wayne	267,633	2,178
(3)	Evansville	117,963	(- 325)
(4)	South Bend	101,860	(- 108)
(5)	Carmel	93,510	1,521
(6)	Fishers	93,362	1,679
(7)	Bloomington	84,981	85
(8)	Hammond	75,795	(- 623)
(9)	Gary	75,282	(- 599)
(10)	Lafayette	72,168	(- 106)

For more, please see the following page . . .

Monitor this gaming change

Lottery, IGT working on big e-changes

This could never have happened just four years ago, but our sister Hannah newsletter, INDIANA GAMING INSIGHT, tells readers to expect IGT Indiana, LLC to present an action plan to the State Lottery Commission of Indiana for online or interactive lottery – what the industry refers to as iLottery – and rapid-selection monitor games.

Monitor games are offered as often as every three minutes, seven days a week and include not only Keno, but also bingo and computer-simulated sporting events at bars and restaurants where players place their bets and then watch the outcome unfold in real time on a screen. iLottery platforms allow players to play the equivalent of digital scratch-off tickets and make online purchases of traditional draw games like Powerball.

IGT has completed a comprehensive evaluation of the viability of monitor games and is in the process of wrapping up a similar study of online options. Expansion would open huge long-term growth potential. The action plan will cover both iLottery and monitor games, and should be presented to the Commission for consideration during FY 2020 once the iLottery study is complete. The action plan is expected to address timelines, tech requirements, game types, prize structure and payouts, legal/regulatory issues, capital investment, marketing, and staffing needs.



The new numbers show that most Hoosiers live in cities or towns, according to Matt Kinghorn, IBRC's senior demographic analyst.

Kinghorn finds that just over one-third of the state's population lived in a city with a population of at least 50,000 in 2018, while 20% of Hoosiers lived in an incorporated place of between 10,000 and 50,000 residents, and another 12% lived in a city or town with fewer than 10,000 residents.

In all, two-thirds of Indiana's 6.67 million residents in 2018 lived in incorporated places, while the remaining 2.2 million Hoosier residents lived in unincorporated areas. Indiana's cities and towns as a group accounted for 79% of the state's total population growth from 2017 to 2018.

Even as several of the state's fastest growing communities are found on the Indiana side of Chicagoland, the same area is also home to two of the state's most rapidly shrinking metros, as the cities of Hammond, Gary, and East Chicago have each declined in population in every year since the 2010 Census.

On a countywide basis, of the 17 counties with population of at least 100,000 residents, declines occurred in 2018 in Lake, Delaware, Vanderburgh, and Vigo counties. Of the 19 counties with fewer than 20,000 residents, a majority actually grew compared to 2017. The eight that shrank were Fountain, Vermillion, Tipton, Newton, Pulaski, Blackford, Union, and Ohio counties.

IN Politics

Federal Office Races . . .

- *The Hill* reports that "Greg Pence's congressional campaign spent almost \$45,000 at Trump properties in both 2018 and 2019, more than any other member of Congress. This year, Pence's campaign paid for a reception at the hotel in early January, just as he was being sworn in to office. It also spent more than \$4,400 in lodging expenses in February and March. 'The Trump Hotel is convenient and [the] level of service is great. We plan to do more events there in the future,' said Kyle Robertson, Pence's campaign spokesman. Pence now has an apartment in Washington where he stays when Congress is in session." Robertson, of course formerly worked for Rep. Pence's brother.

IN Legislative Races . . .

- The Indiana House Democratic Caucus wastes no time in seeking to raise cash based on the pair of Indiana abortion case rulings made by the Supreme Court of the United States on Tuesday . . . also likely previewing what may be their top 2020 campaign theme.

□ Rep. Sue Errington (D) writes that "women's rights are under attack by Republican controlled State Legislatures. Just today, the Supreme Court decided not to rule on parts of HB 1337, an extreme bill that attacks women's rights and was signed into law in 2016 by then Governor Mike Pence. The far-right Republican State Legislature continues to waste tax-payers money by passing unconstitutional laws that get overturned in the courts. We should trust women to make their own choices about their own bodies, not politicians. We know that the only way to stop the Republican anti-women agenda is to elect more common sense Democrats to the State House."

- The Indiana Republican Party will convene a caucus to fill the vacancy in HD 93 created by the pending resignation of Rep. David Frizzell (R), effective May 31, 2019. The caucus will be held at 6:30 p.m. on Tuesday, June 4, at the Perry Township Government Center in Indianapolis. The vote advantage should be to Marion County (we count 27 eligible precinct committee people from Marion County and 17 from Johnson County), but Johnson County has shown that it can remain united and there may be more Indianapolis candidates to split the vote.

□ Former Orr Administration communications advisor Dollyne Pettingill Sherman (R) has registered an exploratory committee for an HD 93 bid. Dr. Phil Borst (R), a former Indianapolis City-County Council member, and the chair of the Indiana Horse Racing Commission, is her campaign chair. Sherman has been a close campaign advisor to U.S. Rep. Susan Brooks (R) and has honchoed Indiana Society of Chicago annual dinner activities for the past several years . . . Shawn Gardner (R), executive vice president at Eleven Fifty Academy in Fishers is also looking to make the race. He's a retired Army Ranger with lots of overseas service, Indiana National Guard administrative experience (and is former president of the President of the National Guard Association of Indiana), and a master's degree from Northwestern University . . . look for Megan Dugan (R) to also cast her hat into the ring. She was unsuccessful in a caucus bid last November to take over the Indianapolis City-County Council District 23 seat vacated by Scott Kreider (R), and won by Dant Advocacy lobbyist Danielle Coulter (R) . . . added to the mix is Joey Mulinaro (R), a Roncalli and UIndy alum who is digital content manager for 1070-AM *The Fan*, a podcast, and video personality, and co-host of the *Jersey Johnny Show* every Sunday on *The Fan*. He's tight with veterans organizations . . . Melinda Griesemer (R) is another Johnson County candidate . . . and we hear the names of Jim Sullivan (R) - who seems to be picking up a chunk of support - and Robert Turner (R) as well.

IN the Presidential Race . . .

- South Bend Mayor Pete Buttigieg (D) is prepping a major cash push to end the second quarter on a bang, seeking to remain a top-tier candidate on that metric and showing that he has continued traction after his meteoric rise (or burst). POLITICO says he is pushing his deep-pocket supporters "to juice his campaign's fundraising with a new bundling program Members at different levels of the program pledge to raise anywhere from \$25,000 to \$250,000 for Buttigieg over the course of the primary campaign and receive special perks, including briefings with the candidate and senior campaign staff" . . . only the two white guys in their late 70s lead Mayor Pete (albeit by substantial margins and there is a substantial drop off to his third place tie with U.S. Sen. Elizabeth Warren (D-MA)) among Democratic primary voters in Iowa, New Hampshire, South Carolina, and Nevada, according to the latest Morning Consult Political Intelligence report, based on its 16,000+ interviews with registered voters in late May. Buttigieg numbers are up by one percentage point. He is the second choice of 28% of Biden voters; 18% of Harris backers, and 14% of Warren supporters . . . Mayor Pete schedules a June 3 (Monday evening) MSNBC town hall even hosted by Chris Matthews . . . Sen. Warren will be in Fort Wayne Wednesday night for her own MSNBC town hall event, following stop in Elkhart.

IN Political News . . .

- LaPorte County Democratic Party Chair Jim Kimmel resigned from his post after 2½ years.



● The Starke County Republican Party selects **Dave Kesvornas**, the sole candidate, as their new party chair during a caucus Tuesday, following the resignation of **Brenda Stanojevic**.

IN Brief

IN Federal Circles . . .

● U.S. Sen. **Mike Braun** (R) adds his name to the list of 21 Senate cosponsors for the “STOP Surprise Medical Bills Act” authored by U.S. Sen. **Todd Young** (R) and five other members of the Bipartisan Senate Working Group on surprise medical billing.

● Inside Defense reports that the House Committee on Appropriations Subcommittee on Defense, chaired by U.S. Rep. **Pete Visclosky** (D), is proposing to spend \$85 million to improve hypersonics research . . . and U.S. Rep. **Jim Banks** (R) led an effort by the rest of the Indiana delegation to “elevate the role of academic research in tackling hypersonic weapons by establishing a university consortium to support U.S. military efforts to expedite testing, evaluation and acquisition. A new “Hypersonics Capability Development” line-item in the budget would “charge a university consortium with supporting DOD efforts to expedite testing, evaluation, and acquisition of hypersonic weapons systems, and to coordinate current and future research, development, test, and evaluation programs across the Department of Defense.” The trade publication notes that “The proposed university consortium provision was spearheaded by an Indiana delegation led by Rep. Jim Banks,” and their letter to Rep. Visclosky asserted that “America needs efficient and effective coordination of government, industry and academic resources to identify, research and mature technologies for America’s hypersonic systems portfolio.” The Banks “provision called for not only a university consortium but also a Joint Hypersonics Transition Office, which the draft appropriations bill does not mention. ‘We believe the operational priority and technical complexity of hypersonics requires a dedicated organization with the institutional knowledge and expertise to coordinate Defense Wide hypersonic technology maturation and development to transition more common and affordable technologies, materials and architectures to the services,’ the lawmakers argued in [their] letter. The Indiana lawmakers are eyeing research at Purdue University and Notre Dame University which are home to two of the nation’s three Quiet Mach 6 wind tunnels.”

□ Rep. Banks told Inside Defense, “It is my sense that to elevate the importance of hypersonics, a Joint Hypersonics Technology Office would help solve the issue and create more urgency than what exists currently. Furthermore, because of the university partnership, allowing DOD to select a university to manage a consortium of other universities doing hypersonic research is right in Purdue University’s wheelhouse. So, that

would be part of this effort as well. With Notre Dame nearby and Purdue, with Indiana University and Crane [Naval Surface Warfare Center] you have a unique set up in our state that doesn’t exist anywhere else in the country.” The publication notes that “Crane Naval Surface Warfare Center is supporting the Navy’s Strategic Systems Program office, which this fall is slated to assume long-term custody of the Conventional Strike Program – the marquee hypersonic strike technology development effort – from the Office of the Secretary of Defense. The Navy and Air Force have tapped Purdue and Notre Dame to develop a next generation of high-mach-number wind tunnels. **Dan DeLaurentis**, director of the Institute for Global Security and Defense Innovation at Purdue University, said the two schools have inked an agreement that calls for researchers from the two schools to collaborate in support of building a Mach 8 wind tunnel at Purdue in two to three years followed by a Mach 10 wind tunnel a year or two later. ‘This is not a construction project, this is a research project,’ said DeLaurentis. ‘It is unknown how to properly

design and what are the features necessary to make these very finely tuned instruments work and achieve that quiet capability at the higher mach numbers.’ This summer, senior Pentagon officials involved in the many dimensions of the U.S. military’s hypersonic technology development effort are headed to Indiana for a three-day conference at Purdue University sponsored by the National Defense Industrial Association The July 31 to Aug. 2 conference will include one day of unclassified meetings followed by two days of classified events.”

● U.S. Rep. **Trey Hollingsworth** (R) poses this question of the week to his constituents: “Do you support encouraging small businesses to offer retirement savings programs to their employees?”

● U.S. Rep. **Jackie Walorski** (R) joins U.S. Rep. **Brendan Boyle** (D-PA) to introduce the “Animal Freedom from Testing, Experimentation and Research (AFTER) Act.” The bipartisan bill would direct all federal agencies to develop and maintain a policy allowing for the adoption or other non-laboratory placement of tens of thousands of dogs, cats, primates, rabbits, and other regulated animals no longer needed for research in federal labs. “Animals should always be treated humanely, including when they are used in taxpayer-funded laboratory research,” Rep. Walorski says. “When these animals are no longer needed for testing, federal agencies should have a plan in place to safely and humanely relocate them. The bipartisan AFTER Act will ensure agencies make good faith efforts to relocate animals to loving homes, rescues, or reputable sanctuaries, such as the primate sanctuary located in Indiana’s 2nd District.” The Peaceable Primate Sanctuary, a non-profit refuge for more than 30 baboons and other primates retired from biomedical research, is located in Winamac. Rep. Walorski has championed efforts to reduce what she deems as unnecessary government testing on dogs and other animals. She recently helped introduce the “PUPPERS Act” (H.R. 1155) to end certain taxpayer-funded U.S. Department of Veterans Affairs experiments on dogs.



IN State Circles . . .

- The Indiana State Fair Commission proposes a new rule “to prohibit certain activities at the fairgrounds and to provide for enforcement, including eviction and exclusion,” and, if we’re reading it properly, it seems to bar use of those ubiquitous scooters.

- The Supreme Court of the United States will not make Indiana the test case on abortion rights, and makes it less likely that it will find a reason soon (at least in a presidential election year) to overturn its abortion rights ruling in *Roe v. Wade*. What may have been surprising to all sides was that the Indiana law – and probably any other – will not be on the docket during a volatile 2020 election year . . . and both pro-life and pro-choice forces walk away with at least a partial win.

□ In a summary reversal – a procedure in which the justices bypass full briefing and oral argument on the merits – the Court finally took up – and disposed of – *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-483. The initial Indiana case up for appeal from the Seventh Circuit was before the Court for the 15th time in conference for decision on a grant of a writ of certiorari, more appearances than any other case on the SCOTUS conference docket this year – and perhaps ever. This case involved a challenge to provisions of the Pence-era HEA 1337-2016, a law that would: (1) require health-care facilities to dispose of fetal remains in the same manner as other human remains, i.e., by burial or cremation; and (2) prohibit abortions motivated solely by the race, sex, or disability of the fetus and require physicians to inform patients of the prohibition.

□ The Supreme Court sided with the U.S. Court of Appeals for the Seventh Circuit on part of its intermediate appellate ruling, but not on the other. Pro-life advocates were gratified with the Court (on a presumed 7-2 vote in a *per curiam* ruling with justices Ruth Bader Ginsburg and Sonia Sotomayor dissenting) upholding the requirement that clinics bury or cremate the remains of a fetus as they would any other human remains, finding that the requirement did not infringe upon a woman’s right to choose to terminate her pregnancy. The Court observed that Planned Parenthood of Indiana/Kentucky and counsel for the American Civil Liberties Union of Indiana never contended that the Indiana law would impose an “undue burden” on a woman’s right to have an abortion, so the “rational basis” came into play, and all the State needed to do was to show that the requirement was rationally related to a legitimate governmental interest. While the Seventh Circuit found that the law failed to overcome even this minimally deferential test, the Supreme Court determined that government does indeed have an interest in seeing that fetal remains are properly disposed, and the law was rationally related to that interest, “even if it is not perfectly tailored to that end.”

□ Pro-choice advocates, however, came away with the win on the more important matter. The Supreme Court upheld the Seventh Circuit’s “non-discrimination” ruling that invalidated the law banning abortions based on the race or gender of the fetus, or a diagnosis of disability – “eugenic abortions,” in the State’s vernacular. This concept was a key subject of Justice Clarence Thomas’ 20-page solo concurrence, 15 pages of which dealt with eugenics (five times as long as the *per curiam* opinion itself). The 2-1 Seventh Circuit panel ruling had found that the “non-discrimination” provisions “clearly violate well-established Supreme Court precedent and are therefore unconstitutional,” and the Seventh Circuit, sitting *en banc*, had split 4-4 on a request for reconsideration.

□ The justices threaded a very fine needle (as seen by Justice Ginsburg’s brief dissent in which she suggested her majority colleagues had applied the wrong test in the fetal remains component; “This case implicates the right of a woman to choose to have an abortion before viability and to obtain it without undue interference from the state,” she wrote), and seems to indicate a reluctance by even the socially conservative majority to re-litigate *Roe v. Wade*, despite a ruling earlier in the month that cast a blow to the doctrine of *stare decisis*, and seemed to indicate the Court’s willingness to back off from long-held precedent. Upholding the Seventh Circuit decision on the substantive abortion ban would seem to cast doubt on the Court being amenable to the more far-reaching “fetal heartbeat” laws, but as Justice Thomas forewarns, “The Court’s decision to allow further percolation should not be interpreted as agreement” with the Seventh Circuit majority, and “Although the Court declines to wade into these issues today, we cannot avoid them forever.”

□ Justice Sotomayor indicated that she would have denied the State’s request for *certiorari* in its entirety and would thus have allowed the Seventh Circuit ruling striking down both provisions of the Indiana law to stand.

□ From the majority ruling: “This case, as litigated ... does not implicate our cases applying the undue burden test to abortion regulations,” and “Our opinion expresses no view on the merits of those challenges. Our opinion likewise expresses no view on the merits of the second question presented, i.e., whether Indiana may prohibit the knowing provision of sex-, race-, and disability- selective abortions by abortion providers. Only the Seventh Circuit has thus far addressed this kind of law. We follow our ordinary practice of denying petitions insofar as they raise legal issues that have not been considered by additional Courts of Appeals.”

□ Left in limbo by the Supremes: *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the appeal of a constitutional challenge to the requirement of ultrasound as part of informed consent at least 18 hours before an abortion (also added by HEA 1337-2016, which Indiana Right to Life refers to as the Dignity for the Unborn Law). This particular case has already been on the docket at three successive May conferences of the justices, and was presumably to be relisted for May 30, but SCOTUSblog reports Thursday the case is “now held,” and is not on that conference docket.

□ We’re also waiting for action by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana now that the State of Indiana has filed its response to the American Civil Liberties Union of Indiana in *Bernard, M.D., v. Indiv. Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv- 1660-SEB-DML. This is the challenge to HEA 1211-2019, a law banning dismemberment abortions (which those who support availability of the second trimester procedure label by the medical term “dilation & evacuation”). Since the initial ACLU motion sought a preliminary injunction against the law that would prevent it from its planned July 1 implementation, a ruling should be imminent.

- The Department of Child Services seeks a vendor to provide organizational design services for DCS Child Welfare. The services will be in support of DCS’ plan to replace the current child welfare information and case management system, Management Gateway for Indiana’s Kids (MaGIK), with a Comprehensive Child Welfare Information System (CCWIS) compliant solution.

□ The vendor selected for this contract may not bid on the planned CCWIS Design, Development, and Implementation (DDI) RFP.

● The State is in the field searching for a vendor (or vendors) to satisfy the State's need for "Marketing, Public Relations, Advertising and Media Buy Services" for all state agencies. The Indiana Department of Administration seeks to establish a vendor pool from which state agencies may draw upon for the development and execution of new marketing and public relations campaigns; the enhancement of established marketing and public relations campaigns; intricate web design; graphic design; social media; and planning and execution of advertising services.

□ Look for the services to be deployed on an as-needed basis largely in furtherance of public health (like Healthy Indiana Plan enrollment) and safety issues, tourism programs, and Next Level Jobs registrants.

□ In the aggregate, the State typically spends approximately \$14 million annually on such services. Approximately one-third of this figure consists of federal funding. The Asher Agency of Fort Wayne was awarded the last such contract, about a decade ago, but the number of allowable extensions has passed, so the contract is being re-bid by the State.

● Several Republican attorneys general nationally issued news releases touting an agreement reached in the nation's first-ever multistate federal lawsuit involving a Health Insurance Portability and Accountability Act (HIPAA) data breach, but not Indiana's OAG, despite being a party to the case, and filing a recent high-profile lawsuit against Equifax over a data breach accompanied by strong publicity . . . and being the lead plaintiff for the states in *State of Indiana, et al. v. Medical Informatics Engineering, Inc., et al.*, No. 3:18-cv-00969-RLM-MGG, filed in the U.S. District Court for the Northern District of Indiana in South Bend by Attorney General Curtis Hill (R) in December.

□ The 16-state agreement comes following a lawsuit filed in December 2018 in Indiana against Medical Informatics Engineering, Inc. (MIE) of Fort Wayne, a web-based electronic health records exchange. MIE pays \$900,000 to the 16 states (Indiana's share is \$174,745.29) and a \$100,000 fine to the Office for Civil Rights (OCR) of the U.S. Department of Health and Human Services, and agreed to take corrective action to settle potential HIPAA violations that includes a complete, enterprise-wide risk analysis. In July 2015, MIE filed a breach report with OCR following discovery that hackers used a compromised user ID and password to infiltrate one of MIE's servers containing names, mailing addresses, usernames, passwords and electronic protected health information (ePHI) of approximately 3.9 million people. According to OCR's investigation, MIE did not conduct a comprehensive risk analysis prior to the breach, and the hackers exploited several vulnerabilities at MIE at the time of the data breach, including poor password and security management protocols. HIPAA rules require entities to perform an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of an entity's ePHI.

● The Indiana Supreme Court schedules oral argument for June 28 in *State v. Timbs*, No. 27S04-1702-MI-00070. Should this caption sound familiar, it's because this is the big national case involving excessive fines via forfeiture that is now back to Indiana for final resolution.

□ The State filed a civil action seeking forfeiture of a \$42,000 Land Rover owned by Tyson Timbs, who was convicted of dealing in a controlled substance - about \$225 worth - and conspiracy to commit theft. The State alleged Timbs had used the vehicle to transport heroin. The Grant County Superior Court entered judgment for Timbs (who was represented by the Institute for Justice), finding forfeiture of the Land Rover - purchased with proceeds of a life insurance policy for his late father - would constitute an excessive fine under the Eighth Amendment to the U.S. Constitution. The Court of Appeals affirmed the denial of forfeiture. *State v. Timbs*, 62 N.E.3d 472 (Ind. Ct. App. 2016), *vacated*. The Indiana Supreme Court reversed, holding the Supreme Court of the United States had never enforced the Excessive Fines Clause against the states, and opting not to do so in this matter. *State v. Timbs*, 84 N.E.3d 1179 (Ind. 2017), *vacated*. The Court also held the State had proven its entitlement to forfeiture under the Indiana statute authorizing the State to seize a vehicle used to transport a controlled substance for the purpose of engaging in illegal drug trafficking. The Supreme Court of the United States granted *certiorari* and reversed (following a flood of *amicus curiae* briefs from business groups concerned about excessive fines being applied to them going forward), holding the Eighth Amendment's Excessive Fines Clause is applicable to the states under the Fourteenth Amendment's Due Process Clause. *Timbs v. Indiana*, 139 S.Ct. 682 (2019). The U.S. Supreme Court remanded the case back to the Indiana Supreme Court for further proceedings consistent with its opinion.

□ Meanwhile, the Supremes in April held oral argument in a different drug dog-alert case, *Hodges v. State*, No. 18A-MI-00078. After a drug-detecting K9 officer alerted on a package Michael Hodges was shipping to California, a police detective obtained a search warrant, and discovered almost \$61,000 in cash in the package. After the cash was removed from the package and hidden in a clean room, the K9 again alerted to the odor of controlled substances. The State seized the cash and the Marion County Superior Court issued an order permitting it to be turned over to the federal government for forfeiture proceedings. The Court of Appeals reversed, following its opinion in *Bowman v. State*, 81 N.E.3d 1127 (Ind. Ct. App. 2017), *modified on denial of reh'g, trans. denied, cert. denied*, to conclude that the seizure was not supported by probable cause. *Hodges v. State*, 114 N.E.3d 525 (Ind. Ct. App. 2018), *vacated*.



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□ The Supreme Court granted a petition to transfer and assumed jurisdiction over the case, which could presumably overturn *Bowman* (the similar asset forfeiture case which we covered for you closely, and which the Office of the Attorney General unsuccessfully sought review by the Supreme Court of the United States).

□ And there's yet another twist to this asset forfeiture/drug search litany. A May 23 ruling in *Lewis v. Putnam Co. Sheriff's Dept.*, No. 18A-MI-01869, a Court of Appeals panel led by Judge John Baker – the same judge who authored the *Bowman* opinion – unanimously agreed that the Putnam County Sheriff's Department must pay back more than \$77,000 in cash seized from an Arizona man, Alvin Lewis, after he was pulled over as part of a routine traffic stop in February 2018. Here, the sheriff's deputy told Lewis he would merely get a warning but, because of some inconsistent answers provided by Lewis, the deputy decided to conduct a dog sniff of Lewis's vehicle. After the dog alerted, the deputy searched Lewis's vehicle and found more than \$77,000 in cash – and two digital scales. Lewis denied that the money was his. No criminal charges were filed, but the State seized the cash and filed a motion to turn the money over to the federal government, which the trial court granted. Lewis appealed, arguing that the search was unlawful and that, even if the search was lawful, the seizure of the cash was unlawful because the State failed to show a nexus between the cash and any crime.

□ “In this case,” writes Judge Baker, “there is *no evidence whatsoever that a crime occurred*. No drugs were found. The State did not bother to test the scales or the cash for residue, so no drug residue was found. No drug paraphernalia was found. The State insisted at oral argument that while it is ‘unclear what the crime is,’ there must have been a crime committed in the context of the possession of this much cash. We think this argument goes several steps too far. The plain language of the statute requires the State to prove that the money is directly related to some sort of criminal activity. Here, there is a complete dearth of evidence in that regard.”

□ Finding that the seizure of the cash was unlawful and that the trial court erred by granting the motion for turnover, the veteran Court of Appeals panel reversed and remanded the case, with an interesting explicit instruction and some chastisement: “Unfortunately, Lewis's money was prematurely turned over to the federal government, which is now in possession of it. Given the unusual circumstances of this case, especially the fact that there is no evidence whatsoever that a crime was committed, we do not believe that it is fair to require Lewis to undertake the process of retrieving his money from the federal government. Therefore, we reverse and remand with instructions that the State reimburse Lewis instantly; the State may then choose to try to recoup that money from the federal government.” A Baker footnote in the *Bowman* case proved important, and he added another one here: “We strongly encourage law enforcement officers to abide by state law with respect to forfeiture and turnover proceedings.”

● On May 23 in *Tanoos v. State*, No. 19A-CR-1086, the bribery case involving a former long-time Vigo County School Corporation superintendent we told you about last week on our front page, Chief Deputy Attorney General Aaron Negangard filed a request for withdrawal of the appearance of Attorney General Curtis Hill (R) as counsel of record for the State in this criminal appeal because “the Office of the Attorney General has identified a potential conflict of interest with the Attorney General continuing as counsel of record.

This is because Attorney General Hill, in his personal capacity, has retained the law firm that also represents the Defendant in this matter. That retainer is for representation related to a matter that is wholly unrelated to the instant case, yet this fact counsels the withdrawal of Attorney General Hill's appearance to safeguard the State's interest in being represented by conflict-free counsel.” Jim Voyles is an attorney for General Hill in his defense against legal misconduct charges pending before the Indiana Supreme Court. Coincidentally, Voyles' co-counsel in the Hill disciplinary matter is Donald Lundberg, the contract ethics counsel to the Hill OAG.

□ In our front-page story last week, we told you how the brief filed by Voyles, raises questions about gubernatorial conduct with respect to his acceptance of private aircraft flights from a casino operator under what Voyles contend are the same standards applied to General Hill.

□ Chief Deputy Negangard has entered his appearance in the *Tanoos* matter, and has been designated the counsel of record in lieu of the Attorney General – together with any other deputy attorney general with an appearance in this matter.

● With the miles of off-road vehicle trails on approximately 1,400 acres of former surface and underground coal mine land at Redbird State Recreation Area closed to the public for construction, renovation, and upgrades from March 11 to early Summer 2019, you can't help but notice the increase in severe off-road vehicle incidents across the state in recent weeks involving people of assorted ages. While most appear to have been in largely rural areas responded to by Department of Natural Resources conservation officers, some have also occurred in suburban venues.

● Attorney General Curtis Hill (R) joined a bipartisan cadre of 46 other attorneys general across the country in a letter under the imprimatur of the National Association of Attorneys General asking Congress – for a third time since 2013 – to amend the Communications Decency Act in order to better enable state and local authorities to protect citizens online and take appropriate action against criminal acts. The Communication Decency Act of 1996 (CDA) was designed to encourage the growth of the internet by promoting free expression, particularly on online message boards. The Act was intended to allow companies that sponsor message boards to remain immune to repercussions from inappropriate posts, but, due to a misinterpretation of Section 230 of the Act, some federal court opinions have interpreted it so broadly that individuals and services that knowingly aid and profit from illegal activity have evaded prosecution, the AGs explain. “We must do our best to protect our citizens, enforce the law and penalize violators,” General Hill said. “Congress must hold internet service providers accountable.” CDA Section 230 expressly exempts prosecution of federal crimes from the safe harbor, but “addressing criminal activity cannot be relegated to federal enforcement alone simply because the activity occurs online,” the letter states. “Attorneys General must be allowed to address these crimes themselves and fulfill our primary mandate to protect our citizens and enforce their rights.”

● In an order issued Tuesday, the Indiana Supreme Court sets the final hearing in the disciplinary matter involving Attorney General Curtis Hill (R) for October 21 - 25 in the Supreme Court Conference Room. A final pre-hearing conference will be convened on October 16 (3:00 p.m.; location to be announced).

□ Pre-hearing briefs will be due on or before seven days prior to the final hearing date. Witness and exhibit lists must be exchanged on or before September 6. Hearing Officer Myra Selby, who, more than just about any other hearing officer ever appointed, is operating with the full faith and credit of the entire Court, cautions the parties that “Motions to Dismiss or dilatory motions are not permitted. Any other motions, if any, are to be filed by October 4, 2019.”

● The Indiana Board of Licensure for Professional Geologists will hold a public hearing June 7 on a proposed rule increasing fees for licensing and renewals. The application fee will more than double – increase from \$70 to \$160 – but include the first three years of fees for the new licensee. The three-year renewal fee will also increase by a factor of 2½ times from \$60 to \$150. The Board asserts that “This increase is needed for Indiana LPG program solvency. The program is self-sustaining and with no increase, there will be insufficient funds to continue the program past fiscal year 2022.”

● The Indiana Department of Revenue slates its 2019 Annual Public Hearing for Tuesday, June 18 at 10:00 a.m. in the Indiana Government Center - South, Conference Room C.

● Attorney General Curtis Hill (R) joined a bipartisan group of 52 state and territorial attorneys general under the aegis of the National Association of Attorneys General in urging the U.S. Department of Education (USDOE) to automatically forgive the student loans of veterans who became totally and permanently disabled in connection with their military service.

□ The letter calls on U.S. Secretary of Education Betsy DeVos to develop a process to automatically discharge the student loans of veterans determined by the U.S. Department of Veterans Affairs to be eligible for such relief. While the automatic discharge process is in development, the letter proposes that USDOE halt debt collection efforts targeting disabled veterans and clear their credit reports of any negative reporting related to their student loans. “The men and women who have risked their lives to serve our country deserve the best care because of their service,” General Hill said. “If a veteran is no longer able to pay their student loans due to a disability obtained while in service, they should under no circumstance be required to pay back student loans.” Last year, USDOE identified more than 42,000 veterans as eligible for student loan relief due to a service-related total and permanent disability. Fewer than 9,000 of those veterans had applied to have their loans discharged by April 2018 and more than 25,000 had student loans in default. The letter explains that an automatic discharge process that gives individual veterans an opportunity to opt out for personal reasons “would eliminate unnecessary paperwork burdens and ensure that all eligible disabled veterans can receive a discharge.”

● Speaking back home to 18WJTS in Jasper, Senate Majority Floor Leader Mark Messmer (R) explains how HEA 1010-219, the new state law that eliminates state taxation on military pensions, came to be after late-session uncertainty. “We were down to the last week in those Monday, Tuesday, Wednesday morning meetings with the governor (and the) House and Senate,” said Sen. Messmer. “My Senate budget guy was the one fighting it. Finally, I pushed my own budget guy enough to get him to concede on that. Otherwise it would be two more years, and it’s still not done.”

● Indiana is not particularly well-prepared to respond to a public health emergency, but even though we remain below average in national preparedness rankings released this month, we have improved our status over the past two years. The National Health Security Preparedness Index, first assembled in 2013 under the aegis of the Centers for Disease Control and Prevention, and now compiled annually as a collaborative effort involving more than 30 organizations funded by the Robert Wood Johnson Foundation, measures state readiness to respond to large-scale public health disasters, including severe weather, terrorism and disease outbreaks.

□ The index finds Indiana’s overall preparedness level at 6.3 for 2018, a 3.3% increase from 2013, but significantly below the national average of 6.7 (out of a possible 10). Our 2017 score was 6.2. Among our neighboring states, only Kentucky (6.7) meets the national average. Illinois (6.6) and Michigan (6.5) fare better than Indiana, but we outperform Ohio’s 6.0 level. Indiana’s largest improvement occurred in the Health Security Surveillance domain, which increased by 13.6% between 2013-18. Health security levels in 2018 declined in two domains, with the largest decline (- 2.5%) occurring in the area of Community Planning & Engagement. Health security levels in 2018 significantly exceeded the national average in one domain: Health Security Surveillance. Health security levels in 2018 were significantly below the national average in four domains: Community Planning & Engagement, Incident & Information Management, Healthcare Delivery, and Countermeasure Management. The state’s highest health security level in 2018 came in the domain of Health Security Surveillance with a value of 9.2, while the lowest health security level for Indiana in 2018 was found in Community Planning & Engagement with a value of 3.9.

IN the Economy

● Wondering why Howard County jumped to first place in unemployment rate statewide in April after largely being in good shape with respect to unemployment – save another anomalous first place finish within the last year? Seems that the timing of a pair of temporary (one-week) planned line-change layoffs at a local Chrysler transmission plant fell smack dab in the middle of the timeframe in which the Bureau of Labor Statistics calculates unemployment for the month, so there is no special issue of concern for Howard County or Kokomo.

● A new economic impact study by John Dunham & Associates finds that the beer industry contributes \$5.5 billion annually to Indiana’s economy – and supports 35,844 jobs in the state. Jointly commissioned by the National Beer Wholesalers Association and the Beer Institute, the study shows that the 35,844 jobs “impacted by” the beer industry in Indiana account for \$1.5 billion each year in wages and benefits. The industry also generates \$680 million annually in business and personal (\$490,254,500) and consumption (\$190,147,400) taxes.

● A new report from the U.S. Department of Agriculture finds that honey production in Indiana during 2018 was only 322,000 pounds, down by 23% from 2017 production figures (even as honey prices rose by 14¢ per pound over the year and global honey prices are at their highest levels in years). Indiana’s ~ 7,000 honey-producing colonies generated an average of 46 pounds in 2018 vs. 52 pounds in the prior year.

● Following three consecutive months of decline in the adjustable Indiana gas tax that ran through February, the rate now grows for a fourth consecutive month – and while the rate of growth is down from the 2.3¢ April-to-May increase, the bottom line of 16.1¢ per gallon is the highest rate going back to November. And while the rate of increase slowed over the month, the rate of increase has now grown by at least a penny for three consecutive months for the first time since 2016. While we noted earlier in the year that the tax in each of the first four months of 2019 was lower than it was during *any* month in 2018, that has taken a turn, and the May and June rates are higher than the corresponding months in 2018 as we head into the Summer driving season. Since a close look at the numbers also suggests that the taxes during the first quarter (and initial four months of a calendar year) are typically a shade lower than they tend to be throughout the final three quarters of a given calendar year, what we said a month back about Hoosiers needing to brace themselves for an expensive year holds true.

□ The average tax for the first six months of 2019 was 13.07¢ vs 14.16¢ for the same January - June period in 2018, and just about spot-on with the 2015 six-month numbers. The first-half figures in the past five years really don't offer much in the way of guidance.

January - June Average Tax	2019	2018	2017	2016	2015
	13.1¢	14.2¢	12.4¢	10.1¢	13.0¢
Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April	12.8¢	13.3¢	12.4¢	9.5¢	12.9¢
May	15.1¢	14.4¢	12.9¢	10.9¢	13.1¢
June	16.1¢	15.9¢	12.9¢	12.3¢	14.3¢
July		16.7¢	12.8¢	14.1¢	15.8¢
August		16.2¢	11.9¢	12.5¢	15.9¢
September		16.1¢	12.5¢	11.3¢	14.1¢
October		15.8¢	13.4¢	12.0¢	14.1¢
November		16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

□ For the period July 1, 2019 to June 30, 2020, the special fuel license tax bumps up by two cents to 49¢ per special fuel gallon and the gasoline license tax grows to 30¢ per gallon. Both grow by the highest amount under the statutory cap.

● The Indiana Finance Authority heads to market June 4 with \$81,275,000 in State Revolving Fund (SRF) Program Bonds, Series 2019C (Green Bonds) and \$18,570,000 in State Revolving Fund Program Bonds, Series 2019D (AMT) (Green Bonds). Maturities for both are 2023 - 2036. The Series D bonds are private activity bonds to finance water system improvements for the City of Greensburg.

□ Morgan Stanley is the lead manager with assistance from Wells Fargo Bank. Bank of New York Mellon Trust Company, N.A., is the trustee, and Ice Miller LLP is the bond counsel. Bingham Greenebaum Doll LLP is the SRF Program counsel and MWH Law Group LLP is disclosure co-counsel. PFM Financial Advisors LLP is municipal advisor for the SRF programs.

● New U.S. Bureau of Labor Statistics numbers show that Tippecanoe County posted the nation's largest over-the-year wage gain in the fourth quarter of 2018 – a solid 15.1% hike in average weekly wages – largely attributable to significant growth in local high-tech industry hiring.

● #NoPlant19: Although the conventional prime planting “window” within which Hoosier farmers can maximize corn yields opens about April 20 and closes about May 10, continued wet fields meant that only one percent of the state's corn crop acreage had been planted as of April 21, according to U.S. Department of Agriculture (USDA) National Agricultural Statistics Service (NASS) estimates, and as of Race Day in Indianapolis, corn planting in Indiana was only 22% complete. We are tied with Ohio for the lowest percentage of corn acreage planted among the 18 states reviewed by USDA-NASS. Only 1.8 days were evaluated by USDA-NASS as being suitable for fieldwork by Hoosier farmers (versus six such days last year).

□ By comparison, Illinois had 35% of its corn in the ground and Iowa 76%, raising continued concerns about this year's corn crop given that these three states account for the bulk of the nation's corn crop. Across the past five years, Indiana's planting was typically 85% complete by Race Day, Illinois has been at 95%, and Iowa 96% complete.

□ At just 11% by May 26, Indiana also trails Illinois (14%) and Iowa (32%) in soybean planting completeness. We are well behind our 63% five-year average of planting.

● RE Journals reports on the first quarter 2019 Indianapolis multifamily report released by Berkadia which finds “residents have leased 3,271 apartment units in the Indianapolis area – much of these in the downtown – since March of 2018. That's a big increase from the 1,826 units absorbed during the preceding 12-month period. Builders are reacting to this demand, delivering 16,300 new apartment units in the Indianapolis metropolitan area since the beginning of 2013. Of this total, 2,790 have been added in the last four quarters. And that's just the start of the good news for this sector. Berkadia reported, too, that occupancy rose 40 basis points on a year-over-year basis, hitting 94 percent in March. The average effective apartment rent in March in the Indianapolis metropolitan area rose to \$885 a month, up 4.1 percent from the same month a year earlier the Indianapolis multifamily market [is] on a hot streak that is showing no signs of cooling.”

● United Technologies Corporation, Pratt & Whitney Engines of Connecticut is awarded \$201,915,947 for a modification to a Naval Air Systems Command contract for long-lead materials, parts, and components for Lot 14 F135 Propulsion systems for the F-35 Lightning II Joint Strike Fighter aircraft in support of the Air Force, Marine Corps, Navy, non-U.S. Department of Defense (non-U.S. DoD) participants; and Foreign Military Sales (FMS) customers. While two-thirds of the work will be performed in East Hartford, Connecticut, Indianapolis, is in line for next largest cut, 26.5%, to be completed at the end of the fiscal year . . . the Boeing Company is awarded \$30,135,588 for a modification to a Naval Air Systems Command contract for Phase I design maturity, analysis and test planning for the Stand-off Land Attack Missile – Expanded Response (SLAM-ER) production line for the government of Saudi Arabia. In addition, this modification provides for the redesign of obsolete parts to replace obsolete, nearly obsolete or uneconomical parts to support SLAM-ER weapon system production and improve future sustainment. While almost 60% of the work will be performed in St. Louis, Indianapolis is in line for 13% of the work to be completed in July 2019 . . .

● EDM Americas of Indianapolis, a company that offers business process outsourcing and digital information lifecycle management solutions, plans to permanently lay off 88 workers by late July . . . a Woodcrest Manufacturing reorganization is expected to cost dozens of furniture manufacturing jobs in Peru.

● Magna Powertrain of America, an automotive parts and systems supplier, plans to invest \$9.3 million to add new equipment in its 200,000 square-foot manufacturing MPT Muncie facility in Delaware County that will allow it to expand its drivetrain component operation. MAGNA Powertrain expects to create 50 new full-time jobs at an average wage above the county average for manufacturing, with the help of a 10-year business personal property tax abatement from the Delaware County Council . . . BNutty, a Portage-based producer and distributor of all-natural, artisanal peanut butter, is investing more than \$1.9 million to expand its operations, leasing, renovating, and equipping a 16,000 square-foot food production center in the AmeriPlex at the Port business park in Portage, expecting to create up to 100 new jobs by 2021. The Indiana Economic Development Corporation offers BNutty up to \$500,000 in performance-based tax credits. The City of Portage approved additional incentives . . . General Motors Company plans to invest \$24 million in its Fort Wayne pickup truck Assembly Plant, seeking to increase full-size truck production.

IN Transition

● Senate Senior Majority Fiscal Analyst **David Reynolds**, a former deputy director of the State Budget Agency and former city controller for Indianapolis, is stepping down at the end of July after effectively serving as the chief budget organizer in 2019. The Senate Majority Caucus is seeking to hire a successor for Reynolds to oversee the Senate Majority Caucus fiscal team, handle assorted analysis and research, and draft the Senate version of the state budget. Deadline for applying to Senate Majority Chief of Staff **Jeff Papa** is June 14, with an overlapping tenure anticipated to ease the transition.

□ Reynolds departure comes on the heels of **Jason Dudich** leaving as state budget director and **Micah Vincent** leaving his post at the helm of the Office of Management and Budget, but with the biennial budget just passed, that gives the new Senate Majority staffer and new budget director plenty of time to get up to speed (and incoming OMB chief **Cris Johnston** is an experienced budget hand as we told you last week). Assuming no change in administration nor new legislators at the table, the majority lawmakers who led the process in 2019 will not be rookies as they were this year.

● As we hinted last week, Capt. **Dave Bursten**, the long-time chief public information officer for the Indiana State Police, will be retiring from ISP, but not from state service. Bursten will move to the Department of Correction to head up that agency's communications functions.

□ As part of the post-Bursten shuffle, Sgt. **Ronald Galaviz** is promoted to the rank of First Sergeant within the Public Information Office, and he will serve as ISP's assistant chief PIO. Galaviz, a Michigan native, joined ISP in December 1993, and was assigned to the Fort Wayne Post. He patrolled Noble and LaGrange counties until June 2008, when he was promoted to the rank of sergeant and served as the Fort Wayne District PIO until this promotion.

● The Governor unveils the cadre of four local leaders he is appointing to the newly restructured Northern Indiana Commuter Transportation District board. The bipartisan group includes one official from each of the four counties the NICTD board serves, and will include Gary Mayor **Karen Freeman Wilson** (D) (Lake County); Porter County Commissioner **Jeff Good** (R); St. Joseph County Commissioner **Andrew Kostielney** (R); and Michigan City Mayor **Ron Meer** (D) (LaPorte County).

□ Indiana Department of Transportation Commissioner **Joe McGuinness**, a former mayor, will serve as the chair.

● Huntingburg Mayor **Denny Spinner** (R), president of Accelerate Indiana Municipalities, is appointed to serve on National League of Cities' (NLC) 2019 Transportation and Infrastructure Services federal advocacy committee. This committee has the lead responsibility for developing NLC's federal policy positions on issues involving transportation, including planning, funding, safety and security of public transit, streets and highways, aviation, railroads and ports.

● EMILY's List taps **Ben Ray** as senior director of campaign communications. The Kentucky native worked on the 202 Donnelly campaign and spent more time with the Indiana Democratic Party.

● CNN Business promotes former Indianapolis Star reporter **Jill Disis** to Asia editor. Disis, who covered breaking news, courts, politics, and city hall in Indianapolis, will be based in Hong Kong to oversee reporting on the United States - China trade and technology tiffs.

IN the Lobby

● The Indianapolis-based National Association of Mutual Insurance Companies, a "National organization representing mutual insurance companies though out the U.S.," retains the Thorn Run Partners government affairs firm of Washington, D.C. to lobby Congress on "Issues related to International Insurance Capital Standards. H.R. 1756, Preventing Credit Score Discrimination in Auto Insurance Act. Issues related to Flood Insurance. Issues related to Terrorism Risk Insurance Act (TRIA) reform."

● After passage of SEA 442-2019, the legislation authored by Sen. Jon Ford (R) that authorizes the establishment of a carbon sequestration pilot project that will capture carbon dioxide at a proposed ammonia production facility in West Terre Haute and inject the carbon dioxide into underground strata and formations, Ice Miller Strategies LLC files a federal lobby registration to lobby Congress on behalf of Wabash Valley Resources LLC of Terre Haute, which is involved in "Carbon capture and sequestration," to lobby Congress on "Tax issues involving carbon capture and sequestration."

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[EduInsight June 7.PDF](#)
[LegInsight June 7.pdf](#)

Pillar 1- Diversify our economy

FW Business- [Study shows RV industry's impact](#)
WISHTV- [Report: Indiana needs more entrepreneurs](#)
Inside IN Business- [Report Card Shows Continued Concerns For Indiana](#)
RTV6- [Indiana Chamber: Smoking rate could hold Indiana's economy back](#)
Elkhart Truth- [Statewide study by Indiana Chamber uncovers cause for concern](#)
WIBC- [Unhealthy Workforce Could Drive Away Future Employers From Indiana](#)
Indy Star- [Fishers' price tag for 116th Street downtown development: \\$36.5 million](#)
Hoosier Ag Today- [Purdue Partners with USDA to Provide Economic Dev. Assistance to Rural Areas](#)
Hoosier Ag Today- [New Planting Forecast-Same Old Spotty Outlook](#)

Pillar 2- Upgrade our infrastructure

Indy Star- [Construction could slow major highways this weekend](#)
Inside IN Business- [Toll Road Project to Boost Transportation System](#)
Inside IN Business- [Duke Energy Receives OK for Solar Pilot Program](#)
Yahoo- [Duke Energy offers solar service program](#)
Republic- [Additional money allocated to Riverfront project](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Salesforce.org Boosts IPS and Ivy Tech](#)
Inside IN Business- [Hoosier Companies Among 'Best Workplaces'](#)
Inside IN Business- [Manufacturer Planning 100+ Plymouth Jobs](#)

Pillar 4- Attack the drug epidemic

RTV6- [Indiana's manufacturing industry receives financial help to respond to opioid epidemic](#)
Pal Item- [Hours after raid, suspected dealer found with 300 grams of methamphetamine](#)
WIMS- [Governor Reminding Residents of Indiana Workforce Recovery Employer Guidelines](#)
Rep. Baird- [Congressman Baird introduces bill to combat opioid crisis](#)
RTV6- [Police officers train on how to detect drugged driving](#)

2019 Legislative Session

RTV6- [Indiana family creates "Josslyn's Law" after their baby dies due to sepsis](#)
Journal Gazette- [Column: State takes steps toward righting legal system wrongs](#)
Times Herald- [Experts say Indiana surrogates need legal protections and social visibility](#)
SB Tribune- [New law requires Indiana 9-1-1 operators to be certified in CPR](#)
WRBI- [Leising: Highlighting school bus safety](#)

Misc.

Inside IN Business- [Hoosier Communities Awarded \\$4M in Brownfield Grants](#)

RTV6- [List of troubled nursing homes across the country includes 17 in Indiana](#)
Times Herald- [IAAAA leads creation of Indiana Council Against Senior Exploitation](#)
IN Lawyer- [Application period open for Lawrence Circuit Court judgeship](#)

Sincerely,

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June 7, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, June 7, 2019 9:05 AM

JOB CREATION STALLS: Employers tapped the brakes on hiring in May, signaling companies are taking a more cautious approach at a time of slowing global growth and trade tensions ([Wall Street Journal](#)). The economy added 75,000 jobs in May, marking the 104th straight month of gains, but pulling back from two months of solid hiring, the Labor Department said Friday. The jobless rate held steady at 3.6%, a near 50-year low. Overall, the labor market was on weaker footing than expected. Economists surveyed by The Wall Street Journal had forecast a gain of 180,000 new jobs and a 3.6% unemployment rate in May. Revised figures showed employers added fewer jobs than previously reported in April and March. Wages were up 3.1% on the year in May. Annual pay gains appear to be stabilizing in the low 3% range rather than accelerating in a tight labor market. Manufacturers added 3,000 workers to payrolls, continuing a weak streak for a sector most tied to trade tensions and slowing growth abroad.

PROGRESS IN MEXICAN TARIFF TALKS: The Trump administration has made significant progress in its border-security negotiations with Mexico, a senior White House official said, but the U.S. remained on track to impose tariffs on the country's imports next week ([Wall Street Journal](#)). Mexico "came to the table with a few things they wanted to do immediately to try to stem the flow of immigrants," this person said on Thursday, adding that the Trump administration is "encouraged by steps taken in the last few hours." The U.S. has called on Mexico to block more migrants at its southern border with Guatemala and to step up efforts against organized smuggling. It has also pressed Mexico to designate itself a "safe third country," which would mean people entering Mexico from Guatemala, Honduras and El Salvador wouldn't be eligible to claim asylum in the U.S. Absent a deal, President Trump has threatened to impose escalating tariffs on Mexico. After a second round of talks at the State Department on Thursday evening, Foreign Minister Marcelo Ebrard said that his government was ready to deploy the country's newly created National Guard to the border with Guatemala. "We have explained that there are 6,000 men and that they will be deployed there," he told reporters. Talks will continue on Friday, Mr. Ebrard added.

PENCE 'ENCOURAGED' BY MEXICAN TALKS: U.S. and Mexican officials claim to be making progress as they labored for a second day to avert import tariffs. But President Donald Trump is still threatening to impose them as he tries to pressure Mexico into stemming the flow of Central American migrants across the United States' southern border ([AP](#)). Vice President Mike Pence, monitoring the talks from his travels in Pennsylvania, said Thursday the U.S. was "encouraged" by Mexico's latest proposals but that tariffs still were set to take effect on Monday. Pence added that it would be "for the president to decide" whether Mexico was doing enough to head off the tariffs. Pence said that, among other issues, negotiators had been discussing a potential agreement to make it difficult for those who enter Mexico from other countries to claim asylum in the U.S. Mexico has long resisted that request.

FAIR OAKS RELEASES RESPONSE VIDEO: Fair Oaks Farms released its own video response Wednesday following footage showing animal abuse at the company's operation. In it, the company pledges to improve protections for animals (Horton, [Indiana Public Media](#)). Activist organization Animal Recovery Mission (ARM) put out a video recorded by an investigator with the group who went undercover as an employee at Fair Oaks Farms. The images captured show workers abusing calves and using illegal drugs while on the job. In a video released by the company, co-founder Mike McCloskey shared his disappointment in failing to protect the animals on the farm that promotes sustainability. "The way that I have to look at this is that as hard as we try, you can always end up with bad people in your organization," said McCloskey in the video. "And this is what happened to us." To take preventative measures going forward, he says cameras will be installed in areas where employees and animals interact to monitor animal welfare. These videos will be seen by the public in a new exhibit on "The Dairy Adventure" tour in hopes of providing more transparency. "I will have in that exhibit all the training, all the practices, but also I will have the screens that are showing the videos from these cameras with a trained individual within that exhibit," McCloskey says.

SEN. HOLDMAN CALLS FAIR OAKS VIDEO 'POLITICAL': Video exposing animal abuse at a well-known northwestern Indiana dairy farm is politically motivated, said an Indiana lawmaker who drafted unsuccessful legislation in 2013 that would have barred undercover video filming at the state's agricultural operations ([AP](#)). A animal-abuse investigative group released disturbing footage Tuesday showing workers kicking and throwing young calves at the Fair Oaks Farm. Retailers subsequently pulled the farm's products from their shelves. State Sen. Travis Holdman, who sponsored the proposal in 2013, said it's too soon to say whether he'll refile the bill during the 2020 legislative session, The Times of Northwest Indiana reported. "Seeing as this is just a one-time incident that we're aware of, I don't think we need a knee-jerk reaction to do something legislatively necessarily," Holdman said. "I'm sure I'll be hearing from Farm Bureau folks about the incident and what they think needs to be done, if anything." Holdman's bill would have made it a misdemeanor crime to photograph or video record any agricultural or industrial activities without the property owner's written authorization. Legislators in at least 10 other states tried passing similar "ag-gag" laws, in part to discourage covert revelations of agricultural operations. But courts subsequently struck down several of those statutes as unconstitutional.

CHAMBER REPORT CARD SHOWS INDIANA REGRESSING: A new report from the Indiana Chamber of Commerce says the state is still seeing several challenges to improving its economic climate. The chamber Thursday released its biennial Indiana Vision 2025 Report Card and President and Chief Executive Officer Kevin Brinegar says Indiana did make improvements in many metrics, including business climate issues such as the tax, regulatory and legal environments, as well as K-12 education. However, the chamber says areas such as public health continue to get worse throughout the state ([Inside Indiana Business](#)). The results show Indiana's adult smoking rate went from 38th worst to 44th worst in the country, while the state's adult obesity levels went from 36th worst to 39th worst. In an interview with Inside INdiana Business, Brinegar said the health metrics are a key component for the state. "This is important because it impacts healthcare costs and it impacts the healthiness of our workforce," said Brinegar. "It is estimated that smoking in Indiana costs employers \$6.2 billion a year in higher healthcare costs, absenteeism and loss of productivity." Brinegar adds another area of concern from the report is the lack of new business startups. Indiana fell from 44th to 47th in the nation for new business creation and Brinegar says while the state isn't creating new businesses as fast as other states, Indiana is creating new jobs at a quicker rate.

THE MATH OF IMPEACHMENT: 59 House Democrats and one House Republican now publicly support impeachment proceedings against President Trump, according to *Axios*' Zach Basu. Why it matters: The whip count surged in the aftermath of Robert Mueller's statement last week, but pro-impeachment Democrats still amount to only a quarter of the 235-member caucus. That figure is likely to stay well below the threshold necessary to launch impeachment in the House until the moment — if it ever comes — that Speaker Nancy Pelosi gives her blessing. Impeachment math: 13 of the 24 Democrats on the House Judiciary Committee, which would open the inquiry, publicly support impeachment. 21 are needed to refer an impeachment resolution to the House floor.

Of the eight Democrats that *Axios* identified as "influential" — the three top members of leadership and five committee chairs investigating Trump — only one publicly supports impeachment: Financial Services Chair Maxine Waters. Judiciary Committee Chair Jerrold Nadler has reportedly pushed privately to open an impeachment inquiry. None of the 17 Democrats running in "toss-up" districts in 2020 are pro-impeachment, according to the Cook Political Report. 41% of the public supported impeachment as of May 31, down from an all-time high of 47% in September, according to a CNN poll.

HPI PUBLISHING SCHEDULE: I'm a couple of time zones west and will be on South Dakota's Pine Ridge Reservation this weekend checking out the severe flooding from last winter. So next week's *HPI Daily Wires* will come later in the morning. There won't be a Sunday *HPI Daily Wire*. There will be a weekly edition next Thursday. Our regular publishing schedule will resume the weekly of June 17. Thanks for understanding and your patronage. - Brian A. Howey

AUTOMAKERS URGE SHIFT ON EMISSION STANDARDS: The world's largest automakers warned President Trump on Thursday that one of his most sweeping deregulatory efforts — his plan to weaken tailpipe pollution standards — threatens to cut their profits and produce "untenable" instability in a crucial manufacturing sector ([New York Times](#)). In a letter signed by 17 companies including Ford, General Motors, Toyota and Volvo, the automakers asked Mr. Trump to go back to the negotiating table on the planned rollback of one of President Barack Obama's signature policies to fight climate change. The carmakers are addressing a crisis that is partly of their own making. They had sought some changes to the pollution standards early in the Trump presidency, but have since grown alarmed at the expanding scope of the administration's plan. Mr. Trump's new rule, which is expected to be made public this summer, would all but eliminate the Obama-era auto pollution regulations, essentially freezing mileage standards at about 37 miles per gallon for cars, down from a target of 54.5 miles per gallon by 2025. The policy makes it a near certainty that California and 13 other states will sue the administration while continuing to enforce their own, stricter rules — in effect, splitting the United States auto market in two.

MERRITT WON'T MARCH IN GAY PRIDE PARADE: Indianapolis Republican Mayoral candidate Jim Merritt—a state senator since 1991—on Thursday said he regretted his Senate vote for the Religious Freedom Restoration Act in 2015 and pledged to support the LGBTQ community if elected mayor ([IBJ](#)). Merritt, who sparked attention this week by announcing he would walk in Saturday's Indy Pride parade even though organizers said he wasn't welcome due to his Senate votes on LGBTQ issues, also said Thursday he has decided not to march in the parade. "This is Indy Pride's celebration and I do not wish to dampen it," he said. "I have come to realize the reality of discrimination, fear and prejudice that has plagued the LGBTQ+ community for far too long."

IU HIKES TUITION 2.5%: Indiana University is increasing tuition by 2.5% for in-state undergraduate students at all of its campuses each of the next two school years. IU's Board of Trustees approved the tuition plan Wednesday, while also increasing out-of-state undergraduate tuition by 3% on the Bloomington campus the coming two years. The [Bloomington Herald-Times](#) reports this year's IU in-state tuition and fees cost of \$10,680 was less than seven of the 14 Big Ten schools. The IU increases come as Purdue University's current tuition of \$9,992 has been largely frozen since 2013. But IU Board Chairman Michael Mirro says many factors are involved in tuition decisions, such as Purdue having more out-of-state students at its West Lafayette campus who are charged more than at IU's Bloomington campus.

HPI DAILY ANALYSIS: It is disturbing and disheartening to hear Speaker Nancy Pelosi talk of wishing to see President Trump "behind bars," just as it has been to hear Trump talk of jailing Hillary Clinton while his supporters chant "lock her up." In banana republics, leaders prosecute and jail their political opponents, but not in the United States. Unless we want to join the banana republics. - *Brian A. Howey*

Campaigns

BLACK CAUCUS BACKS MELTON FOR GOVERNOR: The Indiana Black Legislative Caucus PAC issued a statement of support for State Senator Eddie Melton and his gubernatorial exploratory committee (*Howey Politics Indiana*). Melton, who on Tuesday announced the formation of the Committee, has focused on listening to Hoosiers as he travels the state discussing teacher pay, raising the minimum wage, and providing access to quality affordable healthcare. "The Indiana Black Legislative Caucus PAC strongly supports Senator Melton as he launches his gubernatorial exploratory committee," said Caucus Chair Representative Robin Shackleford (HD-98, Indianapolis). "The Indiana Black Caucus PAC's mission is to work towards greater economic, educational and social opportunities for all residents of Indiana. Senator Melton is the embodiment of that effort. From his time as a social worker, serving the most vulnerable amongst us, to his legislative accomplishments of incentivizing job creation, and increasing educational funding, his thoughtful approach to bring all parties to the table to progress our shared goals, is a testament to his leadership. Leadership which Indiana sorely needs right now."

GOP TRAINING EVENT SET: We're now just one week from the deadline to RSVP for our full-day candidate training seminar, Battleground Indiana: Winning Indiana's Cities & Towns! RSVP now, and you'll have access to: Breakout sessions on important topics like building a campaign plan, using political data, recruiting volunteers, communicating with voters, and more; Panel discussions with Indiana Republican mayors and opportunities to ask questions; Training on the latest campaign technology for voter contact; An evening reception with Governor Eric Holcomb! This municipal election year, it's critical that our candidates have the skills necessary not just to compete in every corner of our state, but to WIN! The seminar -- designed with our 2019 Republican municipal candidates and campaigns in mind -- will be on Saturday, June 15, at the University of Indianapolis.

HOWE ELECTED TO VALPO COUNCIL: Holly Howe is now an at-large member of the city council after being selected by the local Republican Party caucus Thursday night ([NWI Times](#)). Howe was elected unanimously by the precinct committee members at the caucus. She was the only one who sought the seat of Trista Hudson, who stepped down last month. Howe will fill out the remaining six months of Hudson's term.

Presidential 2020

MAYOR PETE ADDRESS BLACK FORUM: Mayor Pete Buttigieg spoke to the DNC African American Leadership Summit in Atlanta on Thursday (*Howey Politics Indiana*). "In so many ways, in our lifetimes, we have seen how a rising tide does not in fact lift all boats. Not when some of those boats are still anchored to the ocean floor," Buttigieg said. "We live in neighborhoods that were intentionally segregated — as a matter of policy. We perpetuate a system of mass incarceration that systematically targets people of color. A healthcare system where bias can lead doctors to literally discount how much pain a black patient may be feeling. Economic opportunity is freedom. As we see in South Bend, diversely-owned businesses help build wealth not just for their owners, but also for their employees. So we have invested every way we know how—from a new entrepreneurship center in a historically black neighborhood to conducting a disparity study to support equitable distribution of opportunities from the city. And we ought to do that at the federal level too. Let's right historic wrongs, build wealth, and empower black entrepreneurs with the tools to compete and succeed. Because I am not black, it is twice as important that I show up with an agenda for black Americans that remedies racial injustices."

BUTTIGIEG TO SPEAK AT IU AUDITORIUM ON MONDAY: Pete Buttigieg will deliver remarks on foreign policy and national security at Indiana University Auditorium on Tuesday, June 11 at 11 a.m. Former Indiana Congressman Lee Hamilton, Distinguished Scholar with the Hamilton Lugar School of Global and International Studies, will introduce him (*Howey Politics Indiana*). The event is free and open to the public, however tickets are required for entrance. Tickets can be picked up in person only beginning at 1 p.m. on Monday, June 10 at the IU Auditorium Box Office. The line for tickets on Monday will be recognized at 12 p.m. There is a limit of one ticket per person. For questions, please call the IU Auditorium Box Office at (812) 855-1103.

BIDEN RESERVES ON HYDE AMENDMENT: In a dramatic reversal, Joe Biden told a DNC summit in Atlanta last night that he "no longer supports a ban on federal funding for abortions, known as the Hyde Amendment, ... after a day of sharp

criticism from campaign rivals," the *WashPost's* Colby Itkowitz reports. "We've seen state after state ... passing extreme laws," Biden said. "[T]hese folks are going to stop at nothing to get rid of Roe. ... Circumstances have changed."

SANDERS CALLS FOR MINIMUM WAGE INCREASE: In a letter sent to Senate Majority Leader Mitch McConnell, Sen. Bernie Sanders (I-Vt.) called for the Raise the Wage Act to be brought to the floor of the Senate for an immediate vote (*Howey Politics Indiana*). The bill, co-sponsored by 32 members of the Senate, would raise the minimum wage to \$15 an hour by 2024 and index it to median wage growth thereafter. "Millions of Americans are sick and tired of working longer hours for lower wages while almost half of all new income goes to the top one percent," Sanders argued. "I ask that you allow the Senate to take up the Raise the Wage Act to immediately begin improving the lives of working Americans across the country." Sanders noted that corporations like Amazon and Disney had already conceded to popular pressure and now provide their workers with a minimum wage of \$15 an hour. On Wednesday, the CEO of Walmart joined widespread calls for Congress to take action on raising the federal minimum wage, calling the current federal floor of \$7.25 an hour "too low."

DNC CHANGEST DEBATE RULES: The Democratic Party announced Thursday that it would exclude specific polls from the qualification criteria for the first Democratic presidential debate in June, a change in the official rules that could exclude Montana Gov. Steve Bullock ([Washington Post](#)). The requirements raise yet more controversy for a debate process that Democratic National Committee Chairman Tom Perez once described as "open and transparent" but which has since fallen under intense criticism. Lesser-known candidates have said the rules are distorting the race by heightening the importance of certain campaign tactics and benefiting certain candidates, with one campaign adviser even threatening to organize rival unsanctioned debates this fall if too many candidates are excluded from the official proceedings. Some party members have also complained about being shut out of the process, which has been overseen by Perez, to qualify for events that are expected to be the highest-profile campaign gatherings yet.

Congress

YOUNG BILL SEEKS MEDICARE THERAPIES: U.S. Senators Todd Young (R-Ind.) and Ben Cardin (D-Md.) have introduced a budget-neutral measure that would provide Medicare beneficiaries more timely access to needed therapies (*Howey Politics Indiana*). The Medicare Home Health Flexibility Act of 2019 (S. 1725) breaks down barriers for seniors by allowing occupational therapists to perform the initial home health assessment in cases in which occupational therapy is ordered by the physician, along with speech language pathology and/or physical therapy services, and skilled nursing care is not required. In underserved areas where access to physical therapy or speech-language therapy providers is limited, the ability of occupational therapists to perform the initial and comprehensive assessments would prevent delays in home health care and increased costs to Medicare. "Ensuring the health of our seniors begins with timely care," said Senator Young. "I'm encouraged that the Medicare Home Health Flexibility Act will help the way we approach healthcare home services for patients in rural areas. Our bipartisan legislation would use Medicare to ensure our seniors are quickly and comprehensively assessed in their homes in order to receive proper treatment."

HOUSE LIKELY TO HOLD BARR, ROSS IN CONTEMPT: The Justice and Commerce departments denied an order from a House committee for more documents about the decision to add a citizenship question to the 2020 Census, all but ensuring that the House will hold Attorney General William P. Barr and Commerce Secretary Wilbur Ross in contempt of Congress ([Washington Post](#)). In a letter to Oversight Committee Chairman Elijah E. Cummings (D-Md.) on Thursday, Assistant Attorney General Stephen Boyd said the agency had tried to be accommodating to the panel, and described as "premature" a vote on contempt over the department's refusal to comply with this demand. The Justice Department said that certain documents the Democrats subpoenaed are protected by attorney-client privilege and therefore cannot be released. Cummings had given the agency until 5 p.m. Thursday to produce them or he would schedule a vote to hold Barr in contempt.

State

AGRICULTURE: CAUTIOUS OPTIMISM ON PLANTING - Cautious optimism is the tone for upcoming planting opportunities around Indiana, but there are a few problems beginning to appear in forecast models. In the new planting forecast sponsored by the Indiana Corn and Indiana Soybean Checkoffs and First Farmers Bank and Trust, HAT chief meteorologist Ryan Martin says dry weather finishes the week and starts the weekend ([Hoosier Ag Today](#)). "Your Friday is looking dry in most areas, maybe a few scattered showers south of US 50," Martin says. "Saturday dry over a large part of the state with clouds increasing, but we're speeding up how fast the moisture gets into southern Indiana on Saturday now. The remains of this tropical wave that have come out of the western Gulf and up across the U.S. are wanting to surge northward a little bit farther, so I've got scattered showers afternoon and evening developing south and east of a line from Crawfordsville to Cincinnati, and there we could see upwards of a quarter of an inch."

AGRICULTURE: McCLOSKEY UNAWARE FAIR OAKS CALVES SOLD AS VEAL - Fair Oaks Farms founder Mike McCloskey says he was unaware calves were being sold to the veal industry, citing a lack of communication between the general manager in charge of livestock sales and himself ([NWI Times](#)). "It was not our practice in the past ... and (I) apologize for the unintended false claim made previously," McCloskey said in a statement to The Times. "Our bull calves will no longer go to veal."

EDUCATION: IU PURCHASES SUPER COMPUTER - Indiana University announced Friday it has purchased a new supercomputer—dubbed Big Red 200—to support advanced research in artificial intelligence, machine learning, data analytics, and scientific and medical research ([IBJ](#)). The \$9.6 million computer built by Cray Inc. will give IU the nation's fastest university-owned supercomputer, which will let researchers on the school's campuses do complex, simultaneous calculations that are six times faster than the computer system it is replacing. How fast is Big Red 200? According to IU, it would take every person in Indiana more than 28 years—performing one calculation per second 24 hours a day, 7 days a week, 365 days a year—to perform the same number of calculations that Big Red 200 can do in just one second.

EPA: STATE GETS BROWNFIELD GRANTS -The U.S. Environmental Protection Agency has awarded more than \$4 million in funding to address brownfield sites multiple Indiana communities. The agency says the grants will aid underserved and economically-challenged communities in assessing and cleaning up abandoned industrial and commercial properties (*Inside Indiana Business*). Each of the 10 areas in Indiana received a minimum of \$300,000 in funding. The recipients include: Fort Wayne - \$455,625, Indianapolis - \$600,000, Kokomo - \$300,000, Lawrence - \$300,000, Lawrenceburg - \$300,000, Lebanon - \$300,000, Michiana Area Council of Governments (Elkhart, Marshall, Kosciusko, & St. Joseph counties) - \$600,000, Northwestern Indiana Regional Planning Commission (Gary, Hammond, & East Chicago) - \$600,000, and Sullivan - \$300,000.

BUSINESS: 3 INDIANA COMPANIES ON BEST WORK PLACE LIST - Three Indiana companies are included in Inc. magazine's list of the "Best Places to Work in 2019." The list was compiled from a survey of employees from nearly 2,000 businesses nationwide on topics including trust, management effectiveness and perks (*Inside Indiana Business*). The list includes 346 companies that received the best results from the survey. Bloomington-based Hanapin Marketing, Sharpen Technologies in Indianapolis, and Greenwood-based real estate firm The Garrett Companies are the Hoosier representatives.

Nation

WHITE HOUSE: TRUMP LASHES OUT AT PELOSI - President Donald Trump hit back at House Speaker Nancy Pelosi on Thursday in his first public comments after she reportedly said she wanted to see the President "in prison" instead of being impeached ([CNN](#)). In an interview with Fox News, in which Trump was asked about the comments reported by Politico, the President lashed out at the California Democrat, calling her a "nasty, vindictive, horrible person." Pelosi told Democrats pushing for an impeachment effort that rather than wanting to see Trump impeached, she wanted to see him "in prison," according to Politico. Ashley Etienne, a spokeswoman for Pelosi, said she could not confirm the comment. "I actually don't think she's a talented person," the President said. "I've tried to be nice to her because I would've liked to have gotten some deals done. She's incapable of doing deals."

WHITE HOUSE: TRUMP ALLOWS SAUDIS TO USE U.S. TECH ON BOMBS - When the Trump administration declared an emergency last month and fast-tracked the sale of more American arms to Saudi Arabia, it did more than anger members of Congress who opposed the sale on humanitarian grounds ([New York Times](#)). It also raised concerns that the Saudis could gain access to technology that would let them produce their own versions of American precision-guided bombs — weapons they have used in strikes on civilians since they began fighting a war in Yemen four years ago. The emergency authorization allows Raytheon Company, a top American defense firm, to team with the Saudis to build high-tech bomb parts in Saudi Arabia. That provision, which has not been previously reported, is part of a broad package of information the administration released this week to Congress.

WHITE HOUSE: TRUMP SCHEDULE - If the U.S. is going to levy the 5% tariff on Mexico come Monday, it has to issue a public statement today, sources tell us. President Donald Trump is slated to return from Ireland this afternoon, and will land at Andrews around 4:25 p.m.

MEDIA: SUNDAY TALK - CBS "Face the Nation": Sen. Roy Blunt (R-Mo.), Montana Gov. Steve Bullock, Sen. Amy Klobuchar (D-Minn.). **CNN "State of the Union":** Sen. Bernie Sanders (I-Vt.). Panel: Scott Jennings, Jen Psaki, Bill Kristol and Aisha Moodie-Mills (guest host: Dana Bash). **CNN "Inside Politics":** Jonathan Martin, Julie Pace, Manu Raju and Annie

Linskey. **"Fox News Sunday"**: Rep. David Cicilline (D-R.I.). Panel: Jason Riley, Anne Gearan, Josh Holmes and Neera Tanden (guest host: Bret Baier). **ABC "This Week"**: Beto O'Rourke.

Local

CITIES: JUDGE RULES IN SOUTH BEND PD TAPE - Henry Davis Jr. did not defame a group police officers involved in the police tapes controversy when he wrote a letter asking the Indiana Department of Justice to investigate potential racial biases, a St. Joseph Superior Court judge ruled ([South Bend Tribune](#)). In May 2014, Tim Corbett, Steve Richmond, Dave Wells and Brian Young filed a defamation lawsuit against Davis saying he damaged their reputations with his letter to the DOJ. In his request for summary judgment, Davis, who was representing the 2nd District on the South Bend Common Council at the time, said he sent the letter to the DOJ after many of his constituents expressed concern about how African Americans were being treated by police. Davis said it was his duty as a Common Council member to look into the concerns. The police tape controversy, the demotion and subsequent firing of South Bend's first African-American police chief, Darryl Boykins, and the death of an African-American man in police custody heightened the community's concerns, according to Davis. In July 2012, Michael Anderson died by choking while in police custody. Davis sent his letter to the DOJ the following month.

CITIES: INDY COUNCIL APPROVES \$5 FOR ROAD REPAIRS - The city of Indianapolis plans to get a jump on \$5 million in previously slated road and bridges projects due to an earlier-than-expected burst of funding from the state in the form of returned local income tax dollars ([IBJ](#)). The Indianapolis City-County Council's public works committee on Thursday unanimously approved a plan to spend about \$8 million in returned local option income tax dollars in two ways: \$5 million to start designing and bidding out previously approved projects planned for 2020 and spending about \$2.8 million to abate lead and arsenic found in an Indianapolis public park. The spending proposal will have to be passed by the full council. Dan Parker, the city's director of public works, said the city was expecting to receive the money from the state, but it arrived earlier than anticipated. "This allows us to get ahead," Parker said. "In the past, money has been moved in January. Designing and bidding them in 2019, we'll be jumping in front of the line for access to contractors." That could allow the city to get a better deal on its planned projects, Parker said, which include repairing and repaving Keystone Avenue from 39th Street to 65th Street, and parts of Shadeland Avenue, Sherman Drive, and Harding Street. Funds will also go toward fixing a bridge in Geist and a bridge over Crooked Creek, among other projects.

CITIES: BENNETT ANNOUNCES NEW TERRE HAUTE PD BUILDING - It's been on Mayor Duke Bennett's to-do list since shortly after taking office in 2008 and this may finally be the year work begins on a new Terre Haute Police Department building (Taylor, [Terre Haute Tribune-Star](#)). Redevelopment Director Steve Witt gave departmental commissioners a heads-up last week that a financing plan for the project will soon come before them. Witt said Wednesday he expects the mayor, or a representative, to make a presentation "in the next month or two." During a May 23 interview with the Tribune-Star on a variety of topics, Bennett said the city's bond counsel with the Ice Miller law firm was reviewing available options. "My goal is to start construction by the end of this ... season," he said, "and I think we're going to be able to get there." Bennett said early this week he had no further update. He later provided information on financing for the estimated \$10 million, 30-thousand-square-foot project after his two opponents in the Nov. 5 election questioned whether the city can afford the project.

CITIES: SOUTH BEND TO GIVE DREWRY'S OWNER MORE TIME - The city will delay hiring a contractor to remove demolition debris from the former Drewry's brewery site to give the owner more time to clean it up, work that his contractor has been doing this week, the city's code enforcement director said ([South Bend Tribune](#)). The Board of Public Works had planned to open contractor bids at its meeting Tuesday, June 11, but on Thursday decided to remove the item from the agenda until at least July, said Tracy Skibins, code enforcement director. "We have been waiting for years for Mr. Durkee to take care of the property because we definitely don't want to spend the city's money doing it, we want the owner to be responsible," Skibins said. "Because he has not done that, we have had to fall back on step two, which is to have the city take care of it for him, which we never wanted to do in the first place."

CITIES: JEFFERSONVILLE PROJECTS MIRED IN LEGALIZE - A project that could play a key role in downtown Jeffersonville's revival remains in limbo, as a prominent developer seeks answers and a non-profit board mulls litigation ([News & Tribune](#)). At the center of the debate is corner property at Market and Spring streets, where Alan Muncy, president of arc, has agreed to transform a longstanding parking lot into a \$3.5 million mixed-use development of apartments and retail. The sticking point is a May 20 vote by the Jeffersonville City Council that denied the issuance of an Urban Enterprise Zone tax credit for the project, which was part of a development agreement between arc and the Jeffersonville Urban Enterprise Association [JUEA], owners of the property. Muncy, who waived the clause in the agreement about the tax credit, moved forward on closing on the property on May 23. Less than a week later, the JUEA board, at a special meeting, approved a resolution to begin the process of filing a lawsuit to "set aside" the closing, believing it violated the terms of the development agreement.

JOB CREATION STALLS: Employers tapped the brakes on hiring in May, signaling companies are taking a more cautious approach at a time of slowing global growth and trade tensions ([Wall Street Journal](#)). The economy added 75,000 jobs in May, marking the 104th straight month of gains, but pulling back from two months of solid hiring, the Labor Department said Friday. The jobless rate held steady at 3.6%, a near 50-year low. Overall, the labor market was on weaker footing than expected. Economists surveyed by The Wall Street Journal had forecast a gain of 180,000 new jobs and a 3.6% unemployment rate in May. Revised figures showed employers added fewer jobs than previously reported in April and March. Wages were up 3.1% on the year in May. Annual pay gains appear to be stabilizing in the low 3% range rather than accelerating in a tight labor market. Manufacturers added 3,000 workers to payrolls, continuing a weak streak for a sector most tied to trade tensions and slowing growth abroad.



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INDIANA EDUCATION INSIGHT

Boost granted for skills training

State ramps up efforts to up skill Hoosiers who lack a college credential

The Governor's Next Level Jobs Workforce Ready Grant program received a shot in the arm during the legislative session that ended in late April.

The Workforce Ready Grant scholarship program provides Hoosiers who have a high school diploma or its equivalent – but no college degree – with the opportunity to receive up to two years of free training in high-demand middle-skills occupations.

The most recent numbers show 5,760 Hoosiers have already completed training through the program since its introduction in 2017, and 15,280 Hoosiers have enrolled in a training program.

Beginning July 1, 2019, state lawmakers doubled funding for the last-dollar training grants from \$2 million to \$4 million annually.

The Indiana Commission for Higher Education issued an RFP in May for a new advertising, outreach, and digital marketing campaign to raise awareness of the up-skilling opportunity and recruit more participants. Lawmakers set aside \$750,000 in the new state budget to pay for the advertising and marketing efforts for one year.

The RFP document identifies seven student populations to target (or re-target) for potential enrollment:

- Hoosiers who visited the NextLevelJobs.org online portal but did not submit their information for follow-up (about 350,000)
- Hoosiers who submitted their information to the online portal but have not enrolled in an eligible program (about 35,600)
- High school students on a graduation pathway that leads to less than a four- or two-year degree (about 36,000)
- High schoolers pursuing a Career & Technical Education pathway (about 25,000)
- High school graduates who have not enrolled in a postsecondary education or training program (about 28,016)
- Students who enrolled at a two- or four-year institution using state financial aid yet left without completing (10,000+)
- Students enrolled in institutions on a two- or four-year path who are facing dismissal for academic reasons (Unknown)

Meanwhile, other program changes enacted this session could give students additional choices.

House Enrolled Act 1002 -2019 allows all public and private institutions to participate as credit-bearing training providers upon receiving approval from the Commission for Higher Education. Program providers are currently limited to Ivy Tech Community College and Vincennes University.

The other key change we'll mention from HEA 1002-2019: Language added by Rep. Randy Frye (R) of Greensburg stipulates that the Commission for Higher Education must consider expanding the certificate programs eligible for Workforce Ready Grant funding to a sixth occupational area: public safety.

Pay issues Melton away?

Sen. Melton launches budding 2020 bid

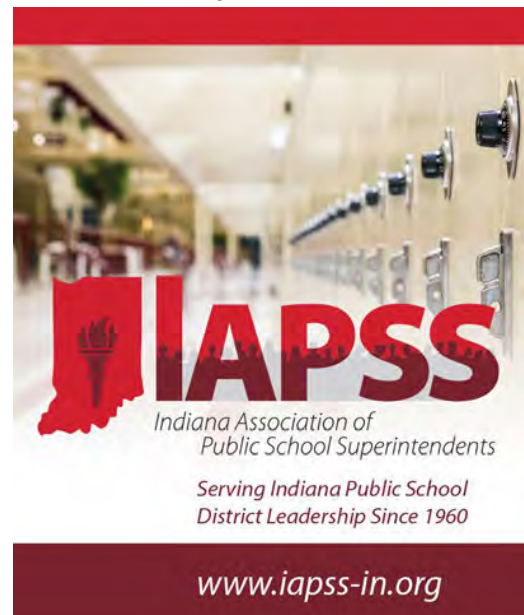
State Sen. Eddie Melton (D) of Gary has formed an exploratory committee to run for Governor . . . and he made the announcement at the headquarters of the Gary Teachers Union, with teachers largely comprising the audience.

The former member of the State Board of Education introduced his fledgling candidacy with a call to improve teacher compensation, a message that found a receptive audience in the Gary teaching ranks, which haven't seen a pay raise in some 12 odd years.

He also took a swipe at the blue ribbon commission on teacher salary appointed by Gov. Eric Holcomb (R). "Behind-the-scenes negotiations are not how we should be solving our state's issues," said Sen. Melton.

He has formed a gubernatorial exploratory campaign committee, and is embarking upon a "statewide listening tour," explaining "This announcement is not about me seeking a higher office. This is a call to refocus on inclusive policies that reflect the voice of every Hoosier, not just a select few. This is about Indiana investing in a better future for ourselves and for our children."

The manager of federal government relations for NIPSCO, Melton, 38, was elected to the Senate in 2016. No Lake County resident has ever been elected governor.



IN Elementary & Secondary Ed

IN General . . .

- Career and technical education staff at the Indiana Department of Education will be absorbed by the Governor's Workforce Cabinet beginning July 1.

□ With the passage of House Enrolled Act 1002- 2019, the authority for federal Carl D. Perkins career and technical education funding transitions from the State Board of Education to the Governor's Workforce Cabinet. Historically, the State Board of Education has entered into a Memorandum of Understanding with IDOE to administer CTE funds, and IDOE employed staff for this purpose accordingly. Perkins dollars amount to about \$50 million over the biennium.

□ The change in the lines of authority received virtually no legislative discussion during session, although your favorite education newsletter wrote about the idea at several milestones during the process. Like the changes to the teacher license renewal requirements that seemed to catch everyone off-guard, this too originated with the Governor's Workforce Cabinet.

□ Seven IDOE staff members will become employees of the Governor's Workforce Cabinet as a result of the transition. IDOE remains responsible for licensing and overseeing standards and course descriptions.

- More than 20,000 teachers (almost one-third of all Indiana teachers) have initiated a professional growth plan for license renewal as of June 2, in a mad stampede to beat the new law that kicks in July 1 requiring that 15 of the 90 experience points needed for renewal be related to labor market information or a work-based learning experience. One hour of participation in a professional development activity equals one point.

□ The Indiana Department of Education issued a memo and F.A.Q. in mid-May informing teachers that as long as they have one point entered into and saved in the state system by July 1, the new 15-point requirement will not apply until their next renewal.

□ HEA 1002-2019 names teacher externships as one option for attaining the 15 points. Teacher externships – or work-based learning for teachers – could consist of a group of teachers spending several days embedded at a business or other job site, or an individual teacher completing an intensive multi-week Summer work experience.

□ The report *Externships and Beyond: Work-Based Learning for Teachers as a Promising Strategy for Increasing the Relevance of Secondary Education* defines four key characteristics of a teacher externship: (1) They engage teachers in learning about the nature of the work environment; (2) They familiarize teachers with the academic, technical, and 21st century knowledge, skills, and dispositions required for success on the job; (3) They keep teachers abreast of current and emerging career opportunities; and (4) They expand teachers' knowledge of the education and training requirements required for different positions.

IN Administration . . .

- The Greater Clark County Schools is facing financial exigencies . . . and the new superintendent has received school board approval to bring on **Thomas Keeley** as a financial advisor to help sort things out. Keeley is currently assistant superintendent in the Beech Grove City Schools and an adjunct professor of public school finance at Indiana State University.

- The Lake County Board of Commissioners on Wednesday appropriated \$80,000 for a contract between the Lake County Sheriff's Office and security consultant **Vincent Balbo** to "help police develop an active shooter response system for county schools, modeled in part on measures taken by Porter County in recent years," reports the *Times of Northwest Indiana*.

"Balbo, a former DEA agent, is currently the security director for East Chicago schools. Balbo's hiring is part of a broader effort by [Lake County Sheriff Oscar] Martinez to set up an integrated threat response system across all schools in Lake County. The sheriff's department intends to take advantage of a state law passed earlier this year that allows sheriffs and local school districts to apply for grants from the Indiana Secured School Fund to set up active event warning systems, Martinez said," as the *Times* explains.

IN Budgets & Finance . . .

- The Griffith Public Schools eliminates seven to 10 teaching positions and provides advance notice that courses in art and foreign language may be consolidated. "You have to have a certain number to run a class," Superintendent **Michele Riise** tells the *Times of Northwest Indiana*. "Fiscally, we can't have nine in a class for it to be run, because that's not using our dollars wisely and our staff wisely."

- The North Lawrence Community Schools declines to renew the employment of 23 instructional aides.

- The Marion Community Schools takes steps to refinance a loan, a move that could lower the tax rate by between one-half-cent and one cent.

IN Charter Schools . . .

- **Scott Bess**, head of the Purdue Polytechnic High School in Indianapolis, tells the *Evansville Courier & Press* that Purdue Polytechnic STEM High School will consider opportunities to replicate outside of Indianapolis – if invited, that is. "It's better for the community if it's a collaboration rather than being perceived as outsiders coming in. We never want to do that," said Bess. He says Purdue Poly's preference is to work with school corporations.

□ **Evansville Vanderburgh School Corporation** spokesman **Jason Woebkenberg** tells the paper that EVSC is not interested in sponsoring Purdue Polytechnic High School because Vanderburgh County already offers students an array of STEM-based education opportunities. EVSC has three STEM- based schools: New Tech Institute, Southern Indiana Career and Tech Center and Helfrich Park STEM Academy.

- **Eric Lewis** has been replaced as state director of Charter Schools USA by **Misty Ndiritu**, principal of Emmerich Manual High School. Assistant Principal **Michael Wingert** has been promoted to principal of Emmerich.

● Tindley Preparatory Academy and Tindley Collegiate Academy in Indianapolis will merge into one school and retain the Tindley Collegiate Academy name, forming a co-educational middle school.

□ “This consolidation enables us to direct as many dollars as possible into the classroom (rather than into facilities and overhead expenses) and keep salaries and wages competitive so that we retain our best teachers,” according to Tindley leadership.

IN Non-Public Schools . . .

● Joe Brettnacher becomes superintendent of Catholic schools for the Diocese of Fort Wayne-South Bend. He most recently served as principal of Seccina Memorial High School in Indianapolis and also has held the posts of principal and president of Lafayette Central Catholic Junior/Senior High School in Lafayette, Rossville High School in Clinton County, and Marian High School in Mishawaka.

● Noblesville’s Riverview Health will serve as the exclusive orthopedics and sports medicine provider for University High School in Carmel beginning June 15.

□ Terms of the agreement mean that Riverview Health will provide University a full-time certified athletic trainer onsite and cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) training for coaches and staff members. Under the supervision of a board-certified and fellowship-trained primary care sports medicine physician, Riverview Health will also provide comprehensive medical care, including ImPACT concussion testing and injury evaluation, to student athletes.

IN Programs & Curriculum . . .

● The Education Workforce Innovation Network (EWIN) at the Center of Excellence in Leadership of Learning (CELL) at the University of Indianapolis announces three new recipients of planning grants for coalition building and sector partnerships that engage entire communities in designing innovative education-workforce pathway models.

□ Ivy Tech Community College South Bend-Elkhart and Navistar will partner with Elkhart Plastics, Inc., Better World Books, the South Bend Community School Corporation, Elkhart Area Career Center, and the South Bend Regional Chamber to develop a K-14 Supply Chain Management and Logistics Pathway.

□ The Student Career Partners for Northeast Indiana includes the Northeast Indiana Regional Partnership, Region 8 Education Service Center, Fort Wayne Community Schools, Ivy Tech Northeast, Parkview Health, Junior Achievement, and the Olin B. and Desta Schwab Foundation. This partnership will use grant funds to create a career-ready pathway program that motivates and guides students through a process to develop individualized career road maps.

□ The River Forest Community Schools is spearheading a community partnership made up of 16 regional businesses, postsecondary institutions, organizations and agencies to implement an advanced manufacturing pathway. The group includes Praxair, Indiana Manufacturers Association, Calumet Area Industrial Commission, Northwest Indiana Forum, The City of Hobart Economic Development, Lake Shore Chamber of Commerce, Center of Workforce Innovations, Vincennes University, Ivy Tech Community College, Purdue University Northwest, Indiana University Northwest, U.S. Army, Neighbors’ Educational Opportunities, Via Marketing, World of Words and Innovations in Learning.

● Building on a strong partnership developed in the 2018-19 school year, Salesforce.org contributes \$650,000 in grants to the Indianapolis Public Schools Education Foundation, in support of Indianapolis Public Schools, as part of the company’s commitment to investing in Future Ready programs.

□ This new grant will support three professional development pilot programs designed to increase principal effectiveness; improve new teachers’ transition to the classroom; and strengthen the support that district staff provides to individual schools – “ultimately driving better results for students,” Salesforce.org expects.

□ You may recall that last year, Salesforce.org kicked off its partnership with IPS, donating \$500,000 to provide a specialized IT education pathway for 137 students and three new computer labs with take-home devices. The partnership also supported the district’s “3E’s strategy” to ensure all IPS students graduate on time and were prepared to enroll in a two- or four-year college or university, gain employment at a livable wage, or enlist in the armed services.

□ The tech company is IPS’ primary philanthropic partner.

● The State Board of Education at its June business meeting voted to endorse a Locally Created Graduation Pathway in Aviation Sheet Metal proposed by the M.S.D. of Decatur Township, AAR Corp, and the Vincennes University Aviation Training Center. Program graduates can move into the EAGLE Career Pathway Program to become an Aviation Maintenance Technician with Airframe and Powerplant certification.

● The 53 students in the 2019 graduating class of the Connersville High School Early College program racked up 2,072 college credits – an average of 39 college credits each, or the equivalent of more than one year of college.

● The Huntington County Community School Corporation contracts with Novae Corporation of Markle to provide a welding instructor qualified to teach welding courses for dual credit with Ivy Tech Community College. HCCSC will pay the instructor \$22 per hour for four hours per day.



- Preschool fees will increase from \$120 per week to \$150 per week in the Huntington County Community School Corporation . . . although the increase won't be enough to eliminate the program's operating deficit. Preschool salary costs currently exceed revenues by more than \$150,000. The district operates four preschool classrooms for ages 3-5. Of the 116 students enrolled last year, 64 were students with special needs, and 52 were typical students.

- The Madison-Grant United School Corporation will offer a STEM-focused preschool curriculum next year, a step toward its goal of becoming a true STEM district from preschool through 12th grade.

- EmployIndy and Indy Achieves are ramping up an online and radio advertising campaign ahead of the June 30 deadline for graduating eighth grade students to sign up for the 21st Century Scholars program. Indy Achieves set a goal that by the end of the 2018-2019 school year 100% of eligible Indianapolis 8th graders will be enrolled in 21st Century Scholars. In 2017, only 51% of the eligible 8th grade Marion County students were registered for the promise scholarship program.

IN Policy . . .

- The Gary Community School Corporation issued an apology after a special education teacher bestowed a "Most Annoying Male" trophy to an 11-year-old boy with autism during an end-of-the-year awards ceremony that went viral. The district said in a statement that "We acknowledge the potential impact that an experience like this could have on a child's mental well-being, self-esteem and overall level of comfortability in a learning environment going forward," and "We extend our deepest apologies to the impacted student, the family and anyone else who take offense to this unfortunate occurrence."

- The Evansville Vanderburgh School Corporation, M.S.D. of Warren Township, Muncie Community Schools, and East Allen County Schools plan to opt-in to the Community Eligibility Provision of the National School Lunch and School Breakfast Programs beginning with the 2019-2020 school year. By participating in CEP, the districts will serve free breakfast and free lunch to all students in the vast majority of their school buildings. They will no longer need to collect household applications to determine eligibility for school meal assistance . . . and will no longer have to worry about tracking unpaid meal charges. Twenty-nine Indiana school districts participated in CEP for some or all of their schools during the 2018-2019 school year.

- The M.S.D. of Warren Township implements a three-tier transportation schedule for the upcoming school year with new start and end times. The high school day will start five minutes earlier, running from 7:15 a.m.- 2:20 p.m.; elementary schools will start 35 minutes earlier at 8:05 a.m. and ending at 3:05 p.m.; and the intermediate/middle school will start 85 minutes later at 8:55 a.m. and get out at 3:55 p.m.

- The M.S.D. of Warren Township switches from a two-school model to a one-school model for grades 5-8. Currently, students spend two years in the intermediate academy and another two years at the middle school. Beginning in 2019-20, students will spend four years in the intermediate/middle school.

- The Logansport Community School Corporation adjusts school start times by 30 minutes for the 2019-2020 school year to allow teachers time for professional development.

- The Randolph Central School Corporation is proposing to push back school daily start times by 15 to 30 minutes beginning with the 2019-2020 school year to create more time for teacher collaboration.

IN Referenda . . .

- Scott County School District 1 receives school board approval to hire Lancer+Beebe for a \$20 million renovation project that includes major elementary school updates and removing the indoor swimming pool at Austin High School. The *Crothersville Times* reports that voters should be able to decide on the project at a referendum in November. The district is considering applying for a Common School Fund loan to pay for the project.

IN Construction & Facilities . . .

- The Goshen Community Schools receives school board approval for a \$55 million Guaranteed Maximum Price for Weigand Construction Company as the Construction Manager as Constructor (CMc) for the new Goshen Intermediate School and improvements to Goshen High School. Work will begin immediately. All of the add-ons bids for the high school were accepted, and all of the deduct alternate bids for the Intermediate School were rejected, meaning the maximum scope at both facilities will fit within the project budget.

- Exterior windows on all buildings in the Central Noble Community School Corporation are now coated with a layer of 3M shatterproof film to prevent glass from shattering.

- On May 23, the Center Grove Community School Corporation issued \$29,270,000 in bond anticipation notes for certain renovations, expansions, upgrades, improvements, safety and security, and equipping projects. Stifel served as municipal advisor on this issuance. . . . on May 29, 2019, the North West Hendricks School Corporation issued \$2,700,000 in General Obligation Bonds, with Stifel serving as municipal advisor.

- The Vigo County Community School Corporation is getting close to choosing an architectural firm to develop an eight-year facilities plan for the district.

- The North West Hendricks School Corporation will hold public hearings in June and July on the proposed 2020 Construction, Renovation, Efficiency, Safety, and Security Project for improvements throughout the district and a new multi-purpose facility.

- The May 23 tornadoes and thunderstorms that crossed Indiana caused sufficient damage to the Rochester High School track and football stadium that administrators are not optimistic that Barnhart Field can be repaired in time for the Fall football season., and the team may have to play all of its games off-site.

- A major athletic renovation approved by voters at referendum begins in August in the Anderson Community School Corporation. The project includes two baseball diamonds, two softball diamonds, two soccer fields, and 10 new tennis courts.

IN Transition . . .

- Democrat **Gordon Hendry** leaves his post on the State Board of Education after six years. His appointment was not set to expire until June 30, 2021. We reported last month that **Steve Yager** will be leaving the board when his term expires June 30, 2019. Hendry's replacement will be selected by Gov. **Eric Holcomb** (R), while Senate President Pro Tem **Rod Bray** (R) of Martinsville will pick Yager's successor.

- The new superintendent of the South Bend Community School Corporation adds three new positions to his cabinet, including a \$125,000 per year executive director of public and governmental affairs, including hiring away **Susan Guibert** from her similar post as executive director of media relations and communications for the University of Chicago Booth School of Business.

□ Other new jobs include: Chief Equity and Multicultural Officer **Nathan Boyd**, who is the district's current director of African American student and parent services, and will be paid \$119,000 for his new work responsibilities. Boyd's former post will be filled by **Tessa Sutton**, who leaves the Elkhart Community Schools after 12 years . . . Executive Director of Strategic Initiatives, Dashboards and Special Projects **Rafi Nolan Abrahamian**, who has spent the past four years with the Fort Wayne Community Schools, most recently as manager for research and evaluation, will be paid \$110,000 in his new role.

- Superintendent **John Hunter** of the Union Township School Corporation in Valparaiso will be installed as president of the Indiana Association of Public School Superintendents for 2019-2020 on June 7. Superintendent **Tracy Lorey** of the Greater Jasper Consolidated School Corporation will serve as president-elect.

- **Byron Ernest** will chair the Education Dispute Resolution Working Group that will spend the next five months studying opportunities to revise the special education complaint and investigation requirements in order to reduce costs to school corporations and parents of students with disabilities. Recommendations are due to the General Assembly by November 1.

- **Dr. Teresa L. Gremaux** will leave her post as the superintendent of the North White School Corporation to join Manchester Community Schools as its new leader, finally plugging a multi-year gap in permanent leadership there.

- The new superintendent of the Huntington County Community School Corporation will be **Charles (Chad) Daugherty**. He has been serving as assistant superintendent for instruction since the 2016-17 school year and previously was principal of Huntington North High School. He's a former geography teacher and high school baseball coach.

- The new principal of Huntington North High School will be **Rief Gilg**, who had been serving as associate principal at DeKalb High School.

- Principal **Lloyd Knight** steps down from Thomas Carr Howe Community High School.

IN Government . . .

- The State Board of Education voted at its June business meeting to pump millions of additional federal school improvement dollars into the turnaround academies - the chronically low-performing schools that have been placed in state intervention. The turnaround academies will share a total of \$6.8 million in federal school improvement grants to pay for special interventions during the 2018-2019 school year, such as longer school days and years, additional support staff, and extra professional development.

□ The State Board of Education currently oversees the performance of 18 turnaround academies: eight in Indianapolis, four in Evansville, three in Kokomo, two in South Bend, and one in Gary. Superintendent of Public Instruction **Jennifer McCormick** (R) voted against the school improvement grant (SIG) distribution plan. The Indiana Department of Education proposed allocating \$5.4 million to the turnaround academies. IDOE and SBOE differed only on the amounts for Charter Schools USA (CSUSA) and Edison Learning Roosevelt. IDOE proposed \$510,000 for CSUSA and \$180,000 for Edison Roosevelt. SBOE proposed and approved \$1.6 million for CSUSA and \$430,000 for Roosevelt.

□ For the other turnaround academies, the amount of federal funding they're slated to receive each year is published in their previously approved intervention plans. Each school's five-year budget strategically decreases the amount of funding available over time to encourage districts to focus on sustainability by building their internal capacity. The variance in SIG funding between the different turnaround academies is because of the different point at which each school is in its intervention, said **Ron Sandlin**, director of school performance and transformation for SBOE. The Kokomo School Corporation is entering the first year of implementing a Transformation Zone, which explains its higher share of this year's school improvement funds.

□ CSUSA and Edison are entering their final year of school turnaround operations. The amounts that IDOE recommended for CSUSA and Edison mirrors the final year per-pupil expenditures in the budgets for the other turnaround academies. IDOE officials also pointed to the "C" letter grade attained by two of the three CSUSA schools as a factor in the recommendation for reduced funding. Even though the State Board did not accept the IDOE recommendations on CSUSA and Edison, the amount of funding that the two turnaround operators will receive in the coming school year still represents a decline of more than 25% compared to last year.

□ Sandlin said conversations with Edison Learning about Roosevelt College and Career Academy have been very frank. "Your reliance on these funds needs to dramatically reduce," is the message that Sandlin and staff have delivered to Roosevelt, he says. Roosevelt's SIG budget cuts the number of staff members supported by the grant in half. "This doesn't mean those staff go away," says Sandlin. "It just means you can't rely on this funding source anymore." For the South Bend Community School Corporation, which is entering its first school year with a Transformation Zone, Sandlin described 2019-2020 as both a planning and implementation year. "They have to plan and fly at the same time," he said.



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- Lieutenant Governor Suzanne Crouch (R) partners with the Indiana Youth Institute to invite rural communities to apply for the opportunity to launch a Promise Indiana initiative. Five communities will receive a wide array of capacity-building services from Indiana Youth Institute to develop a locally responsive collective engagement plan in preparation to become a Promise Indiana community.

IN Courts & Conduct . . .

- A parent was removed during the June 2 Pendleton Heights High School graduation after he was discovered to have brought a gun to the ceremony.

- The *Chicago Tribune* reports that Dr. Cheryl Pruitt, the dismissed former Gary Community School Corporation superintendent, now “has been suspended from her job at the Chicago Virtual Charter School pending an internal investigation, officials said Monday.” She continues to face theft charges in Indiana stemming from her Gary tenure.

- In *U.S. v. Fennell*, No. 18-1969, a unanimous panel of the U.S. Court of Appeals for the Seventh Circuit upholds the restitution requirement for Franklin Fennell stemming from his role in a Vigo County School Corporation kickback scheme, so the former VCSC administrator must repay \$110,600 to the district.

IN Higher Education

IN General . . .

- Ralph O. Mueller resigns from his post as provost and vice chancellor of academic affairs at Purdue University Northwest, just as leadership prepares to make difficult choices about restructuring academic programs and departments in response to changes in the market. “The number of students pursuing college degrees in our geographic area is predicted to drop 15% between 2014 and 2029,” Chancellor Thomas Keon recently wrote. “It is essential that we examine what we are doing and when possible, modify to meet the demands of current and prospective students.”

- Purdue University Northwest students and faculty are not pleased with what they perceive to be broken promises related to the 2016 merger of the Hammond and Westville campuses.

□ PNW faculty are calling on campus leadership to impose a moratorium on canceling low-enrolled, non-elective courses offered on the Westville campus “until such time as the enrollment on the Westville campus is restored.” They also want the administration to redirect resources currently invested in under-utilized intra-campus bus service into enrollment growth initiatives for the Westville campus. In addition, faculty believe PUN should “make a promise to students that any student that starts a four-year degree at the Westville campus will be able to finish that degree on the Westville campus and will not have to take any classes or travel to the Hammond Campus.”

- Indiana University Northwest has the highest share of Latinx students of any public university in the state.

□ That revelation comes from the *Hechinger Report*, which published a lengthy story this month on how IUN is coping with the demographic transition. The school’s Latinx enrollment could reach 25% as soon as next year, which would qualify IUN as a Hispanic-Serving Institution, a designation by the U.S. Department of Education that unlocks access to additional federal grant revenue.

- For the second year in a row, the International Human Cadaver Prosecution Program at the Indiana University School of Medicine at Indiana University Northwest has been canceled, this time due to “unforeseeable logistical issues.”

□ The “world-renowned program” had been put on hiatus in Summer 2018 so that officials could reshape the curriculum, and IUN announced last August that the program would be back in 2019 in an expanded format with five full days of cadaver prosecution. The *Times of Northwest Indiana* reports, “The first seminar was scheduled to start Tuesday but, four days before, participants were notified, by email, that the program had been called off.”

- Indiana University Northwest underperforms its expected graduation rate by 13 percentage points, one of the 15 largest disparities in the country, according to an analysis by the *New York Times* and the Urban Institute. The gap at IU Southeast was also in the double digits. The authors calculated expected graduation rates based on the characteristics of a college’s students, including income, race, gender, age, and test scores. Students were counted as graduates so long as they received a bachelor’s degree within six years of starting college, even if they ultimately graduated from a different college. The analysis was limited to first-time, full-time students.

- Commissioner of Higher Education Teresa Lubbers has been named to the Commission on the Value of Postsecondary Education, a new 30-member panel convened by the Bill & Melinda Gates Foundation to make recommendations on how to incorporate economic data on employment and earnings into the higher education value proposition. For a masterful assessment of value in higher education, look no further than Commissioner Lubbers’ own 2018 State of Higher Education address.

IN Tuition . . .

- Indiana State University plan to increase tuition by \$89 per semester for full-time undergraduate residents for 2019-2020 and by \$90 for 2020 - 2021 . . . but ISU administrators have not yet determined whether to impose a long-debated \$75 per semester health and wellness fee.

- Ball State University will raise tuition and fees by 1.64% for 2019 - 2020, breaking the five-digit barrier with an increase from \$9,896 in 2018-2019 to \$10,058. Those tuition and fees, however, would remain the lowest among all institutions in the Mid-American Conference officials told a tuition hike hearing at which no students seemed to show up.

- The University of Southern Indiana hikes per-semester credit-hour tuition and fees from \$258.96 to \$264.19 for resident undergraduate students attending in 2019-2020. For 2020-2021, the rate would increase to \$269.52.

- Indiana University recommends a 2.5% tuition and mandatory fee hike for each of the next two years for resident undergraduate students on all campuses, the highest increase in five years. As we told you last month, state support for IUB declines in the first year of the new state budget, and IU administrators fully briefed key legislative leaders before the move. IU officials emphasize that the current \$10,680 in-state tuition and fees combination was lower than the rates charged by seven of the 14 Big Ten Conference schools.

□ Out-of-state undergraduate tuition will grow by a heftier 3.0% on the flagship campus over the same period.

IN Programs & Policy . . .

- Salesforce.org announces a \$500,000 donation to Ivy Tech Community College in Central Indiana to use across two years to establish an Information Technology Career Development model that includes career coaching, soft-skill training, stackable credentials, tutoring, employer networking opportunities, and designated lab space.

□ Last year, Salesforce.org funded 25 internships to support Ivy Tech's IvyWorks, in partnership with Indy Women in Tech (IwiT), a program designed to help women who want to shift their careers, including stay-at-home mothers and women who want to increase skills and certifications in their current careers, earn a credential in Information Technology.

- Of the more than 20,000 degrees awarded across all Indiana University campuses this Spring, the most popular was bachelor of science in finance, awarded to 867 students.

- Indiana University and Purdue University each received \$54 million from the Big Ten in Fiscal Year 2018, up from \$25 million five years ago.

- Effective July 1, all 2,370 programs included in INTraining will be re-evaluated by the Department of Workforce Development using the updated Flame methodology. Some programs that are currently eligible to receive funding may be removed from the eligible provider training list. Each occupation is assigned a flame rating from one to five based on anticipated future demand and wages. Training programs must lead to an occupation rated as three or more flames in order to be eligible for the funding.

IN Gifts and Fundraising . . .

- The Indiana University golf course will be permanently named "The Pfau Course at Indiana University" in honor of a major gift by IU alumni Ned and Sue Pfau that has helped fund the redesign and reconstruction of the Bloomington golf course, including a new clubhouse and adjacent pavilion.

□ Construction on the course is complete, but a definite opening date has not been set.

- Butler University Trustee Bryan Brenner and his wife Elaine Brenner donate \$250,000 toward construction of the new building for the Andre B. Lacy School of Business, which will officially open in August. In recognition of the gift, the Career Development Interview Suite in the new business building will be named the FirstPerson Interview Suite in honor of FirstPerson, Inc., the Indianapolis-based benefits and compensation consulting company founded and run by Mr. Brenner, a Bulldog alum.

IN Construction & Facilities . . .

- The University of Saint Francis last week officially opened its new Star Observation Deck, a multi-use outdoor learning place that is part of its science building addition. USF partnered with Star Bank on the project, which included a \$120,000 contribution to the university.

IN Government . . .

- U.S. Sen. Elizabeth Warren (D-MA) writes a letter to U.S. Secretary of Education Betsy DeVos expressing alarm at the Department's interest in using federal higher education programs to experiment with Income Share Agreements and warning that ISAs are fraught with "deceptive rhetoric and marketing."

□ The Warren letter blasts aspects of Purdue University's Back-a-Boiler ISA program, including the threshold for repayment and the stipulations around default. The Purdue program "requires no payment for those with earned incomes of less than \$20,000. Yet, a student who makes just over that threshold could be required to pay 5% or more of her income toward the ISA - a precarious situation for anyone, particularly someone with children or other obligations like medical expenses. Moreover, the consequences of default in the 'Back-a-Boiler' ISA program belie the notion that their ISA is preferable to a federal student loan. According to Purdue's sample ISA contract, a borrower who defaults or attempts to exit their ISA early could be required to pay two and a half times the amount originally borrowed - in other words, the ISA conversion costs more than some of the most burdensome, predatory, and costly private student loans," according to the five-page letter from the presidential hopeful dated June 4.

- U.S. Sen. Mike Braun (R) teams with U.S. Sens. Kyrsten Sinema (D-AZ), Rick Scott (R-FL), and Chris Coons (D-DE) to introduce the "Student Loan Tax Elimination Act of 2019," which would eliminate origination fees from the federal student loan program. The bipartisan group of senators contend that origination fees "are a relic of the bank-based guaranteed student loan program, a program where the fees offset subsidies to lenders that no longer originate such loans." Student loan origination fees send \$1.7 billion to the federal government annually. The average undergraduate student pays \$294, and the average graduate student pays \$1,174. "Student loan origination fees are nothing more than a hidden tax that burdens students," said Sen. Braun.

□ Origination fees under the Higher Education Act of 1965 are currently one percent for Direct Subsidized Loans and Direct Unsubsidized Loans and four percent for all Direct PLUS Loans for both parent borrowers and graduate and professional student borrowers.

IN Transition . . .

- Charlee Beasor from the Indiana Chamber of Commerce starts Monday as the new communications director for the Indiana Commission for Higher Education. She is the communications and PR manager for the Indiana Chamber and a former news reporter for the *Hendricks County Flyer*.

- Peter Linden, chancellor of the Michigan City campus of Ivy Tech Community College, is selected as the new provost of Kalamazoo Valley Community College. He starts July 8.

- **Mark Bernhard**, associate provost for outreach and engagement at the University of Southern Indiana, has been named vice provost for continuing education at North Carolina State University, effective August 26.

- **John Norton Williams**, outgoing dean of the Indiana University School of Dentistry, has been named interim president of Transylvania University in Kentucky, his undergraduate alma mater, starting August 15.

- **Henry Smith**, past president of Indiana Wesleyan University, has recently been elected to serve on the board of trustees of the Higher Learning Commission. Smith's term runs from September 1, 2019 through August 2023.

- **Dr. Kevin J. Brown** will begin work as Asbury University's 18th president July 1. Before joining the Kentucky institution as a professor in 2013, Brown earned his MBA from the University of Indianapolis.

- **Kristi Deetz** has been appointed to the dual role of senior director of advancement for Vincennes University and executive director of the Vincennes University Foundation. Deetz has most recently served as the Foundation's interim director . . . while also serving as senior director of external relations.

- Indiana University appoints **Siân Mooney** as dean of the Paul H. O'Neill School of Public and Environmental Affairs – the nation's top public administration school – pending formal approval by the IU Board of Trustees later this month.

- Dr. Mooney, who is currently Arizona State University's associate dean for interdisciplinary programs and initiatives at the Watts College of Public Service and Community Solutions and a professor in its School of Public Affairs, will succeed **Dr. John D. Graham**, who is stepping down after 11 years as dean to return to teaching and research.

- **Erin Oliver** leaves her position as director of the office of institutional equity and Title IX coordinator at Purdue University to join her alma mater as the University of Notre Dame's first assistant vice president for institutional equity.

- Purdue University names **Karl Browning** as vice president for information technology. Browning has more than 40 years of business experience, including as chief information officer for Golden Rule Insurance Company.

- He previously worked for the Daniels Administration as commissioner of the Indiana Department of Transportation and executive director of the Hoosier Lottery, both posts in which he was involved in lease and privatization deals.

- Purdue University Northwest names **Lawrence O. Hamer** as the next dean of the College of Business. Hamer comes to PNW following an extensive career at DePaul University in Chicago, where he joined the faculty in 1996. He received tenure in 2003 and was appointed Professor of Marketing in 2012. Hamer began his administrative career as associate dean of the College of Commerce. He went on to serve as co-director of the Integrated Marketing Education Program and, most recently, as DePaul's associate provost for Research and Integrity.

- **Brandon Zollner** is promoted to executive director of alumni relations at Rose-Hulman Institute of Technology after having spent the past six years as a member of Rose-Hulman's advancement team, serving as director of corporate and foundation relations and assistant director of the comprehensive Mission Driven Campaign for Rose-Hulman. He was chosen for the post following a national search.

- Zollner joined Rose-Hulman in 2013 after serving nine years in a variety of roles with the advancement team at Saint Louis University, his alma mater.

- **Randy White** retires from his post as vice president for student services at Trine University after returning to the university in a deanship after retiring from another job in 2005.

- **Keirsten Eberts** becomes assistant vice president for the College of Graduate and Professional Studies (CGPS) at Trine University. She has served as interim assistant vice president since October, when Trine shifted to its new centralized leadership model, and she has assembled a new curriculum coordination team to support the new TrineOnline delivery, and overseen the relocations of Trine's education centers in Indianapolis and Columbus, and Sturgis, Michigan.

- Trine University tabbed **Cisco Ortiz** as dean of students, effective June 1. He has chaired the Trine Department of Criminal Justice and has been a full-time faculty member since 2015.

- The alumni election for the Indiana University Board of Trustees features three-term incumbent **MaryEllen (Kiley) Bishop** of Carmel facing off against **Brian Davidson** of Chicago, a 2004 graduate of the Kelley School of Business who is running on a platform of tuition caps and allowing the athletic department to keep 100% of the proceeds from the Big Ten.

- The winner will serve during the search for IU's next president. President **Michael McRobbie's** contract ends in 2021.

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Purdue finds farmers AGravated

Purdue/CME: "Ag Economy Barometer collapsed" in May

Ag producer sentiment dropped to its lowest level since October 2016, erasing all improvements recorded following the November 2016 election, according to the Purdue University/CME Group Ag Economy Barometer, based on a mid-month survey of 400 agricultural producers across the U.S.

The decline in the barometer was a result of considerable worsening of producers' perspectives on both current and future economic conditions compared to just one month earlier.

Citing a drop of 29% in the barometer since the start of this year, Purdue Ag Economic Prof. James Mintert, the barometer's principal investigator and director of Purdue University's Center for Commercial Agriculture explains that "Ag producers are telling us the agricultural economy weakened considerably this spring" and that points (29%)," and "Farmers are facing tough decisions in the midst of a wet planting season and a lot of uncertainty surrounding trade discussions." The survey results were in before the latest round of Midwestern storms and attendant flooding; the *Wall Street Journal* Wednesday reveals Indiana has the lowest share of corn acreage planted as of June 2 of any state.

The Large Farm Investment Index, which measures producers' attitudes toward making large investments in their farming operation, has also trended significantly lower since the beginning of 2019. In May, 81% of farmers stated it was a "bad time" to make "large farm investments," pushing the index down to the lowest point since its 2015 inception.

Farmers' optimism toward short- and long-term farmland values has also waned since early 2019, and the percentage of farmers that expect farmland values to decline over the course of the upcoming year jumped by almost one-third to 30% in May. Looking farther ahead, only 39% of producers expect farmland values to rise over the next five years, compared to 48% who expected rising values in the March survey.

Agricultural trade continues to be a source of concern for producers. For the past three months, producers were asked whether they expect the soybean trade dispute with China to be resolved by July 1 and whether they feel the resolution will benefit U.S. agriculture. When the question was first posed in March, 45% of respondents had expected the dispute to be resolved by July 1; but that number declined to 28% in April and fell further to 20% in May.

Regarding whether they ultimately expect a trade outcome favorable to U.S. agriculture, 77% said yes in March, a figure which declined to 71% in April, and fell further to 65% in May . . . and understand that these responses came before the Trump Administration discussion of a potential five percent tariff on Mexico, a key agricultural trading partner (although the responses also came before the U.S. Department of Agriculture made the announcement of a second round of trade disruption payments to producers.) "At this time, a majority of producers still expect a favorable outcome for agriculture to the trade dispute," said Purdue's Mintert, who also observes "that majority appears to be shrinking."

In the opening paragraph of April's release about the barometer, the Purdue team referred to the figures as a "drop," in the May release they characterized the numbers as having "plummeted," and the staid researchers chose the term "collapsed" to explain what had happened to the barometer's numbers between April and May.

New wave: IL winds blow

Our law sought to steel, prepare for this

Since everyone keeps asking . . . yes, perhaps Hoosier solons would have done something different had they known the details of the Illinois gaming bill that unexpectedly passed June 2, but even those in Illinois and Indiana whose business depends upon understanding the details were telling us as late as mid-week they were still learning crazy new details.

The bottom line: Illini lawmakers passed a big ol' mess of a bill that adds a new Chicago mega-casino; a pair of south suburban casinos; some other casinos outside the Indiana market, but also one on the Indiana border in Danville (that we thought the HEA 1015-2019 voodoo had vaporized); more slots for current casinos and video gaming terminal operators; sports wagering at casinos, certain sports venues, and mobile; slots at the tracks and some airports; and one new parimutuel horse racing track in the Chicago area. And, oh, yeah, Illinois also legalized marijuana, and we're, uh, a bit hazy about how that also fits into the picture.

Tough on us: the south suburban and Danville casinos; though details are lacking. More slots in general will hurt, but recall that the Indiana law was passed in large part because we expected Illinois and other neighbors to expand, and we wanted to make our industry as strong as possible, and we largely did so - uncharacteristically proactive.



IN Politics

Federal Office Races . . .

● One June 27, House Republican Conference Chair Liz Cheney (R-WY) will make another fundraising foray into the Hoosier State, joining the National Republican Congressional Committee's recruiting domo, U.S. Rep. Susan Brooks (R), at Traders Point Creamery in Indianapolis for an event which will run between \$75 and \$5,000.

State Office Races . . .

● Sen. Eddie Melton (D) becomes the first credible Democrat to organize a gubernatorial exploratory committee. At the beginning of May, a *Gary Crusader* gossip column credited him with "shepherding the casino legislation and other bills through this year's session of the Indiana General Assembly," and the columnist wrote that Sen. "Melton's political star appears to be on the rise. Because of his success ... there's been talk of running Melton for governor next year. While Melton says he is flattered by the support and attention he is receiving, right now he is focused on getting other things done. That may be his plan, however, there may be others who have a bigger plan for him. If so, will he answer the call?" Well, apparently he has, because just a few weeks after that column, he told an audience of teachers, parents, and community members at the Gary Teachers Union that he was forming an exploratory panel and embarking upon a "statewide listening tour." "This announcement is not about me seeking a higher office," Sen. Melton, who was elected in 2016, said. "This is a call to refocus on inclusive policies that reflect the voice of every Hoosier, not just a select few. This is about Indiana investing in a better future for ourselves and for our children." The NIPSCO official from Gary spoke to teacher pay issues, and the need to capitalize on Indiana's economic opportunities and to create jobs across the state, and referenced the need to provide quality healthcare and restore trust in the state's Department of Veterans Affairs. "We can continue to be silenced or come together to be heard. We must make the investments required to innovate and shape our future - not let it leave us behind."

□ Look for Melton, deputy chair of the Indiana Democratic Party, to unveil a statewide travel schedule with stops where he says he will discuss and highlight the inaction of state leadership and opportunities for the future of Indiana - which may sound more like speaking than listening. Sen. Melton's kickoff in Gary contrasted with the 2016 gubernatorial announcement by Sen. Karen Tallian (D) of Porter County - in The Region, north of U.S. 30 and west of U.S. 31) . . . which came at the State House.

□ Sen. Melton made it clear at his kickoff that he enjoyed support from local teachers, but the former State Board of Education member understands the Gary education situation, with which he has been intimately involved at the legislative level over the past two sessions - is dramatically different than that across the state . . . and the education situation is a microcosm for Lake County issues vs. the rest of the state in general. The Indiana Black Legislative Caucus PAC issued a "statement of support" Thursday for Sen. Melton and his exploratory committee. If nominated, Sen. Melton would be the first person of color to run for governor as a major party candidate, but he would also be the first gubernatorial candidate of either party from Lake County in generations. That Lake County (and particularly Lake County Democrat) tag has traditionally been a tough one to overcome. While Lake County Demos may be nominated for geographic or racial balance, they have proven largely unelectable statewide.

□ Sen. Melton is also not the only African-American seriously eyeing a gubernatorial bid. Dr. **Woody Myers** (D), a former state health commissioner in the Orr Administration (as a 32-year-old wunderkind) who was a Bayh Administration holdover as well (you can count on one hand those who were asked to stay in their respective posts), is also said to be exploring a run. Dr. Myers lost his eight-way CD 07 2008 primary election bid to now-U.S. Rep. **André Carson** (D), earning 23.50% to 46.52% for Carson (fellow Harvard M.D. **David Orentlicher** (D) posted 20.40%, and another state lawmaker, then-Rep. **Carolene Mays** (D), was fourth with 7.68% of the vote). Dr. Myers spent in the eight figures in that race, including at least \$800,000 of his own funds. He was blasted for being a carpetbagger, returning to the district after time out of state working for Ford Motor Company; and for being out of touch, reaping big bucks from service for Anthem/Wellpoint and other corporate clients, and looking down on the city from a Conrad condo. He left the state again after that race, but has returned sufficiently to maintain residency, even as his son, a corporate attorney turned assistant U.S. attorney, left the Hogsett OUSA five years ago for a similar post in Baltimore. Dr. Myers does not enjoy a great network outside the Circle City, and may have difficulty establishing his bona fides with rank-and-file Democrats absent state Demos making it clear he's their guy. He can raise money, perhaps pre-empt Republicans on health care, and has a strong record of bipartisanship and working between the board room and manufacturing facility floors - which may not be a plus in Indiana in the Trump era.

□ Rep. **Karlee Macer** (D) of Indianapolis has also been pushed into the 2020 spotlight, and her handlers are looking to position her as a gubernatorial candidate. Such an ascension brings to mind the ascension of then-Rep. **Baron Hill** (D) when an *Indianapolis News Blue Streak* edition front-page story about his U.S. Senate special election ambitions for 1990 elicited skepticism at first, but then grudging acceptance when others were unwilling to step up to challenge then-appointed U.S. Sen. **Dan Coats** (R). While Hill lost that first race, he over-performed expectations, and that led to his U.S. House service. Similarly, Macer is largely unknown outside the west side of Indianapolis, and as a member of the Democratic super-minority since her tenure began, like Sen. Melton, she doesn't have a lot to showcase in terms of legislative accomplishments. She has, however, been heavily identified with veterans' issues, and with the significant growth in the number and importance of Hoosier vets in the past decade, that is a constituency which is ripe to be tapped (recall how at least a decade ago we described in these pages the evolution in Indiana politics and government from one dominated by the American Legion and VFW to one in which few veterans were involved and military service was not effectively a requirement for ballot access). Rep. Macer will have to - quickly - establish an identity and stake out an issue area of her own, or she will be destined to play in a pool of potential candidates for lieutenant governor.

□ The five-county Tri-State Cornfield Conference will convene June 29 in Kendallville, and you can expect both Sen. Melton and Rep. Macer to be featured as the 2020 trudge toward the primary unofficially opens even before the Indiana Democratic Editorial Association convention in French Lick. What will be most interesting, however, is whether any other potential candidates emerge at the event . . . as well as those who might be willing to sign up for one of the down-ballot slots.

□ Speaking of LG, 2016 Democratic LG hopeful Christina Hale (D) is still being prodded by some to run for governor, but she is more likely to focus on a CD 05 congressional bid if she were to be on the 2020 ballot. 2012 and 2016 gubernatorial nominee John Gregg (D) – for whom the drapes in the Governor’s Residence were proverbially being measured before his opponent (and dynamics) changed in the late Summer of 2016 – is also being urged by some to run again, but he seems happy in his new role as a bipartisan purveyor of wisdom, and while the three leading presidential candidates may be in their 70s, Hoosier Democrats would probably be better served to offer a fresher slate of candidates than those in their 60s (Gregg and Dr. Myers would both be 65 headed into 2020; Indianapolis Mayor Joe Hogsett (D) would be 63). Sen. Melton is 38; Rep. Macer is 48, and Demos – who have no bench – may be willing to sacrifice experience for “youth” and try to get some of their younger leaders some statewide electoral exposure in 2020 as an investment in the future. Former two-term Evansville mayor Jonathan Weinzapfel (D), a former state representative and current chancellor of Ivy Tech Community College Southwest, has been rumored as a gubernatorial candidate over the years (and his state political committee is still sitting on more than \$425,000), but he seems to be more likely to run for attorney general than governor – if anything – in the coming cycle.

□ And – outside of generic gravitational pull – just why would any Democrat want to run for governor in 2020? He or she would face a tough row to hoe (and those rows are going to remain flooded for a while!). Even if there were to be a historical Hoosier backlash against the Trump-Pence 2020 ticket, Hoosiers seem to distinguish Governor Eric Holcomb (R) from the national Republicans for political purposes, and where he might lose some support from the Trump base, he may also pick up as much from marginal Democrats – and Demos in general seem to be largely satisfied with the governor they basically perceive as moderate (despite the occasional obligatory over-the-top political pronouncements from some leading Demos – who privately acknowledge they are pleased with his help in reining in some of the more socially conservative concepts and caucus conscripts). And in an indication that Hoosier Republicans aren’t looking to seize the lower ground in the battle, when Sen. Melton entered the fray, Indiana Republican Party Chair Kyle Hupfer responded not by denigrating Sen. Melton and his experiences, views, and accomplishments, but rather by welcoming him to the race and suggesting that on his listening tour he will learn that Hoosiers like Gov. Holcomb and what he has done for the State and people since taking office in 2017. That’s a far cry from the approach we’ve seen in past cycles (and what Hupfer and his team do when Demo presidential hopefuls hit the Hoosier State) – and a welcome one.

□ We’ll be watching to see how Chair Hupfer (and Gov. Holcomb) might choose to welcome, for example, Weinzapfel into the AG race!).

● The Team Holcomb JFC transfers \$43,108.44 to the Eric Holcomb for Indiana committee, and the Team Holcomb PAC also transfers \$20,239.83 to the Governor’s campaign committee on May 28 . . . the Old National Bank PAC makes a \$10,000 May 31 contribution to the Lieutenant Governor’s Friends of Suzanne Crouch committee.

● The campaign committee of Attorney General Curtis Hill (R) receives a \$20,000 May 24 contribution from the RAGA Action Fund (he is an officer of the Republican Attorneys General Association).

□ Team Hill also reaps \$12,500 on the last day of May from radio talk show host John A. Catsimatidis, owner, president, and chairman and CEO of the largest grocery chain in Manhattan and who also owns oil refinery United Refining in Pennsylvania.

IN Legislative Races . . .

● Emerging on the first ballot in an HD 93 caucus vacancy election as your newest state representative is former Orr Administration press secretary Dollyne Pettingill Sherman (R), who wins her first elected office on her 64th birthday.

□ Rep. Sherman fills the vacancy created by the resignation of former Rep. David Frizzell (R), effective May 31. In a six-candidate, two-county field, Sherman emerged with 22 of 34 first ballot votes. In recent years (decades) it has been unusual to see any candidate elected on the first ballot in a contested local caucus vacancy selection process. She lives effectively on the county line, and her children attended

both Center Grove Community School Corporation and M.S.D. Perry Township schools. She graduated from Southport High School before heading to Ball State University.

□ She joins a dwindling cadre of Orr/Mutz officials, but still has deep current GOP ties (she largely organized the early CD 05 campaign of now-U.S. Rep. Susan Brooks (R), and Supreme Court Justice Mark Massa was a young speech writer on her gubernatorial staff). And she also can turn to family for help in monitoring the I-69 expansion from Martinsville through her district to I-465; her husband was director of public works for the City of Indianapolis in the Ballard Administration (although neither may truly understand what the words “temporary,” “soon,” “trying,” “utility work,” and “possibly” will mean in this new construction context).

□ Rep. Sherman also becomes the 36th woman currently serving in the General Assembly, which Trevor Foughty of CapitolandWashington.com finds is a new record high.



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- The Nisource Inc, PAC files its June federal monthly report which includes scores of Indiana contributions, including \$10,000 to the Committee to Elect **Brian Bosma** on May 15 and \$15,000 the next day to the **Rodric D. Bray** for State Senate committee, the personal campaign committees of the Republican legislative leaders.

IN Mayoral Races . . .

- Just when the May primary results suggested that you might have some variety in the Anderson mayoral race, **Rob Jozwiak** (L) jumps in for his fourth consecutive bid . . . in New Haven, New Haven High School Resource Officer **Darren Peterson** (D) is likely to fill the ballot vacancy for a run against Mayor **Steve McMichael** (R).

IN the Presidential Race . . .

- Former governor and U.S. Sen. **Evan Bayh** (D) discusses trade and presidential politics with Bloomberg's **David Westin** on *Balance of Power* Monday. He says that "pocketbook economic issues" will decide the 2020 election, and, when it comes to impeachment, "there's just nothing at the end of that road" given Republican control of the Senate and absent something like "the Nixon tapes."

□ Bayh labels impeachment "largely a symbolic gesture," and not one that would be viewed by voters as impacting what's important to their lives. However, "trade is a legitimate issue, especially for the Democratic base, and Bayh says that "includ[es] being pretty aggressive in doing something about it." He says the race will be decided on whether the economy continues to grow at a relatively robust rate, suggesting "if the trade practices slow down the economy enough that the average consumer, the average worker out there can feel it, then it becomes an issue, so trade is sort of a subset of how people feel about the broader economy."

□ Also critical for Ds: nominating a candidate not viewed as being so far out of the mainstream as to allowing the President to "caricature" him or her. Bayh notes that in a presidential race, there are only five or six states that matter, including Florida, Michigan, North Carolina, Pennsylvania, and Wisconsin - "there may be a couple of others along the edges, but those are the core five." He explains how the nominating dynamic is different, and that while primary and caucus voters say electability is important, he is not sure people understand what it takes to be electable in those five states.

- South Bend Mayor **Pete Buttigieg** (D) will be speaking on foreign policy and national security at the Indiana University Auditorium in Bloomington Tuesday morning, introduced by a former chair of the House Committee on Foreign Affairs, former U.S. Rep. **Lee Hamilton** (D), who also was co-chair of the 9/11 Commission, adding his imprimatur.

IN Political News . . .

- Zotec Partners, the Carmel-based revenue cycle and practice management company focused on medical practices, opens a federal political action committee Thursday. **Mark A. Isenberg**, executive vice president of healthcare advocacy with Zotec will be the treasurer of Zotec Political Action Committee, and Zotec will receive help from **Ronnie L. Miller** of Barnes & Thornburg LLP's Federal Relations Practice Group in Washington, D.C.

□ We do not believe Zotec has yet opened a state PAC despite it having made at least one five-figure 2018 state campaign contribution, among others.

- Advance West Central Indiana, a new political action committee, files a registration with the Indiana Election Division, and we suspect it has something to do with the anticipated upcoming casino referendum. The group registered in late May, stating that its intent is "To assist West Central Indiana with community growth." **John Collett**, president of Wabash Valley Asphalt Company, LLC of Terre Haute - vice chair of the Terre Haute Chamber of Commerce board and chair of its advocacy committee - is the chair. **Sara Smith**, vice president of engineering at Sycamore Engineering in Terre Haute and first vice chair of the TH Chamber, is the treasurer; and **Brian Kooistra**, COO for Garmong Construction Services in Terre Haute and chair of the TH Chamber board of directors, is the custodian of records.

IN Brief

IN Federal Circles . . .

- U.S. Sen. **Todd Young** (R) sends a letter to a fellow Hoosier, Centers for Medicare and Medicaid Services (CMS) Administrator **Seema Verma**, calling for CMS to provide state Medicaid programs the opportunity to utilize ridesharing services to help Medicaid recipients in underserved areas have greater access to medical care. "Medicaid has continued to provide medical care to millions of Americans for the last 54 years. However, despite its best intentions, this safety net program has not kept up with the many technological innovations in healthcare. Medicaid's rigid and outdated structure has limited states' innovative ability to better help individuals and families reach improved health outcomes. The non-emergency medical transportation (NEMT) benefit is one area where the Centers for Medicare and Medicaid Services (CMS) and states can work together to better encourage the use of new technology already being used in the private sector," Sen. Young wrote in the letter . . . Sen. Young works with U.S. Sens. **Marco Rubio** (R-FL), and **Roy Blunt** (R-MO) to reintroduce the "Protect Our Disabled Heroes Act of 2019," a bill that would help protect disabled veterans from unethical and unfair practices in applying for Veterans Administration (VA) disability claims. Specifically, the legislation would protect disabled veterans from what the senators label as unethical fees charged by third party organizations in preparing and executing veterans disability claims, and also reinstate criminal penalties for individuals charging veterans unauthorized fees. "Charging unfair fees to take advantage of disabled veterans is truly appalling. As a Marine, I'm proud to cosponsor this bill, which would reinstate criminal penalties for these unethical, immoral acts and protect our disabled veterans. We must do all we can to protect those who have already sacrificed so much," said Sen. Young, pointing to the fact that independent veteran service organizations have assisted veterans in filing disability claims free of charge, while many veterans are unaware that such services should be provided at no cost and instead seek assistance through attorneys and organizations that charge a filing fee . . . Sen. Young joins a bipartisan coalition that includes U.S. Sens. **Bob Menendez** (D-NJ), **Lindsey Graham** (R-SC), **Chris Murphy** (D-CT), **Rand Paul** (R-KY), **Patrick Leahy** (D-VT), and **Jack Reed** (D-RI) in introducing 22 separate Joint Resolutions of Disapproval to protect and reaffirm Congress' role of approving arms sales to foreign governments. The Wednesday introductions come after U.S. Secretary of State **Mike Pompeo** declared an emergency May 24 to waive the congressional review process for 22 separate arms sales to Saudi Arabia and the United Arab Emirates - a total of \$8.1

billion. Arguing there is an increased threat from Iran, the Trump Administration invoked authorities under the Arms Export Control Act that, in certain circumstances, grant the President exceptional emergency authority to waive the statutorily-required congressional review period for arms sales. Sen. Young and his fellow coalition members assert that the manner in which the Administration has moved forward with these sales is unprecedented and is at odds with longstanding practice and cooperation between the Congress and the executive branch that results in the approval of billions of dollars of arms sales annually. The Arms Export Control Act of 1976 provides the special procedures whereby lawmakers can introduce a privileged joint resolution of disapproval against a proposed arm sale. In the Senate, a resolution can be discharged from the committee of jurisdiction, forcing a vote on the Senate floor. "Congress has an essential oversight role in the decision to sell weapons and we must ensure proper procedures are in place in any weapons transfer," explains Senator Young. "In light of the ongoing humanitarian crisis in Yemen, we have an obligation to ensure the adequate guardrails are in place and that weapons transfers to Saudi Arabia & the United Arab Emirates do not exacerbate the conflict. Iran remains the world's leading state sponsor of terror, but the current threats that have been briefed to members of Congress do not justify taking this dramatic step. The aircraft carrier, *USS Abraham Lincoln*, is deployed to the Gulf and I am confident that the members of our military could respond if a threat were to arise."

● U.S. Sen. Mike Braun (R) teams with U.S. Sens. Kyrsten Sinema (D-AZ), Rick Scott (R-FL), and Chris Coons (D-DE) to introduce the "Student Loan Tax Elimination Act of 2019," legislation which would remove the "origination fee" that the senators say adds unnecessary debt to student borrowers' overall student loan costs. "Student loan origination fees are nothing more than a hidden tax that burdens students," said Sen. Braun. "This legislation is a step forward and offers one solution to addressing our broken higher education system that fails to put students first." The Higher Education Act of 1965, as amended, specifies a loan origination fee of one percent for all Direct Subsidized Loans and Direct Unsubsidized Loans, and a fee of four percent for all Direct PLUS Loans for both parent borrowers and graduate and professional student borrowers. Origination fees are adjusted annually. These fees send \$1.7 billion annually to the federal government, and the average undergraduate student pays \$294 in origination fees, and the average graduate student pays \$1,174 . . . in a Tuesday Daily Caller op-ed, Sen. Braun calls for Congress "to back America's workers and approve Trump's trade deal." He calls NAFTA "woefully out of date," and "out of balance." He writes that "President Trump kept his promise to renegotiate NAFTA, signing the United States-Mexico-Canada Agreement (USMCA) in November 2018, but congressional Democrats are refusing to bring the USMCA for a vote, because it pains them to admit that President Trump is successfully delivering real results for our economy." Sen. Braun promises "USMCA will add \$68.2 billion into our economy, support two million manufacturing jobs, and will create 176,000 new American jobs. For those working in the automotive industry - including thousands of Hoosiers here in Indiana - this means \$34 billion in new automotive manufacturing investments and \$23 billion in new annual purchases of Made-in-America automotive parts." He also points to increased access to Canada's dairy market under USMCA for our dairy farmers, and "Finally, small and medium-sized businesses will be able to participate in our global economy with more predictable and transparent rules." Sen. Braun contends that Back Home, "ratifying this agreement will

result in higher wages for those already in the industry and more Hoosier jobs for individuals looking for good-paying opportunities. It's time for House Speaker Nancy Pelosi and her Democratic colleagues to put aside their partisan feud with President Trump and put our country first. House Democrats have spent decades fundraising against NAFTA, but now that they have an opportunity to replace it with a better agreement - one that includes a minimum wage for Mexican auto workers and provisions to protect American jobs from unfairly traded Chinese products - they refuse to debate it on the floor of the House." He continues, "Instead of complaining that President Trump is hurting farmers, the House should pass USMCA to relieve some of the pressure, solidifying new markets for American farmers, ranchers, and growers. As a Main Street entrepreneur who has created hundreds of American jobs, I applaud President Trump's action to rectify the longstanding inequities in our trade relationships that have hurt American workers. Now it's up to Congress to hold up our end of the deal and ratify the USMCA." On Wednesday, Sen. Braun made one of his regular FOX Business channel appearances on *Varney & Co.*, and tells host Stuart Varney that "border security is more in peril than it's ever been, so President Trump's interest in using that as a negotiating tool made sense. Most of us were hoping that would be what it's for and that it would be resolved before they went in place." He adds, "I'm concerned if tariffs get put in place because the USMCA - that master agreement that is ready to go through - might be put in peril. President Trump has done a great job negotiating with the Chinese, Canadians, and Mexicans, and I think here he needed to make a statement that they're not helping out on border security, and I'm hoping the tariffs don't need to be used." He continues, "I'm a guy that believes in unfettered markets - keep government out of it - tariffs would be involvement, but I come from Main Street America - I think it's big business that is reflexively against tariffs." Sen. Braun concludes, "I think the President was right to use it as a tool as long as we wean ourselves from it like he said we'd do after we accomplish some of these goals."

● U.S. Sens. Todd Young (R) and Mike Braun (R) and the entire U.S. House delegation from Indiana introduces legislation to rename the (beheemoth) United States Post Office building at 456 North Meridian Street in Indianapolis - only slightly less an example of Brutalist architecture than the Mile Square's Minton-Capehart Federal Building - after former U.S. Sen. Richard G. Lugar (R).



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□ “Senator Lugar leaves a legacy as an exemplar of wisdom, civility, and bipartisanship. Many years ago, I had the privilege of working on Senator Lugar’s staff, and I had a front row seat to history, watching a statesman at work. This is one small way we can ensure Senator Lugar’s legacy lives on,” said Sen. Young. “Senator Richard Lugar is a towering figure in Hoosier history and one of the greatest statesmen ever to serve in the U.S. Senate: it’s only fitting for us to rename the Indianapolis Post Officer after him,” said Sen. Braun.

□ “Senator Lugar’s distinguished career in public service and his statesmanship are an enduring source of pride and inspiration for Indianapolis – the city where he was born and raised, and served as Mayor. I’m proud to help preserve his legacy by honoring him in this way,” said U.S. Rep. André Carson (D), in whose district the facility sits.

● The 11-member Indiana congressional delegation sends a letter to Dr. George Sigounas, administrator of the U.S. Department of Health and Human Services Health Resources and Services Administration, seeking to improve access by Hoosiers to maternal and obstetrics care in rural communities by requesting Indiana’s participation in the Health Resources and Services Administration’s Rural Maternity and Obstetrics Management Strategies (RMOMS) Program. Participation in this pilot program would allow for increased resources to reduce infant mortality, improve birth outcomes, improve maternal and family health, improve child health, and reduce disparities in maternal, infant, and child health in Indiana’s rural communities. The Indiana State Department of Health, Indiana Hospital Association, and Indiana Rural Health Association are behind the effort to improve access to and continuity of maternal and obstetrics care in rural communities via RMOMS.

□ If selected for the pilot program, Indiana RMOMS would seek to develop a sustainable network approach to coordinate maternal and obstetrics care within a rural region; increase the delivery and access of preconception, pregnancy, labor and delivery, and postpartum services; seek to develop sustainable financing models for the provision of maternal and obstetrics care; and work to improve maternal and neonatal outcomes. The 11 solons explain, “The RMOMS program would provide a much needed boost to Indiana’s rural communities that experience health disparities and work to achieve efficiencies, expand access to and improve the quality of essential healthcare services.”

● A bipartisan, bicameral group of lawmakers on Tuesday introduced legislation to increase investment in affordable housing and provide more resources and stronger protections for at-risk groups.

□ Seeking to address the affordable housing and homelessness crisis, the “Affordable Housing Credit Improvement Act of 2019” was introduced by U.S. Sens. Todd Young (R), Maria Cantwell (D-WA) (an Indianapolis native), Johnny Isakson (R-GA), and Ron Wyden (D-OR), as well as by U.S. Reps. Jackie Walorski (R), Suzan DelBene (D-WA), Kenny Marchant (R-TX), and Don Beyer (D-VA).

□ “As I travel around Indiana,” Sen. Young notes, “one thing is clear: We need affordable housing now more than ever. If we strengthen the Low-Income Housing Tax Credit, we can improve life outcomes for Hoosiers from Gary to Jeffersonville and everyone in between, and that’s exactly what the Affordable Housing Credit Improvement Act does. Our bipartisan legislation would leverage the private sector to increase the stock of affordable housing for families in urban and rural communities and tackle the housing affordability crisis head on.”

□ “The Low Income Housing Tax Credit has proven to be a critical tool for spurring investment in affordable rental housing and providing stability for low-income Americans, including veterans, seniors, and those with special needs,” said Rep. Walorski. “By expanding and streamlining the affordable housing credit, this bipartisan bill will make an already successful program even more effective for communities across the country. I’m grateful to work across the aisle to modernize this important program so workers and families have a better opportunity to achieve the American Dream.”

□ From 2000 to 2017, the total number of Americans facing extreme housing unaffordability ballooned by more than 50% from 7 million to 10.7 million. In addition, there is a nationwide shortage of 7.4 million affordable rental homes, an increase from the 4.6 million gap in 2000. This legislation would expand and strengthen the Affordable Housing Tax Credit (also known as the Low Income Housing Tax Credit) to produce more units of affordable housing to close this gap and better serve a number of at-risk and underserved communities. Across the United States, the expanded Affordable Housing Tax Credit would produce roughly 1.9 million new affordable housing units over the next decade, an increase of over 550,000 more units than would be built without the legislation. The bill increases the total number of affordable housing units built by increasing the amount of credits allocated to each state by 50% over current levels, resulting in the production of more than 384,000 more affordable homes in the next 10 years than would otherwise be created; stabilizing the value of the 4% Affordable Housing Tax Credit – used for new construction that uses additional subsidies or the acquisition cost of existing buildings – to create more certainty for ongoing and new projects and increase affordable housing production by more than 66,000 units; and expanding and reforming “recycling” of multifamily housing bonds, allowing states to maximize the available resources of private activity bonds by recycling multifamily bonds for affordable housing, resulting in 100,000 additional affordable housing units. In addition to expanding the number of affordable homes built in the United States, the legislation makes a number of key reforms to strengthen the tax credit that creates veteran-specific housing options; better target extremely low-income populations; and boost affordable housing in Indian Country and rural communities.

● U.S. Rep. Jim Banks (R) was one of two House Committee on Armed Services members interviewed by Hallie Jackson on MSNBC at Normandy on the 75th anniversary of the D-Day invasion. The Afghanisthan veteran praised the messages of both the American and French presidents at the commemoration that day. Rep. Banks went out of his way to thank House Speaker Nancy Pelosi (D-CA) for inviting every veteran serving in the House to be part of the delegation.

● U.S. Rep. Trey Hollingsworth (R) tells constituents that on Tuesday, the House Committee on Financial Services – on which he serves – held a hearing on “Promoting American Jobs: Reauthorization of the Export-Import Bank.” He explains that “The Export-Import (Ex-Im) Bank was established in 1934 to promote employment of United States workers and finance the export of U.S. goods and services. As the Financial Services Committee works to reauthorize the Export-Import Bank, we are also working on bipartisan reforms to give American companies a greater competitive edge with China. In 2016, Chinese export support totaled over \$34 billion compared to our Export-Import Bank’s \$200 million.” His Question of the Week: “Do you support reauthorizing the Export-Import Bank and continuing to promote United States workers across the globe?”

● U.S. Rep. Susan Brooks (R) saw the House pass Tuesday – on a voice vote – bipartisan legislation that she co-authored with U.S. Rep. Anna Eshoo (D-CA) to strengthen the country's existing preparedness and response programs. The "Pandemic and All Hazards Preparedness and Advancing Innovation Act." PAHPA, S. 1379, now heads to the President's desk to be signed into law. "The Pandemic and All-Hazards Preparedness and Advancing Innovation Act is critically important legislation that works to make our nation better prepared for and able to keep Americans safer in response to natural disasters or biological, chemical, radiological or nuclear threats to our public health and national security," Rep. Brooks said. "I am proud this bipartisan legislation is now on its way to the President's desk to be signed into law because it will ensure our health care professionals are trained to respond to possible pandemic outbreaks, prioritize the further development of our national stockpile of vaccines, medical equipment and diagnostics, and establish new advisory groups focused on protecting vulnerable populations such as senior citizens and people with disabilities during public health threats and emergencies." On the WBAT 1400-AM *Good Morning Grant County* radio show Wednesday, she added that despite its national security and public health implications – and the fact that it was a reauthorization – it was "really hard to get it done; trust me – nothing is really simple here!" ... after voting Tuesday against H.R. 6, the "The Dream and Promise Act of 2019," a road map to citizenship measure for DREAMERS, Rep. Brooks said, "There is no question that our immigration system is in desperate need of repair, but as I have said before, we must find compassionate solutions that will fix our broken immigration system while prioritizing our nation's security. Unfortunately, H.R. 6 is not one of those solutions. I have supported in the past and will continue to support compassionate legislative solutions that provide DACA recipients, individuals who were brought to this country by no fault of their own and currently make positive contributions to the social and economic well-being of the United States, reassurance they will be able to continue living their lives as they always have." However, she explains, "H.R. 6 goes too far and under this bill, a much larger group of immigrants would be eligible for green cards and a special pathway to citizenship whether they entered the country legally or illegally, regardless of how old they are now, and whether or not they are DACA recipients. This bill would provide a fast-track path to green cards and citizenship to any immigrant who entered the U.S. under the age of 18 and who is present in the U.S. for four years prior to the date of enactment, which is unfair to every immigrant who has gone through the legal channels to obtain green cards or citizenship." She continues, "Furthermore, loopholes in this bill would allow individuals convicted of dangerous crimes, including gang members and violent criminals, to receive a green card. This bill dangerously prohibits the use of gang databases in order to deny green cards to gang members. These databases are essential in determining whether or not immigrants who are applying for residency and/or citizenship are members of gangs or violent criminals." Rep. Brooks concludes, "Disappointingly, H.R. 6 also neglects to address border security and fails to address our most pressing immigration issue – the crisis at our southern border. H.R. 6 is weak on border security and would make the immigration crisis our country is experiencing even worse. We need to work together to craft immigration solutions that both strengthen our borders and reform our immigration system while respecting the rule of law and compassionately upholding our values as a nation of immigrants."

● U.S. Rep. Pete Visclosky (D) voted in the House Committee on Appropriations to approve the "Fiscal Year 2020 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act" Tuesday that includes \$350 million for the Consolidated Rail Infrastructure and Safety Improvements Program. This is \$95 million more than the FY 2019 funding level, and \$20 million more than the level proposed in the President's FY 2020 Budget Request. The program supports a variety of types of projects, including highway-grade crossing improvements and rail congestion reduction projects. The measure also includes \$2.3 billion for the Capital Investment Grant program under the Federal Transit Administration. This is \$800 million more than the level proposed in the President's Budget Request, and will provide what the appropriator describes as essential support for investments in transit projects across the United States, including the South Shore Rail Line. The report accompanying this legislation also includes language expressing concern with the increase railroad crossings blocked by trains and potential impacts of this to communities and safety, an issue on which Rep. Visclosky has assumed point. The report directs the Federal Railroad Administration to work with state and local agencies, law enforcement, railroads, and others to examine this problem, collect data, identify trends, and develop recommendations to reduce the number and frequency of blocked railroad crossing occurrences. Rep. Visclosky stated, "I am thankful that the House Appropriations Committee has taken action to recognize the perilous danger of blocked railroad crossings in communities across our nation. This issue is of the utmost importance to [NWI] communities with numerous railroad crossings, and I will continue to work to press the Administration to positively and actively address this issue" locally and nationally. He remains committed to backing transportation infrastructure investments, "including efforts to improve the safety and efficiency of railroad crossings and the expansion and recapitalization of the South Shore Rail Line."

● U.S. Rep. Larry Bucshon (R) releases a statement after voting against Tuesday H.R. 6, the "The Dream and Promise Act of 2019," a road map to citizenship for DREAMERS which his office labels as "an expensive, partisan show vote that does nothing to solve our broken immigration system." Contending that Democrats continued to play politics with border security and immigration reform, Dr. Bucshon explains, "With each passing month, the crisis along our southern border grows worse – with Customs and Border Protection apprehending an average of 4,500 people per day over the last month – and continues to threaten our national security. Criminals are taking advantage of our broken immigration system by using loopholes in our laws to traffic drugs and humans across the border. Now, instead of working in a bipartisan manner to stop the humanitarian crisis, secure our border and reform our immigration laws, Democrats have introduced a completely partisan bill that has no chance of passing the Senate or being signed into law by the President." He adds, "This flawed bill not only fails to address the actual crisis on our southern border, but it would exacerbate it by providing mass amnesty and incentivize even more illegal immigration. Instead of yet another messaging bill that is designed to maximize the political advantage for House Democrats and devoid of actual solutions, we need to work together to advance a serious solution to address the humanitarian crisis on our southern border. This pointless vote only serves to benefit the drug and human traffickers that put our communities and innocent people in danger, and prolong the drain on American taxpayer resources needed to deal with those who cross our southern border illegally."

● U.S. Rep. Greg Pence (R) speaks to the *Columbus Republic*, and the freshman congressman tells his hometown paper, “You hear different interpretations of the Mueller Report. I’ve moved on. In my heart, I know that the president and the campaign did not collude, and as far as obstruction, to me, it’s pretty clear Mueller didn’t recommend any charges be brought, and I think that was his responsibility.” The *Republic* reports that “While touring the congressional district recently, Pence said he got the sense that constituents are tired of the drama surrounding the report and possibility of impeachment. ‘Maybe we ought to be spending a little more time working on the USMCA (United States-Mexico-Canada Agreement) – the ‘New NAFTA’ agreement (regarding free trade between the countries) – and getting things done to benefit this country, instead of another two-and-a-half years more of chasing after the president. It seems to be the only thing Democrats want to get done. It’s obvious not all Democrats agree that they ought to impeach the president. They’re not even unified.”

IN State Circles . . .

● On May 31, the Whole Woman’s Health Alliance (WWHA) won an injunction from Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana allowing it to begin performing abortions in South Bend after it had twice been denied a state license through a convoluted state administrative process (over “reputable and responsible character” and disclosure issues) that seemingly had left neither proponents nor opponents satisfied. Her new ruling finds that the Indiana State Department of Health appeals panel which overturned (2-1) an administrative law judge recommendation that the clinic receive a license – on the clinic’s second try – still violated due process. Judge Barker concluded that “the state stands to lose little if an injunction is issued, but women in northern Indiana stand to lose a great deal if it is not.” In an unusual explanation, she wrote, “It can be difficult for federal judges and federal litigators, from our comfortable vantage points, to understand how completely the everyday life of another may be outside of her control – but we must try to understand it,” noting that many women across Northern Indiana may have limited means and accessibility to abortion. The “unavailability of abortion in South Bend imposes a substantial obstacle to its access,” the judge adds.

□ “Judge Barker’s decision to side with the abortion operators will put Hoosier women at risk and lead to the deaths of hundreds of unborn children,” said Indiana Right to Life President and CEO Mike Fichter. “We expect WWHA will now open without an abortion license, meaning Hoosiers have no way to know if they are complying with health and safety rules or not. Judge Barker’s decision is another example of a court trampling states’ rights when it comes to any measure that protects life.”

□ U.S. Rep. Jackie Walorski (R), whose congressional district includes the facility, issued a statement saying “Every human life is precious and deserves our protection. The Indiana State Department of Health was right to deny the application of an abortion provider with a deeply troubling history to operate a clinic in South Bend. This outrageous ruling by a federal judge to allow the abortion clinic to open without a license puts the health of Hoosier women and the lives of unborn children at risk.”

□ Former chief judge Barker, Indiana’s first female federal court judge, was a Reagan appointee. He earlier had named her as U.S. Attorney.

● We’re waiting now for action by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana given that argument was heard Monday in *Bernard, M.D., v. Indiv. Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv-1660-SEB-DML. This is the challenge to HEA 1211-2019, a law banning dismemberment abortions (which those who support availability of the second trimester procedure label by the medical term “dilation & evacuation”). Since the initial American Civil Liberties Union of Indiana motion sought a preliminary injunction against the law that would prevent it from its planned July 1 implementation, a ruling should be imminent. Dr. Caitlin Bernard was the named plaintiff.

□ After Solicitor General Tom Fisher used some of the same descriptors as lawmakers had during the HB 1211 debate (suggesting, in part, that the State was looking to bar the heinous practice of “ripping a fetus limb from limb from the womb”), Judge Barker interrupted and asked OAG’s top litigator to direct his argument to the “lawsuit and not the politics I’m not going to let you load this up with a lot of language.” The StatehouseFile.com’s Emily Ketterer and Victoria Ratliff wrote about the hearing, explaining SG “Fisher argued that there are three safe alternative methods to performing a D&E procedure, including inducing labor to result in the birth of a nonviable fetus, injecting the fetus with Digoxin or potassium chloride to result in death or removing the umbilical cord, resulting in the fetus dying within a few minutes But Ken Falk, the legal director at the ACLU representing Bernard, said the procedures can be more painful, less reliable and more intrusive. He said induced labor can result in a two to three-day hospital visit enduring painful childbirth labor, and he argued many cannot financially afford that long of a hospital stay When questioning Fisher, Barker told him that the alternatives Fisher suggested are ‘hard positions to maintain,’ based on lack of medical evidence. She also said the uncertainty of the evidence behind the fetus feeling pain during D&E may not be considered a justifiable case for the law. Fisher argued that Bernard and the other OB-GYNs who performs second-trimester abortions already offer labor induction, but not currently as an alternative to a D&E procedure. He also said Bernard has time to learn how to give the fetal demise injections between now and July 1, to which [Judge] Barker responded by saying, ‘That’s your best argument?’

● Attorney General Curtis Hill (R) authors a FoxNews.com op-ed Thursday defending the new Indiana law prohibiting abortion based on an unborn child’s race, gender, or disability. “There is no escaping the hard truth that permitting abortion of the disabled not only denies equal human worth but also gradually eliminates the disabled from society,” he writes. “Iceland has reached a nearly 100 percent elimination rate for babies with Down syndrome, and the United States and other developed countries are not far behind.”

● As part of the Indiana Sustainability Development Program – resulting from a new partnership with the Environmental Resilience Institute, founded as part of the IU Prepared for Environmental Change Grand Challenge initiative – Indiana University students are working with local governments in Bloomington, Carmel, Columbus, Delaware County/Muncie, Evansville, Fort Wayne, Gary, Greencastle, Goshen, Michigan City, Oldenburg, Richmond and West Lafayette Indiana to complete community-scale greenhouse gas inventories. These inventories will provide data on topics such as the amount of energy consumed, the diversity of the energy supplied to their grid, and residents’ vehicle types and fuel usages.

□ Communities can use the data to set targets for reducing greenhouse gas emissions and develop a plan for achieving these goals. Students will analyze results to help host government units understand the data, a component of larger efforts to reduce emissions and adapt to changes impacting Hoosier localities.

● Assorted state entities with fraud prevention responsibilities team with several not-for profit entities with similar missions to formally form the Indiana Council Against Senior Exploitation (IN-CASE), with Secretary of State **Connie Lawson (R)** and her office taking the lead because of the work of the Office's Indiana Securities Division that protects Hoosier investors against securities fraud. "With IN-CASE, we saw an opportunity to amplify our efforts by teaming up with others who are equally committed to protecting our state's senior citizens," says Secretary Lawson. The IN-CASE mission: Empower Indiana communities to prevent and end senior exploitation and abuse through education, encouragement, and empowerment.

□ IN-CASE actually took shape some four years ago when the Indiana Association of Area Agencies on Aging (IAAAA) began hosting a networking group consisting of government agencies and organizations that serve older adults and/or have a mission to educate them and their caregivers on how to prevent all types of fraud. The Office of the Secretary of State and IAAAA are leading this endeavor in partnership with the FSSA Division of Aging, Office of the Attorney General, Better Business Bureau Serving Central Indiana, AARP Indiana, Indiana Legal Services, and other state, public, and private organizations. Recognizing the creation of IN-CASE, the Governor declares the week of June 9-15 as Indiana Elder Abuse Awareness Week, which culminates with World Elder Abuse Awareness Day on June 15.

● Dr. Scott J. Shackleford, an associate professor of business law and ethics at Indiana University's Kelley School of Business, chair of the IU-Bloomington Cybersecurity Program and director of the Ostrom Workshop Program on Cybersecurity and Internet Governance, takes to the pages of the *Wall Street Journal* Wednesday to call for the establishment of "a public-private body to investigate and prevent assaults on our information networks – a National Cybersecurity Safety Board." He envisions "a thorough forensic examination of large, sophisticated hacks and craft policy recommendations to guard against future breaches," focused on (1) attacks that affect large numbers of Americans; (2) ones that cause widespread damage; and (3) those that use novel and particularly dangerous techniques. "Once the fact-finding was wrapped up, the cyberteam would publish its findings and make recommendations to help guide the industry and other parties toward preventing similar lapses. Like the NTSB, the board wouldn't have the power to enforce changes. But, ideally, lawmakers and industry would regularly adopt their proposals, as they do now with the NTSB."

● Softheon, Inc. is chosen from a field of three (that included Public Consulting Group, Inc. and Equifax Workforce Solutions) for a \$14,430,300 four-year contract to provide an Asset Verification System for Medicaid applicants and beneficiaries for the Family and Social Services Administration.

● Medical or recreation marijuana legalization may not be on the formal Summer study agenda for Hoosier lawmakers, but just like Rep. **Jim Lucas (R)** undertook his own – serious – review of state legalization policies last Summer, some may only have to travel a few miles (about as long as it takes to empty a small bag of Doritos) later this year to see how things are working next door in Illinois after the Land of Lincoln last week legalized recreational marijuana use and sales for adults.

□ While the issue isn't formally the subject of a charge of the Legislative Council to any particular panel, continued expansion of marijuana availability in our neighboring states may mean that someone could bring it up as part of a Criminal Code reform discussion or talk about lowering medical care costs.

□ The organic bill also included a provision expunging criminal records for those convicted of possession of small amounts of marijuana, effectively an extension of the "Check the Box" legislation that was shepherded through the General Assembly here a few years ago via a unique coalition of social conservative and liberal lawmakers, aimed in large part, at reducing African American unemployment in Indiana. Illinois' governor sold it, in part, as "the most equity-centric approach in the nation" – and had his office lined with posters his administration had produced touting that approach when the bill passed. "We legalized adult-use cannabis, creating the most equity-centric system in this nation which will right historic wrongs and reinvest in the communities that have suffered the most because of the War on Drugs," Gov. J.B. Pritzker (D-IL) tweeted. "This will have a transformational impact on our state, creating opportunity in the communities that need it most and giving so many a second chance," Gov. Pritzker exclaimed in a statement his office released. Watch for that equity argument to lead the way, and the medical advantages to also be touted, especially after medical product stores have quickly filled up abandoned strip malls statewide.

□ Despite the June 12 return of Dead & Company for their annual concert at Ruoff Home Mortgage Music Center (still Deer Creek to the real Deadheads), don't expect any move to legalize those magic mushrooms (or change local public health standards for those cheese sandwiches).

● In *Common Cause Indiana v. Marion Co. Election Bd.*, No. 18-2735, a panel of the U.S. Court of Appeals for the Seventh Circuit ruled on a technical point in ridding the court system of a case regarding the legal paradigm governing Marion County's voting scheme after changes were made to the system – but only after the State of Indiana submitted its opening appellate brief.

□ The manner of dismissal, however, hung up the parties, and after oral argument, the Seventh Circuit panel explained, "In short, Indiana asks us to vacate the Decree, while joint appellees ask us to remand to the district court with instructions to vacate. Though the result they seek differs slightly, in essence, they seek the same relief: a vacatur of the Consent Decree. Indeed, at oral argument, the Board's counsel recognized that "whether the district court is ordered to vacate the Consent Decree or this Court vacates the Consent Decree on its own ... makes no practical difference." Because "both sides ultimately agree that the Decree should no longer be in effect, we have no need to address whether the district court had authority to enter the Decree. And we need not remand the case to the district court for vacatur. Given our authority to vacate district court judgments – including consent decrees – we can and should vacate the Decree ourselves Accordingly, we VACATE the Consent Decree and REMAND to the district court with instructions to dismiss the case."

□ In a release touting the outcome, the Office of Attorney General **Curtis Hill (R)** explains that the Seventh Circuit "vacated a consent decree contested by Attorney General Curtis Hill because it resulted from a federal district court's encroachment upon the rightful authority of the State of Indiana," and after "the district court said it would not vacate

the consent decree ... General Hill pressed the state's appeal. On June 3, the Seventh Circuit ruled that the consent decree should, indeed, be vacated. 'From the very beginning of this case, we have agreed wholeheartedly that we must as a matter of civic duty ensure that as many people as possible are able to participate in free and fair elections,' Attorney General Hill said. 'At the same time, we must safeguard the proper balance between state and federal authority. To this end, we are certainly pleased the court of appeals has vacated a consent decree through which a federal court improperly sought to override state authority.'"

IN the Economy

- The U.S. Chamber of Commerce releases an analysis of the state-by-state impact of new tariffs on Mexico. Indiana ranks 13th nationally, a consequence of importing \$4.5 billion of goods. A five percent tariff would cost Hoosiers and Hoosier businesses in the neighborhood of \$226 million.

□ Indiana Chamber of Commerce President and CEO **Kevin Brinegar** issues a scathing statement about possible presidential implementation of United States tariffs on goods imported from Mexico. Brinegar says, "Using economic threats against our neighbor and one of our country's largest trading partners to compensate for unfulfilled promises by the administration and Congress on immigration is an irrational - and extremely damaging - concept. Indiana businesses and consumers will once again be the innocent victims through paying what amounts to tax increases. Nearly one-sixth of the \$4.5 billion of Mexican products imported into our state in 2018 came in the important auto parts sector. If implemented, a likely retaliation of tariffs on American products will further impact Hoosiers and damage our economy."

- What you may not have read in the national and local stories about the animal abuse at Fair Oaks Farms under criminal investigation: What the fallout might be for Indiana's largest agri-biz tourism attraction ... how Marriott, which just opened a custom Fairfield Inn farm-themed property on-site, may react ... whether other Hoosier dairy producers can step in to fill production needs for store chains (such as Jewel-Osco) given the closures when Walmart opened its own processing facility in Northeastern Indiana ... how this may impact the end of April gubernatorial appointment of Fair Oaks co-founder **Mike McCloskey** to the Indiana Economic Development Corporation board of directors (and Fair Oaks involvement in other Indiana State Department of Agriculture Activities) ... whether the fact that this was an undercover video investigation spurs a change in state law to bar such activity or strengthens legislative resolve to keep such prohibitions off the books (recall 2013 legislation sought to outlaw such videos at animal operations; will it return in 2020?) ... and will McCloskey family campaign contributions be shunned going forward (they tend to contribute to the party in power - Ds early this century; Rs in the last 15 or so years).

- For the first time in what seems like at least a full year, Indiana shows up in the U.S. Department of Labor's Unemployment Insurance Weekly Claims report, despite our neighboring states appearing on a regular basis, sometimes in a positive and sometimes in a negative context. This appearance by Indiana is a positive: Only Ohio (- 3,273) and three other states demonstrated a larger decrease in initial UI claims for the week ending May 25 (over the prior week) than Indiana's 104. At the same time that Ohio enjoyed the nation's largest decrease, however, Michigan (2,537) led the 50 states and Washington, D.C. with the largest over-the-week increase in initial UI claims.

- The North Lawrence Community School Corporation expects to trim almost 25 instructional aides in the next school year - as well as a handful of teachers on temporary contracts - as the district looks to cut expenses ... the Plymouth Community School Corporation will not fill six open teaching jobs for the 2019-2020 school year.

- Hoosier Racing Tire plans a \$3 million investment to boost production of a new hot-selling motocross tire manufacturing line in Plymouth by a factor of 10, looking to increase plant space by 75,000 square-feet and adding as many as 40 new employees. The long-time local manufacturer seeks designation of the facility as within an Economic Revitalization Area, and also asks the Plymouth City Council for a real property and business property tax abatement ... FedEx Corporation plans to invest \$9 million to lease and equip a large section of a new 630,000 square-foot spec building in the AmeriPlex Indianapolis industrial park near the Indianapolis International Airport to serve as a new location for its FedEx Supply Chain, Inc. division, reports Alex Brown of Inside Indiana Business. FedEx looks to staff the facility with 225 full-time workers by 2021 with an average wage of slightly higher than \$16 per hour, as well as many additional permanent part-time and temporary seasonal jobs. FedEx seeks a five-year property tax abatement from the City of Indianapolis ... EFP Corporation, an Elkhart-based manufacturer and converter of expanded foam protective packaging, plans to expand and invest more than \$2.1 million to lease a 100,000 square-foot shell building and establish its fourth manufacturing facility in Evansville's Vanderburgh Industrial Park, expecting to create almost 30 new jobs by the end of 2021. EFP plans to invest almost \$4.5 million in production equipment to design, mold, and fabricate expanded foam products serving the consumer protective packaging, thermal temperature assurance, recreational vehicle, and building and construction markets. The company plans to be operational in the new facility by November 2019. EFP says that it chose Vanderburgh County as a central location to serve customers accessed by the I-69 and I-64 corridor, and within four or five hours of Evansville. The Indiana Economic Development Corporation offered EFP Corporation up to \$125,000 in performance-based tax credits. The Vanderburgh County Council will consider additional incentives, likely to include a six-year property tax abatement ... Michigan City Paper Box Company in Michigan City plans to invest \$478,800 in new equipment with the help of a five-year business personal; property tax abatement from the Michigan City City Council, allowing it to add a handful of new jobs ... Norton Packaging in Hamlet plans to invest \$2.27 million in a 40,000 square-foot expansion of its current facility (technically owned by the Starke County Economic Development Foundation) that will mean some 20 new jobs, and could also lead to purchase of the building from the Foundation over a five-year period.

IN Transition

- Don't be surprised if the Senate Majority senior fiscal analyst post is offered to a current top-notch state agency administrator with lots of Second Floor fiscal experience.

□ **David Reynolds**, who left that post as director of fiscal policy for the Senate Majority Caucus, will join **Bill Sheldrake's** Policy Analytics, LLC as senior vice president, likely in July. With all of the Indiana and Illinois changes in gaming policy, look for Sheldrake's 15-year-old firm to find itself enmeshed in lots of local fiscal analyses of casino-related matters. Sheldrake himself led the Indiana Fiscal Policy Institute for more than eight years, and during his decade-tenure with the State Budget Agency he was Indiana's chief revenue forecaster, head of tax analysis, and deputy budget director.

● **David Powell** will step down from his role as executive director of the Indiana Prosecuting Attorneys Council on October 3 (and officially retire November 1) after leading IPAC for more than eight years. He joined IPAC after some 20 years as Greene County prosecutor.

□ **Chris Naylor**, IPAC's long-time assistant executive director and a former elected prosecutor and deputy prosecutor for Jefferson and Switzerland counties, will succeed him. Naylor also served as the Indiana Securities Commissioner from 2006 to 2013, a post from which he led the nationally praised state investigation of Central Indiana money manager **Marcus Schrenker**, and that of the Indiana State Teachers Association for selling unregistered securities.

● Democrat **Gordon Hendry** leaves his post on the State Board of Education after six years, leaving behind big shoes to fill on virtual charter school oversight. His departure follows that of **Steve Yager**, as reported last month by our sister Hannah newsletter INDIANA EDUCATION INSIGHT, adding to the SBOE churn.

● The Department of Child Services moves **Erin Bognar** into the newly created post of assistant general counsel of training and support, in which she will work to improve DCS attorney training and recruitment for the agency's litigation department (a recommendation made by the Child Welfare Policy and Practice Group's 2018 report). Bognar will oversee the development and implementation of the DCS attorney training curriculum as well as advance a strategic recruitment and retention plan to reduce turnover in the department. She will also develop a legal intern program seeking to attract law school grads with DCS experience into full-time posts. Bognar previously served as the agency's chief counsel of legal affairs.

● **Abigail Campbell** leaves her post as a press secretary for the House Republican Caucus, which she has held since 2017 (managing external press for representatives in Southeastern Indiana), to join the Indiana Builders Association (IBA) as the association's communications director. Look for Campbell to coordinate the public relations and communications programs for the association. She will also serve as the managing editor of IBA's five major news publications and manage IBA membership recruitment and retention, and association events.

● The Kentucky Cabinet for Health and Family Services (CHFS), home to most of the Commonwealth's human services and health care programs, adds former Hoosier **David Wu** to the team as director of process improvement and business innovation. Wu will focus on identifying ways to streamline operations and improve timeliness of processes across all CHFS agencies and departments. He most recently served as chief operating officer and director of government transformation and deputy chief operating officer for then-Gov. **Bruce Rauner** (R-IL) after service as a policy director for former Gov. **Mitch Daniels** (R). He also was policy director for then-Indianapolis Mayor **Greg Ballard** (R) and vice president of the Central Indiana Corporate Partnership.

□ Another Hoosier joins the Bevin Administration CHFS. **Jordan Rowe** signs on as director of strategic communications, a position previously focused on Kentucky Health that now will be expanded to provide focused policy content on current CHFS programs and initiatives to legislators, media, community partners, and the general public. Rowe has experience as a news anchor and reporter, news director, and digital content producer and comes to CHFS from a position as news anchor and reporter for WIKY-FM in Evansville.

● Reps. **Ethan Manning** (R) and **Shane Lindauer** (R) are among 37 lawmakers nationally chosen from 10 other Midwestern states and four Canadian provinces to participate in the Council of State Governments' 25th annual Bowhay Institute for Legislative Leadership Development, August 9-13. The 2019 program will be held in partnership with the Center for the Study of Governance and Politics at the University of Minnesota's Humphrey School of Public Affairs. In addition to curriculum designed to develop leadership skills, the program analyzes a variety of public policy issues, including the economy, trade and health care policy.

● **Will Baskin-Gerwitz**, who served as the communications director for the unsuccessful 2018 Donnelly U.S. Senate re-election campaign, joins the administration of New York City Mayor **Bill de Blasio** (D-NY) as a deputy press secretary. Expect him to focus on education, the Office of Special Enforcement, and other issues.

IN the Lobby

● **Barnes & Thornburg LLP** files a federal lobby registration on behalf of Philadelphia-based **Theia Group, Inc.**, a company in the "Technology and aerospace" business (reportedly stealth technology and satellites) to "Assist client with government relations activities related to technology and aerospace issues."

● Just as Massachusetts-based **AquaBounty Technologies, Inc.** receives federal approval to raise the first genetically modified animal (Atlantic salmon) cleared for human consumption (at the former Bell Fish Company facility in Albany), it retains **Sidley Austin LLP**, which files a federal lobby registration to "Educate and seek assistance from congressional offices and Administration officials on issues related to genetically engineered foods." Commercial production of **AquaAdvantage** salmon began in Indiana early this month.

● The new superintendent of the **South Bend Community School Corporation** adds three new positions to his cabinet, including a \$125,000 per year executive director of public and governmental affairs, hiring away **Susan Guibert** from her similar post as executive director of media relations and communications for the **University of Chicago Booth School of Business**.

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Pillar 1- Diversify our economy

Indy Star- [Indiana loses bid for USDA division headquarters and 500-plus jobs](#)
Inside IN Business- [Indiana Not Selected for USDA Agency Headquarters](#)
WIBC- [KC Lands Two USDA Research Headquarters, Beating Out Indiana](#)
Inside IN Business- [Allison Transmission Set For Expansion Announcement](#)
Inside IN Business- [Demand Fuels Planned Tech Building in Indy](#)
Inside IN Business- [Indiana Wins Silver Shovel Award](#)
WRBI- [HMIN produces 2 millionth vehicle](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [I&M Plans Large Solar Facility in South Bend](#)
Inside IN Business- [Ground Broken in Indy for Renewable Natural Gas Facility](#)

Pillar 3- Strengthen our workforce

IN Public Media- [Workforce Cabinet Announces New Grant](#)
Kokomo Perspective- [Ivy Tech to offer Building Construction Technology programs](#)
NWI Times- [Student innovation showcased in READY NWI Summer Institute](#)
RTV6- [Thousands experiencing career success thanks to Fathers and Families Center](#)

Pillar 4- Attack the drug epidemic

Indy Star- [Two brothers, hockey players, dead on same day of opioid overdose.](#)

2019 Legislative Session

WTHR- [Holcomb signs DCS bill, calls caseworker 'among toughest duty in state government'](#)
WISHTV- [Governor ceremonially signs 2 bills aimed at overhauling Indiana's child welfare system](#)
WBIW- [Gov. Holcomb Ceremonially Signs Bills Reforming Child Welfare](#)
Kokomo Perspective- [Karickhoff's bill to improve state tourism ceremonially signed by governor](#)
News Sentinel- [New teacher licensing requirement is ill conceived](#)

Misc.

Indy Star- [Indiana Republican Susan Brooks will not seek re-election to Congress](#)
IN Public Media- [State Makes Progress Helping Support Those With Disabilities](#)
SB Tribune- [Indiana still has among the nation's highest smoking rates](#)
Indy Politics- [Listening to the Lieutenant Governor](#)

Sincerely,

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FEC CHAIR SAYS TRUMP ACCEPTING FOREIGN ASSISTANCE 'ILLEGAL': Federal Election Commission (FEC) Chairwoman Ellen Weintraub said Thursday it is illegal to accept foreign assistance during elections after President Trump publicly suggested he would accept foreign intelligence on opponents. "I would not have thought that I needed to say this," Weintraub tweeted Thursday with her statement ([The Hill](#)). "Let me make something 100 percent clear to the American public and anyone running for public office: It is illegal for any person to solicit, accept, or receive anything of value from a foreign national in connection with a U.S. election," Weintraub said. In an interview with ABC News Wednesday, Trump suggested he would accept dirt on an opponent offered by a foreign country. Doubling down on why that's unconstitutional, Weintraub said "this is not a novel concept," adding that "our Founding Fathers sounded the alarm about 'foreign Interference, Intrigue, and Influence.' " "They knew that when foreign governments seek to influence American politics, it is always to advance their own interests, not America's," she said.

TRUMP CAMPAIGN SAYS IT WILL WEIGH INFO ON 'CASE BY CASE' BASIS: The top spokesperson for President Trump's 2020 reelection bid said the campaign would handle offers of information on opponents from foreign entities on a "case by case basis." Kayleigh McEnany, the campaign's national press secretary, said on CBS News's "Red & Blue" Thursday that the campaign will follow Trump's lead when it comes to handling potential offers ([The Hill](#)). "The president's directive, as he said, [it's] a case by case basis. He said he would likely do both: Listen to what they have to say, but also report it to the FBI," McEnany said. McEnany's comments come after Trump said in an interview with ABC News on Wednesday that he would "maybe" call the FBI should a foreign operative offer him dirt on a political opponent.

TRUMP DRAWS BIPARTISAN FIRE ON FOREIGN 'DIRT': Democrats and Republicans joined together on Thursday to condemn President Trump for saying that he would still accept campaign help from Russia or other foreign governments, but disagreed on whether new legislation was required ([New York Times](#)). In an interview broadcast on Wednesday night, Mr. Trump rejected his own F.B.I. director's recommendation that candidates call the authorities if foreign governments seek to influence American elections, saying he would gladly take incriminating information about a campaign opponent from adversaries like Russia. Democrats said Mr. Trump seemed to be inviting the help of Russia and other foreign powers as he campaigns for re-election in 2020. "Yesterday, the president gave us, once again, evidence that he does not know right from wrong," Speaker Nancy Pelosi told reporters. She added, "I believe that he's been involved in a criminal cover-up." In the Senate, Republicans on Thursday rejected an attempt by Senator Mark Warner of Virginia, the top Democrat on the Intelligence Committee, to pass a bill by unanimous consent that would require candidates to report any attempts by foreign nationals to donate or coordinate with their campaign by offering assistance. But Republicans agreed that Mr. Trump was wrong to express willingness to take help from Russia. "If a public official is approached by a foreign government offering anything of value, the answer is no — whether it be money, opposition research," Senator Lindsey Graham, Republican of South Carolina and a close ally of the president, told reporters. "The right answer is no."

TRUMP SMASHES FBI EFFORTS TO THWART FOREIGN INTERFERENCE: Nearly two years ago, FBI Director Chris Wray set up an office tasked solely with stopping the type of Russian interference efforts that infected the 2016 campaign. On Wednesday night, President Donald Trump undercut the whole operation in a matter of seconds ([Politico](#)). In an ABC News interview, the president first proclaimed he would have no problem accepting dirt on his opponents from a foreign power, then said Wray was "wrong" to suggest the FBI needs to know about such offers. The comments, according to interviews with nearly a dozen law enforcement veterans, have undone months of work, essentially inviting foreign spies to meddle with 2020 presidential campaigns and demoralizing the agents trying to stop them. And it has backed Wray into a corner, they added, putting him in a position where he might have to either publicly chastise the president and risk getting fired, or resign in protest. America's enemies will see Trump's comments and likely "come out of the woodwork like never before to try to influence the president," said longtime FBI veteran Frank Figliuzzi, who served as the bureau's assistant director for counterintelligence until 2012. "And it's going to be more difficult to defend against because they'll try harder than ever to mask their attempts."

PENCE TRIES TO SHORE UP GOP ON TRADE: A group of Pennsylvania manufacturers surrounded Vice President Mike Pence as he offered his standard greeting from President Donald Trump. The response was underwhelming. "When I told him I was in the Keystone State, I think he sounded just a little bit jealous," the vice president said to a few audible groans and tepid applause ([AP](#)). But when Pence turned to his assignment for the trip last week to York, Pennsylvania—selling the administration's new trade deal with Mexico and Canada—the group warmed up. By the time he got to the part about calling on Congress to pass the U.S.-Mexico-Canada Agreement, his audience cheered him on. Pence is on a quiet mission to advance the administration's top legislative priority for the year—the troubled trade deal—and, with it, just maybe hold together the fraying Republican coalition. As Trump wages a trade war with China and threats of another with Mexico, Pence has been traveling the country trying to build support for a free-trade deal. While his boss promotes the power of tariffs, Pence has been in places like Eau Claire, Wisconsin, and Lebanon, Indiana, speaking about the benefits of lowering them.

The vice president isn't just trying to boost support for the trade agreement, which the administration wants passed this summer. He's also trying to hold together a Republican Party deeply divided over Trump's trade wars.

INDIANA LOSES OUT ON USDA BID: Indiana will not be the new home to two research agencies within the U.S. Department of Agriculture that are relocating outside of Washington, D.C., after coming up short as a top-three finalist (Erdody, [IBJ](#)). The USDA announced Thursday that it had selected the Kansas City region for the new location for its Economic Research Service and the National Institute of Food and Agriculture after being offered more than \$26 million in incentives from state and local governments. The offices are expected to bring nearly 550 jobs to the region. Indiana's pitch for the offices—submitted by Purdue University, the Indiana Economic Development Corp. and Gov. Eric Holcomb's administration—was one of 136 received by the USDA last year from 35 states. In May, Indiana was named one of three finalists for the agencies along with the Greater Kansas City Region in Kansas and Missouri, and the Research Triangle in North Carolina.

INDIANA SMOKING RATES AMONG HIGHEST IN U.S.: More than one in five Indiana adults smoke cigarettes, one of the highest rates in the nation, while the number of youths using vaping products remains a concern for anti-smoking advocates (Hurt, [Statehouse File](#)). The percent of high school students using e-cigarettes in 2016, the last year for which data is available, is double what it was in 2012—10.5%, but down from 15.1% in 2014, according to the Indiana Department of Health. Despite the numbers, the Indiana General Assembly in the 2019 session took no action on measures aimed at reducing rates of tobacco use and vaping, including higher taxes and raising the smoking age from 18 to 21. Vaping products will be studied this summer by lawmakers. With no immediate action in the Indiana House or Senate to raise the smoking age, Sen. Todd Young, R-Indiana, is moving at the national level. He has taken the first steps to join other lawmakers from across the country to push bipartisan legislation that would raise the legal age to buy tobacco products from age 18 to 21 on a federal level. "Most of these are good kids that don't understand how powerful these vaping or e-cigarette devices can be," Young said in a press conference in South Bend in late May. "We need to protect them, and that's what this T21 legislation does."

POMPEO BLAMES IRAN FOR TANKER ATTACKS: The Trump administration has concluded that Iran is responsible for attacks Thursday on two tankers in the Gulf of Oman, Secretary of State Mike Pompeo said, calling them the latest in a series of hostile actions in the region toward the interests of the U.S. and its allies ([Wall Street Journal](#)). The incidents sent oil prices sharply higher, reigniting fears of trade disruptions in the Strait of Hormuz, through which over a third of the world's seaborne crude oil is shipped. Brent crude, the international benchmark for crude prices, rose as much as 4% before losing some of those gains. The attacks appeared to use relatively sophisticated weapons, according to early assessments, and came within roughly 45 minutes of each other in the Gulf of Oman, where four tankers were attacked last month in an incident the U.S. blamed on Iran. Iran has denied responsibility for any of the attacks, including Thursday's. Mr. Pompeo said the latest U.S. assessment is based on "intelligence, the weapons used, the level of expertise needed to execute the operation, recent similar Iranian attacks on shipping, and the fact that no proxy group operating in the area has the resources and proficiency to act with such a high degree of sophistication."

FEDERAL WATCHDOG URGES CONWAY FIRING: A government watchdog recommended that top White House adviser Kellyanne Conway be removed from her post, citing repeated alleged violations of a rule that prohibits political activity by executive-branch staff ([Wall Street Journal](#)). In a statement Thursday, the Office of Special Counsel—which isn't affiliated with former special counsel Robert Mueller's Russia investigation—described Ms. Conway as a "repeat offender" of the Hatch Act for attacking Democratic presidential candidates while speaking in her official capacity as a White House adviser. "Ms. Conway's violations, if left unpunished, would send a message to all federal employees that they need not abide by the Hatch Act's restrictions. Her actions thus erode the principal foundation of our democratic system—the rule of law," the letter said. The office recommends to President Trump that he remove Ms. Conway from her post. In response, the White House rejected the recommendation, calling the actions against Ms. Conway "deeply flawed and violate her constitutional rights to free speech and due process."

HPI DAILY ANALYSIS: The Trump campaign says it will weigh information from foreign sources on a "case by case basis." The FEC chair says doing so would be "illegal." And Fox News analyst Judge Andrew Napolitano said President Trump is "prepared to commit a felony to get reelected." Folks, these are astounding developments and indicators that Trump's legal exposure will not likely end with the Mueller report. It appears he is prepared to do anything to stay in office after 2020. Whew. - *Brian A. Howey*

MERRITT COMMENTS ON HOUSE RAZINGS: State Sen. Jim Merritt on Thursday called Indianapolis Mayor Joe Hogsett's initiative to renovate, transform or demolish 2,000 homes in the city a "fraud" after a news report found issues with the numbers claimed by the Hogsett administration (Colombo, [IBJ](#)). Merritt, a Republican running against Hogsett in this year's mayoral election, accused Hogsett of "purposely inflating" the number of properties it had "improved" by including luxury apartment units or homes that received minimal maintenance. Standing in front of a blighted home at 1230 S. Talbott St., Merritt said the mayor had "failed the residents of Indianapolis." "The reason why I said it's fraud is it's misrepresenting the facts, it's misleading, to improve their image, burnishing their image rather than banishing blight," Merritt said. "He and his administration have misled the public."

Presidential 2020

BUTTIGIEG ASKED ABOUT HIS 'BIG IDEA': South Bend Mayor Pete Buttigieg was asked by NBC's Harry Smith what his "big idea" is (*Howey Politics Indiana*). Buttigieg said he wants same day voter registration nationwide, wants to grant statehood to...Washington, D.C., and he says the electoral college has outlived its usefulness. "Twice in my young lifetime, I've seen the American people overruled by the electoral college. It's time for that to go because it's undemocratic. But at the end of the day, I think most Americans, of any party, ought to be able to get on board with the idea that one person, one vote, counting equally, is the fairest way to choose our president. America over time has grown more democratic, and I think that's a good thing, but it's not a one way street. Sometimes we've taken steps backwards, and I'm afraid we are living through one of those periods. It's becoming harder to vote and harder to make sure that your vote counts."

3 MISS DEM DEBATE CUT: The governor of Montana, a Massachusetts congressman and the mayor of a midsize Florida city failed to qualify for the first presidential primary debates of the 2020 cycle, the Democratic National Committee announced Thursday ([Washington Post](#)). The only three major candidates to miss the cut are Montana Gov. Steve Bullock, Rep. Seth Moulton (Mass.) and Miramar, Fla., Mayor Wayne Messam.

BUTTIGIEG, BETO PUSH AGE ISSUE: Some of the younger candidates in the crowded Democratic presidential primary are suggesting that the early front-runner, 76-year-old Joe Biden, is too entrenched in the past ([AP](#)). Former Texas Rep. Beto O'Rourke, 46, and Pete Buttigieg, the 37-year-old mayor of South Bend, have stepped up questions this week about whether Biden really provides new perspectives for the direction of the country after the 2020 election. "We cannot return to the past," O'Rourke told MSNBC on Thursday. That echoes Buttigieg, who seemed to refer to Biden during a lengthy speech Tuesday designed to bolster his foreign policy credentials. "Democrats can no more turn the clock back to the 1990s than Republicans can return us to the 1950s," he said. "And we should not try." Buttigieg was just shy of his eighth birthday when the 1990s began. When Biden announced his first run for president in June 1987, he was 5.

SANDERS CALLS FOR GENERIC DRUG PROBE: Sen. Bernie Sanders (I-Vt.), Ranking Member of the Senate Budget Committee, and Rep. Elijah E. Cummings (D-Md.), Chairman of the House Committee on Oversight and Reform, wrote to Attorney General William Barr to urge him to investigate 20 generic drug manufacturers for allegedly engaging in an unprecedented, multi-billion-dollar price-fixing conspiracy in violation of federal antitrust law (*Howey Politics Indiana*). "It is sick and disgraceful that generic pharmaceutical executives, who should be making medicines affordable for the American people, were instead busy coordinating a cover-up scheme to hide the truth about their price-fixing conspiracy when we asked about their skyrocketing prices," Sanders said. "In my view, their 'polite f-u' letters designed to obstruct our investigation were clearly illegal. The Department of Justice must hold these bad actors accountable to the fullest extent of the law."

NAPOLITANO SAYS TRUMP WOULD COMMIT FELONY ON FOREIGN DATA: Fox News legal analyst Andrew Napolitano warned Thursday that President Trump would be committing a felony if he accepted damaging information from a foreign power for an election ([The Hill](#)). Asked for his reaction to Trump's comments, Napolitano said on Fox News's "Shepard Smith Reporting" that Trump's remarks showed the president is "prepared to commit a felony to get reelected. That was my reaction and it was not a happy one," Napolitano. "I was not happy to hear it. I thought he shot himself in the foot politically. I wish he hadn't said it, but he did. There's no wiggle room with respect to dirt, with respect to opposition research because the Federal Election Commission has already decided in other cases that that is a thing of value," he said, adding that it "comes from a statute which prohibits receipt of money or a thing of value from a foreign national. Whether the person is working for a foreign government or not." "So what the president said he would do to [ABC News's] George Stephanopoulos would be felonious," Smith responded. "Correct," Napolitano replied. "He would be committing a felony and the person giving it to him, if that person was ever here and subject to our jurisdiction, would be committing a felony as well."

ANITA HILL SAYS SHE COULD VOTE FOR BIDEN: Anita Hill, the law professor who accused Supreme Court Justice Clarence Thomas of sexual harassment during his 1991 confirmation hearing, said Joe Biden's overseeing of the hearing does not "disqualify" him for the presidency ([CBS News](#)). Asked if she would consider voting for him, Hill replied during a Thursday interview with NBC News' Andrea Mitchell, "Of course I could."

DERSHOWITZ BACKS BIDEN: Alan Dershowitz, the Harvard Law professor emeritus renowned, as of late, for his legal defenses of President Donald Trump throughout the special counsel investigation, said Thursday that he would support Joe Biden in 2020 in a matchup with the current president ([Mediaite](#)). Dershowitz, appearing on the SiriusXM radio show of Mediaite founder Dan Abrams, spoke at length about the investigation into Trump and his campaign's ties to Russia, and said he will vote in 2020 based on the entirety of Trump's record. "You're not going to vote for Donald Trump, are you?" Abrams asked in response. "It depends who runs against him," Dershowitz said. "I'm a strong supporter of Joe Biden," Dershowitz said. "I like Joe Biden. I've liked him for a long time and I could enthusiastically support Joe Biden."

Congress

YOUNG VISITS TORNADO TORN PENDLETON: He came to see areas impacted by the Memorial Day storm. He left impacted by the people of Pendleton. U.S. Sen. Todd Young (R-Ind.) was in Pendleton on Friday, June 7, to meet with local emergency management officials at Town Hall and visit areas affected by the EF2 tornado ([Pendleton Times-Post](#)). Young viewed a six-minute video, produced by South Madison Community Foundation, showing tornado damage along with comments from residents. Next came a 40-minute meeting with Pendleton town leaders, American Red Cross and first responders. Following the meeting, Young surveyed some of the local landscape, touring the west side of town and Falls Park, viewing some of the areas hit hardest by the storm. He spent nearly two hours in town. On Wednesday, June 5, Young's regional director, Monica Bowles Kozlowski, conducted mobile office hours for two hours at American Legion Post 117 in Pendleton, helping constituents who need help or whom have experienced troubles with federal agencies. "It has been inspiring," Young said of how the town has reacted to the devastation. "I think it's a model for the rest of the country, but this is what Hoosiers do. They step up and they help out neighbors when they need it. Clearly that has happened in this case. That's inspiring to me. I know it has inspired others."

YOUNG, BRAUN SEEK CHICAGO DRY DOCK FUNDS: U.S. Senators Todd Young (R-Ind.), Mike Braun (R-Ind.), Tammy Duckworth (D-Ill.), and Dick Durbin (D-Ill.), and Representatives Trey Hollingsworth (R-Ind.-09) and Pete Visclosky (D-Ind.-01) announced that TPG Chicago Dry Dock LLC will receive a \$1.2 million Maritime Administration Small Shipyard Grant from the U.S. Department of Transportation (*Howey Politics Indiana*). This grant will aid in the construction of the largest dry dock in the Lower Lake Michigan region. In May, the Senators and Representatives wrote a letter to MARAD Administrator Mark H. Buzby in support of TPG Chicago Dry Dock's construction project, which highlighted the substantial economic impact for the Great Lakes and U.S. Inland Waterways. "TPG Chicago Dry Dock's construction of the largest dry dock in the Lower Lake Michigan area is a necessary project for job creation, workforce training, and the commercial waterways system," said Senator Young. "The new dry dock will not only expand repair services to larger vessels in the Lake Michigan region, but it will position the TPG Chicago Dry Dock facility to offer unburdened access to both the Great Lakes and U.S. Inland Waterways markets in Northwest Indiana." "Funding for this dry dock construction project is a big win for Hoosiers in northwest Indiana thanks to efforts on both sides of Lake Michigan and both sides of the aisle from Senator Young, Senator Duckworth, Senator Durbin, Representative Visclosky, and Representative Hollingsworth," said Senator Braun.

BANKS CALLS FOR NON-DEFENSE SPENDING CUTS: U.S. Rep. Jim Banks (R-IN) proposed an amendment cutting all nondefense, discretionary spending by 14 percent in the Democrat majority's appropriations package. The amendment is the second of its kind offered by Banks on the floor of the U.S. House of Representatives (*Howey Politics Indiana*). Said Rep. Banks, "Cutting 14 cents on every dollar is the first step in reining government spending to begin tackling our \$22 trillion debt. As a father with three young daughters, I find it reprehensible to saddle their generation, and their children's generation, with crippling debt just because we lacked fiscal discipline to address Washington's spending problem ourselves. As Chairman of the Republican Study Committee Task Force on Budget and Spending, I was proud to lead the effort to produce a budget that would balance in six years and cut over \$12.6 trillion in spending. To date, this is the only budget proposed in this Congress. Hoosiers across Indiana work hard to balance their checkbook, and I will fight tirelessly to make sure the government lives up to their example."

CARSON HAS RUSSIA QUESTIONS: When President Trump's son and associates agreed to meet with the Russians in June 2016, the Russians were able to open a door to have access to the administration, said experts who answered questions from Indiana's Rep. Andre' Carson, in a House Intelligence Committee hearing ([WIBC](#)). "The son of a U.S. presidential candidate agreed to accept assistance from a foreign adversary to undermine his father's political opponent," said Carson, before asking questions of Robert Anderson, former FBI agent and expert in anti-espionage, Andrew McCarthy, former federal prosecutor and expert in counter-terrorism, and Stephanie Douglas, also a former FBI agent in the Security division. "What counter-intelligence risks does this set of facts pose?" asked Carson. "I think it's the ability to get access to the administration. That's where it starts," said Anderson. "You're talking to people that are around the president or potential president of the United States."

DEMS INCREDULOUS OVER TRUMP REMARKS: "Atrocious." "Unbelievable." "Wildly ridiculous." "Unpatriotic." House Democrats left a Thursday caucus meeting aghast at President Donald Trump's comments that he'd consider accepting election assistance from a foreign government. But even that statement wasn't enough to move a majority of Democrats off the sidelines and closer to supporting impeachment ([Politico](#)). Interviews with nearly two dozen lawmakers on Thursday laid bare a new sense of exasperation at Trump's comments — at times, literally throwing their hands in the air — at what they saw as blatant defiance of U.S. democratic principles. Still, most lawmakers, including senior members of Democratic leadership, said it did not change the calculus on launching impeachment proceedings. "It doesn't move me any closer to anything," House Majority Whip James Clyburn (D-S.C.) said. "We'll find out from our committees. They're doing the work."

REPUBLICANS BLAST TRUMP: "Accepting the work product of a foreign government or the effort of a foreign government to try and influence an election of one candidate or another? It simply strikes at the heart of our democracy," Sen. Mitt Romney (R-Utah) said in an interview ([Politico](#)). "It's wrong. It's antithetical to our democratic principles." "I was just surprised he wouldn't say he would immediately turn it over to FBI or DOJ," added Sen. James Lankford (R-Okla.), a leading proponent of election security legislation. "There are going to be international conversations all the time. There's no way to avoid that ... but the natural thing is to be able to turn it over" Several senators up for reelection vowed to call the FBI immediately if they received such information. "You have to report it to authorities. Generally speaking, it's a part of, in the case of like Russia, it's an effort to disrupt our elections," said Sen. Thom Tillis (R-N.C.), who is up for reelection and working to stay close to Trump amid a primary challenge. "My first call would be to the FBI, my second call would be somebody to corroborate the information." Cory Gardner (R-Colo.), one of the most vulnerable senators in the 2020 cycle, said foreign opposition "should be turned over to the FBI, plain and simple." And Sen. Joni Ernst, another incumbent on the ballot next year, also put daylight between her and Trump. "I would not trust information coming from another country. I wouldn't do it," the Iowa Republican said. "I can't speak for him, but I wouldn't want it. I'd definitely alert the authorities."

State

GOVERNOR: HOLCOMB REACTS TO USDA SITING ANNOUNCEMENT - Governor Eric J. Holcomb offered the following regarding the United States Department of Agriculture headquarter agencies relocation announcement (*Howey Politics Indiana*): "I am extremely proud of Indiana's efforts to pursue USDA's headquarter divisions. Our economic development teams worked around the clock with key partners to create a superior proposal and coordinated our efforts with leaders throughout the state. Indiana landing in the USDA's top three showed the nation that once again Indiana is an ideal destination and thriving community for agriculture. We will continue positioning ourselves for further growth and momentum, ensuring we are the very best place to live, work and play."

GOVERNOR: HOLCOMB SIGNS SEA1 - Senate Enrolled Act 1, authored by State Sen. Erin Houchin (R-Salem) was ceremonially signed into law today by Gov. Eric Holcomb. SEA 1 is a comprehensive Department of Child Services (DCS) bill aimed at improving support and assistance for vulnerable Hoosier children in the welfare system and their families (*Howey Politics Indiana*). "As a former DCS caseworker, I understand the importance of providing efficient services to vulnerable children across our state," Houchin said. "Maintaining as much stability and familiarity as we can for children and ensuring their best interests are considered in every step of the process is critically important to ensure they have the best outcomes possible in difficult situations." SEA 1 requires DCS to consider the best interest of the child when making decisions regarding home placement, termination of parental rights, and adoption proceedings. It also requires DCS to attempt to identify all adult relatives of a child at the time out-of-home placement is recommended, and in subsequent months – with the aim of keeping children in the most family-like setting possible. It also creates a 24-hour contact line for Family Case Managers to assist with finding family members and for placement options. Furthermore, SEA 1 improves rights for foster parents by providing them with greater participation in courtroom proceedings and allowing them to advocate on behalf of children in their care.

GOVERNOR: BOSMA COMMENTS ON HOLCOMB BILL SIGNINGS - House Speaker Brian C. Bosma (R-Indianapolis) reacted to Gov. Eric Holcomb ceremonially signing several House Republican priority bills into law today, including House Enrolled Acts 1003, 1006, 1008 and 1009 (*Howey Politics Indiana*): "This session, House Republicans delivered on our promise to strengthen our state's commitment to educators and students. Along with providing a historic increase in education funding, we made significant progress to ensure more of those dollars flow directly to teachers with the passage of House Enrolled Act 1003. We also took important steps to provide educators with more career advancement opportunities and give much-needed support to new teachers. After a top-to-bottom review of Indiana's Department of Child Services, House and Senate lawmakers worked with Governor Holcomb to enact much-needed reforms to improve how we care for the state's most vulnerable children. The job is not complete, but significant headway has been made with the passage of House Enrolled Act 1006 and the administrative improvements directed by the Governor."

GOVERNOR: HOLCOMB SCHEDULE - Below find Gov. Eric J. Holcomb's public schedule for June 14, 2019. Allison Transmission Expansion Announcement, Gov. Holcomb, Indianapolis Mayor Joe Hogsett, Executives from Allison Transmission, 10 a.m., 5100 W. 10th St. Indianapolis.

STATEHOUSE: HILL SIGNS ON TO 16-STATE HEALTH COALITION - Attorney General Curtis Hill has joined a 16-state coalition supporting a Trump administration policy enabling self-employed people and those working for small businesses to participate in Association Health Plans (AHPs). Following an executive order by President Trump, the U.S. Department of Labor finalized the AHP rule in the summer of 2018 (*Howey Politics Indiana*). AHPs provide access to quality, affordable health coverage to segments of the population that otherwise find it difficult to obtain such coverage. Earlier this year, however, a federal district court stated that aspects of the Department of Labor's rule were unlawful. This month, Attorney General Hill joined 13 other attorneys general and two governors expressing disagreement with that decision in an amicus brief filed with a federal appellate court in Washington D.C. "The Department of Labor has followed the law in its efforts to promote affordability, choice, freedom and quality healthcare," Attorney General Hill said. "The district court's finding to the contrary should be reversed."

EDUCATION: BSU RAISES TUITION - Ball State University is raising its tuition by a smaller amount than it suggested it might last week ([Indiana Public Media](#)). But a new fee for online classes could raise that cost significantly for some students. Ball State University officials proposed a 1.64 percent tuition increase at a public hearing last week, which was just under the non-binding recommendation from the Indiana Commission for Higher Education. But on Wednesday afternoon, the Board of Trustees approved an increase of 1.25 percent for next year and 1.24 percent for the 2020-21 school year. University President Geoff Mearns says all universities go through a balancing act when setting tuition. "Our objective is to balance access and affordability on the one hand – and we've demonstrated that commitment – with a high quality educational experience that produces high graduation rates and successful outcomes professionally for our students after they graduate." Next year, base tuition and fees for a Hoosier resident Ball State undergraduate – that's without room and board and books – will cost \$10,020. That's about \$900 less than attending Indiana University-Bloomington.

EDUCATION: BSU HONORS ESTOPINAL - Ball State University has named its architecture school for a trustee who died in a plane crash in November ([AP](#)). The College of Architecture and Planning will carry the name of R. Wayne Estopinal, a Jeffersonville architect. The Star Press says the decision was made during a special meeting Wednesday. Rick Hall, chairman of Ball State's board of trustees, says Estopinal "gave his life while serving" the university. He was traveling to an alumni event in Chicago when his plane crashed after takeoff at Clark Regional Airport in southern Indiana. Two other people also died.

HEALTH: INDIANA MAKES PROGRESS ON DISABILITIES - Indiana has made progress on a large majority of recommendations to better support the roughly 100,000 Hoosiers with intellectual and developmental disabilities ([Indiana Public Media](#)). That was the assessment at Thursday's meeting of a task force charged with monitoring the state's progress. The intellectual and developmental disabilities task force last year created 34 recommendations for the state. And its members say there's been progress on all but eight of them. Task force member Christine Dahlberg is executive director of the Governor's Council for People with Disabilities. She says the eight share a common theme. "Each one of them either mentions some kind of tax policy or additional funding," Dahlberg says. That includes offering tax incentives for employers and better wages for those who support people with disabilities.

INDOT: I-65 RAMP CLOSURES IN BOONE COUNTY - The Indiana Department of Transportation announces upcoming ramp closures on I-65 will begin on or after Monday, June 17 in Boone County. Below is the following schedule for resurfacing the ramps at Exit 130, weather permitting. I-65 northbound exit ramp to Whitestown Parkway Monday, June 17 from 8 p.m. to 5 p.m. June 18. Whitestown Parkway entrance ramp to I-65 northbound Tuesday, June 18 from 5 p.m. to 4 p.m. June 19. I-65 southbound exit ramp to Whitestown Parkway Wednesday, June 19 from 6 p.m. to 4 p.m. June 20. Whitestown Parkway entrance ramp to I-65 southbound Thursday, June 20 from 7 p.m. to 5 a.m. June 21. This project was awarded to Rieth-Riley Construction for \$13.8 million. This project also included resurfacing I-65 from one and one half miles south of State Road 39 to just north of I-865.

MEDIA: LAKESHORE PUBLIC MEDIA GETS TRANSMITTER - Lakeshore Public Media has returned to broadcasting at full power. The station has completed installation and certification of its new digital transmitter, restoring Lakeshore PBS broadcast service to the Chicago and Northwest Indiana market (McLaughlin, [Inside Indiana Business](#)). A storm initially damaged the transmitter in July of 2018, however after testing and repeated attempts to repair the existing system following the storm, the station accepted that the 15-year-old transmitter was damaged beyond repair. Lakeshore PBS then moved forward with purchasing a new transmitter. Over the last six months, Lakeshore PBS has invested nearly \$400,000 in equipment and repairs, removing the old transmitter and purchasing a new solid-state transmitter. "We are proud to announce a resumption of full broadcast service," said James Muhammad, President and chief executive officer of Lakeshore Public Media, in a news release. "It has been an ordeal but we are now back, and we should be better than ever."

WHITE HOUSE: SARAH SANDERS LEAVING WHITE HOUSE - White House press secretary Sarah Huckabee Sanders, whose fierce loyalty to President Donald Trump and clashes with reporters defined her tenure, is stepping down at the end of the month ([Politico](#)). The president announced her departure on Twitter Thursday afternoon. Trump said she would be returning to her home state of Arkansas, adding that he hoped she would decide to run for governor. "She is a very special person with extraordinary talents, who has done an incredible job!" Trump wrote on Twitter. "I hope she decides to run for Governor of Arkansas — she would be fantastic. Sarah, thank you for a job well done!" Speaking to reporters in her office on Thursday, Sanders did not rule out a run for governor, something that her associates have been buzzing about for months. "I learned a long time ago never to rule anything out," she said. Sanders' father, Mike Huckabee, was governor of the state from 1996 to 2007.

WHITE HOUSE: TRUMP IN DAMAGE CONTROL MODE - President Donald Trump and his senior advisers moved quickly on Thursday to downplay and muddle his explosive assertion that he might not report to the FBI offers of election help from a foreign entity ([Politico](#)). As Trump's Democratic opponents eviscerated him and one of his leading Republican supporters called his comments a "mistake," the president tried to recast his remarks, drawing a misleading comparison between accepting dirt from a foreign agent and his recent conversations with Queen Elizabeth and other world leaders. "I meet and talk to 'foreign governments' every day. I just met with the Queen of England (U.K.), the Prince of Wales, the P.M. of the United Kingdom, the P.M. of Ireland, the President of France and the President of Poland. We talked about 'Everything!'" Trump wrote on Twitter across a pair of tweets, correcting an initial misspelling of Wales. "Should I immediately call the FBI about these calls and meetings? How ridiculous! I would never be trusted again."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will have lunch with Secretary of State Mike Pompeo at 12:30 p.m. in the private dining room of the White House. He will meet with Education Secretary Betsy DeVos at 1:45 p.m. in the Oval Office. Trump will then deliver remarks in the Rose Garden at 3:30 p.m. on expanding health care options.

MEDIA: SUNDAY TALK - **"Fox News Sunday":** Fox News 2020 polls debut, Sen. Bernie Sanders (I-Vt.), Jon Stewart. Panel: Rich Lowry, Donna Brazile, Guy Benson and Juan Williams. **CBS "Face the Nation":** Sen. Tom Cotton (R-Ark.), Mayor Pete Buttigieg, 2020 Battleground Tracker. **CNN "State of the Union":** Mayor Pete Buttigieg. Panel: Amanda Carpenter, Jennifer Granholm, David Urban and Karen Finney. **NBC "Meet the Press":** New NBC News/WSJ poll, Mayor Pete Buttigieg, House Minority Whip Steve Scalise (R-La.). Panel: Helene Cooper, Mark Leibovich, Danielle Pletka and George Will. **CNN "Inside Politics":** Carl Hulse, Molly Ball, Abby Phillip and Matt Viser.

Local

CITIES: MAYOR WINNECKE EXPRESSES THANKS AFTER FATHER DIES - Evansville Mayor Lloyd Winnecke extended thanks to those who offered condolences after the passing of his father, Ralph (*Howey Politics Indiana*). "The Winnecke family would like to thank you for your prayers, kindness and support over the passing of Ralph Winnecke," Mayor Winnecke said. "Through this difficult time we are reminded why we love this community and our friends and supporters who sent countless messages of support. From the many doctors and caregivers to the friends who stopped by to see Ralph we are forever grateful."

CITIES: TERRE HAUTE CONVENTION CENTER BIDS LOWER - Bids opened Thursday for construction of a new downtown Terre Haute Convention Center appear to be below an overall project estimate (Greninger, [Terre Haute Tribune-Star](#)). Thirty-eight companies bid on 17 categories of construction work for the convention center. The low bids tallied more than \$29.5 million, while high bids were more than \$32 million, according to a Tribune-Star review of the bids. The project was estimated to cost \$32.5 million with bond and acquisition costs. "While this is probably the end of your effort, this is the beginning of our effort," Steve Bauer, vice president of construction services for the Nations Group told company representatives at the bid opening held at the Vigo County Annex. Nations Group serves as the project manager.

CITIES: MIDDLETON FD CONSIDERS TOWNSHIP MERGER - In an effort to make sure there are adequate finances for the Middletown Fire Department, an effort has started to consolidate the town with Fall Creek Township ([Anderson Herald-Bulletin](#)). A meeting is set for 5 p.m. Monday at the Middletown Municipal Building for residents to obtain information. The 2010 census showed Middletown with a population of 2,322 and Fall Creek Township's population at 4,612. Steve Thompson, Fall Creek Township trustee, said discussions have begun to consolidate the township and Middletown governmental unit to better serve local residents. Thompson said currently the township and town share the costs equally for the operation of the Middletown Fire Department.



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INDIANA LEGISLATIVE INSIGHT

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Judge nixes FTW pay-to-play ban

State law preemption law found largely across the board in new ruling

In *Witwer, et al., v. City of Fort Wayne*, No. 02D03-1904-MI-000318, Allen County Superior Court 3 Judge Jennifer L. DeGroote grants the family owners of a construction company an injunction barring the City of Fort Wayne from enforcing its so-called "Pay to Play" ordinance, which survived a veto by Fort Wayne Mayor Tom Henry (D), who had cited likely litigation among the reasons for his action last year in disapproving the measure sent to him by the Republican-majority Fort Wayne City Council.

As Judge DeGroote explained, "The 2018 Ordinance purports to address a potential 'pay to play' problem in Fort Wayne. Specifically, Council was concerned there is the perception among the public that individuals and businesses are conferring or promising to confer property in the form of campaign contributions upon public officials and candidates for office with the intent to control the awarding of professional service contracts. Council also determined that a need exists to maintain public confidence in the awarding of public contracts."

As ultimately enacted, the 2018 ordinance effectively serves to bar any entity - defined to include its officers, as well as other partners and principals who have more than a 10% ownership interest, and even some family members of covered classes - from bidding on a city contract after making a contribution of more than \$2,000 to the campaign of an individual with responsibility for awarding city contracts.

The judge largely found that the field which the ordinance sought to regulate was effectively preempted by state law.

Indeed, just about the only aspect of the ordinance which she did not take issue with was its operation under I.C. § 36-1 -3-8(a)(8) of the Home Rule Act, because it did not impose a criminal penalty nor duplicate state law violations for campaign finance, bribery, or ghost employment laws.

However, Judge DeGroote ruled, the ordinance violates I.C. § 36-1 -3-8(a)(12) of the Home Rule Act, finding it an impermissible attempt to regulate the conduct of an election. She takes a broad view that "The power to conduct an election means the power to direct or take part in the operation or management of an election and activities related to an election." The ordinance "places limits on campaign contributions," and "Campaign contributions are a part of campaign finance. Campaign finance regulation is included as conduct of an election."

She further finds that the ordinance is also preempted by I.C. § 36-1 -3-8(a)(7) of the Home Rule Act, judging it to be an impermissible attempt by a local government to regulate conduct that is regulated by a state agency. That section of the law bars a local government from "regulating conduct that is regulated by a state agency, except as expressly granted by statute."

"Campaign finance, including contributions, are regulated by the Indiana Election Commission, a state agency," Judge DeGroote concludes, adding that a 32-year-old ruling from the Indiana Court of Appeals makes it clear that "There is no statutory authority for a municipality to regulate conduct related to campaign financing, including contributions."

For more, please see the following page . . .

That Lake County jinx

Statewide Demos just don't win . . .

Pro tip from your favorite newsletter: you may want to think twice about running for statewide office if you're from Lake County - and especially if you're a Democrat.

The last Lake County Democrat elected statewide (we ignored clerk of the courts and appellate judges) that we could identify was union organizer Charles F. Fleming of Hammond, elected secretary of state in 1948 - albeit after 12 years teaching at North Central High School in Indianapolis.

Indeed, secretary of state was also the office to which the most recent Lake Countian of any party was elected: Todd Rokita (R) of Munster first in 2002 (while some might argue that his years of law school and state service in Indianapolis overcame that youthful handicap, Region Rats - who proudly proclaim that appellation, see "219 Day" - consider it a lifetime designation).

And Hebron's Steve Carter (R) (who may have also been thought of as a Hamilton County guy by then), was first elected attorney general in 2000. Intriguingly, Carter won a race against a Lake County incumbent AG, Karen Freeman-Wilson (D), who had been appointed AG in the middle of a term.

Cont. under "State Office Races," p. 2 . . .



The judge adds that the 2018 ordinance is preempted as an attempt to regulate campaign contributions, an area, which she finds, the state already occupies.

“The field of election law, including campaign finance and campaign contributions, is fully occupied by existing state law. Authority, granted by the Indiana General Assembly, over local government elections and campaign finance has been vested in county election boards,” she observes. “Additionally, state agencies such as the Indiana Election Commission and the Indiana Election Division of the Office of the Secretary of State regulate elections. No powers over election matters have been vested in municipalities.”

As Judge DeGroote sees it, “The 2018 Ordinance is an attempt to regulate campaign contributions, an area where the State of Indiana already occupies the field as seen in I.C. § 3-9-2-4(7) and, therefore, it is preempted under Indiana law.”

She explains that “While Fort Wayne is not precluded from adopting an ordinance to regulate the purchasing of professional services, the 2018 Ordinance goes too far as it includes extensive language related to limitations on the ability to contract for professional services tied to campaign contributions. The 2018 Ordinance, when taken as a whole, intertwines the City’s ability to regulate purchasing of professional services with its inability to regulate campaign finance. It is not proper for the Court to conduct a balancing act to determine how much the regulation of purchasing professional services might offset the regulation of campaign finance under the 2018 Ordinance. Fort Wayne’s involvement in the regulation of campaign finance is not slightly preempted by state law and something to be disregarded. The preemption either exists or does not exist,” the judge sternly observes.

Issues in the ordinance related to public contracting were also found problematic in a September Attorney General Official Opinion (that your favorite newsletter was first to tell you about). The official OAG conclusion: “The State of Indiana has enacted statutes regulating elections and political contributions, and municipalities do not have the authority to regulate in this area. The State has also set out the requirements for municipal contracts and purchasing. The Ordinance at issue here imposes additional requirements for the City that exceed the Council’s authority under the Indiana Home Rule Act. Accordingly, these additional requirements are invalid. In addition, the Ordinance imposes restrictions on political speech that likely violate the First Amendment by limiting the contributions on the part of those desiring to do business with public entities.”

While the City “attempted to address legitimate concerns regarding quid pro quo exchanges or pay to play arrangements that tie contracts for professional services to contributions made to elected government officials who have authority to influence the awards of such business,” the judge concludes that “efforts by Fort Wayne, as well-intentioned as they may be, to address such practices in the 2018 Ordinance is not permitted under current Indiana law as no such authority has been extended to municipalities.”

While the ruling was on a Motion for Preliminary Injunction, the judge “concludes that Defendant City of Fort Wayne is permanently enjoined from enforcing the 2018 Ordinance”

The Witwers were represented by Mark GiaQuinta, brother of House Democratic Leader Phil GiaQuinta, and a former local school board president.

The current city council president, Dr. John Crawford (R), was the leading force behind the ordinance, and he lost his May mayoral primary. You shouldn’t expect an appeal. The judge’s clear and definitive order enjoins operation of the ordinance in its entirety and is consistent with the OAG opinion. The council isn’t a separate party; the City was defendant through the executive branch per the norm in municipal cases.

IN Politics

Federal Office Races . . .

- U.S. Rep. Susan Brooks (R) reveals Friday a.m. that she will not seek re-election at the end of her fourth term in 2020, confirming rumors of the past several years that she personally did not want to serve into the next decade, despite national GOP pressure to do so. Todd? Luke? Mel? A Demo? Stay tuned!

- In a *USA TODAY* exclusive by Hoosier Maureen Groppe (with contributions from another former Hoosier expatriate, John Fritze, who once covered the State House for the *Indianapolis Star*), readers learn that the campaign of U.S. Rep. Greg Pence (R) filed an amended federal campaign finance report just hours after being pressed by the paper that changed the designation of expenses topping \$7,600 in campaign funds “on lodging at the Trump International Hotel in the first few months after his election in November to ‘fundraising event costs’ lawmakers are supposed to pay for their own housing in Washington. After *USA TODAY* asked about the expenses included on his Federal Election Commission disclosure reports, Pence’s spokesman, Kyle Robertson, declined to say whether the Indiana Republican stayed at the hotel before getting an apartment in Washington,” but “Hours after *USA TODAY* pressed for more detail on the nature of the lodging expenses,” the amended report appeared, even though the Pence campaign had “separately reported more than \$15,000 in catering and reception costs at Trump’s hotel in December and January.”

□ According to Groppe, Robertson, who has also run campaigns for Rep. Pence’s younger brother, “said the expenses initially reported as ‘lodging’ were ‘all fundraising event costs’ but he declined to offer specifics. Robertson also wouldn’t say if any of the costs went toward hotel stays by Pence or others on the night of a fundraiser. ‘In order to avoid confusion here from hostile reporters, the FEC report will be amended to change the description from ‘lodging’ to ‘fundraising event costs,’ Robertson said before the updated reports were filed. In all, Pence spent more than \$43,000 at Trump hotels in Washington and New York since Jan. 1, 2018, including nearly \$23,000 since the Nov. 6 election. The costs initially described as ‘lodging’ were among those expenditures.”

State Office Races . . .

→ *Cont. from page one . . .*

The only other Lake County Democrat we could find being elected statewide (we stopped around the depression for lieutenant governors and didn’t venture into the 1800s for governor, though it didn’t even become a county of its own until 1837) was Peter Hein (D) of Crown Point, elected state treasurer in 1934.

Other statewide elected officials from Lake County for which color pictures should still exist: John P. Gallagher (R) as state auditor in 1966, and Theodore L. Sendak (R) of Crown Point as attorney general in 1968, 1972, and 1976.

- Ginger Myers, co-founder of Coteau Grove Farms in Louisiana, a major thoroughbred breeding operation, contributes \$10,000 to the campaign committee of Attorney General Curtis Hill (R) on June 6. She and her husband also co-founded LHC Group, a post-acute healthcare company providing home health, hospice, personal care, and facility-based services.

IN Legislative Races . . .

- The same week as Rep. Dollyne Sherman (R) took office in HD 93, Andy Wayne Miller (D) of the south side of Indianapolis opens a campaign committee for a 2020 run for the seat.

IN Mayoral Races . . .

- According to the *Logansport Pharos-Tribune*, "Two members of Logansport's City Council - one a lifelong Democrat, the other a lifelong Republican - are teaming up to challenge incumbent Democratic mayor Dave Kitchell in this year's general election councilman at-large Terry Doran announced that he will run as an independent candidate for mayor, joining Republican Chris Martin in challenging Kitchell. Doran's running mate is Ward 5 councilwoman Teresa Popejoy - the only Republican in an otherwise Democratic administration. Popejoy has served on City Council since 2012, including serving as the Finance Committee chair for the entire duration and as council president from January 2016 to January 2019. Doran also announced that his campaign's chairperson will be former mayor and Eel Township trustee Mike Fincher. Fincher served two terms as mayor and one as Eel Township trustee, losing his reelection bid by just 26 votes to Republican Mark Strong in 2018. He is also a former street commissioner, director of the Cass County Solid Waste Management District and City Council member. Doran's treasurer will be current Clerk Treasurer Stacy Cox, who is not seeking reelection."

- Hamilton County Democrats - who had at least hoped to serve up a mayoral challenge in Carmel - will see the 2019 election pass without Democrats running for mayor in any of the four cities in Hamilton County.

- Derek Camp signs on as field director and Alex Wulpi will be communications director for the re-election campaign of Fort Wayne Mayor Tom Henry (D).

IN the Presidential Race . . .

- Former U.S. Sen. Evan Bayh (D) was spotted at a fundraiser for the presidential campaign of former vice president Joe Biden (D) in Georgetown last week. Former U.S. Sen. Birch Bayh (D) told your favorite newsletter in 2008 that he had been the only sitting U.S. senator to travel to Delaware to campaign for challenger Biden in his ultimately successful 1972 campaign (but Biden beat out the younger Bayh for the veep nod in 2008).

- South Bend Mayor Pete Buttigieg (D) has NBC News conveniently point out his "big accomplishment that he never mentions on the campaign trail," that he "crafted a unique way to lend a hand to the city's undocumented immigrants" with a 2016 program to issue "community resident" cards to undocumented immigrants in South Bend. "The result was an innovative, first-of-its-kind governmentally endorsed, privately run program - one Buttigieg could tout on the presidential primary campaign trail where Latinos are a key voting group As a result, undocumented immigrants in South Bend are now able to partake in many routine aspects of daily life. And they can do so without fear that their names or immigration status might end up in the hands of authorities or anti-immigrant groups. That's because La Casa, as a private organization, isn't bound by requests for public records the way the city might be if it were running the program But despite having developed a novel approach to benefit a community in need, Buttigieg doesn't mention it at campaign events as part of his South Bend record of accomplishments.

And the program isn't promoted on his campaign website, nor given a word in his memoir Why? 'Well, it's certainly something we're proud of. I could probably talk about it more,' Buttigieg told NBC News. 'It's probably an undervalued approach. And one more example where you have a national challenge, where, if the city steps up, you can really make an impact' with (a tieless) former U.S. Rep. Lee Hamilton (D), 88, a foreign policy establishment domo dating back to the mid-1960s at his side (and flanked by 10 large American flags), Mayor Pete delivered a major foreign policy/national security speech before a friendly audience at the Indiana University Auditorium in Bloomington. NBC's Josh Lederman capsulizes things for "Morning Score": "Buttigieg's argument is rooted in the notion that for too long, Democrats have ceded national security to Republicans, Lederman says. The candidate wants to wind down U.S. wars, including pulling troops from

Afghanistan, and elevate 'climate disruption' as a national security issue rather than domestic policy. What's Buttigieg's goal? To shine a spotlight on his service as an Afghanistan War veteran and intelligence officer, offering a contrast with Trump. Buttigieg has accused the president of faking a disability to dodge the Vietnam War draft." Mayor Buttigieg also blamed the President for increasing tensions with Iran, and failing to appropriately address the increasing threat posed by China. POLITICO's Elena Schneider reports Mayor "Buttigieg has already built a foreign policy brain trust, which includes more than 100 experts, largely working in a volunteer capacity. The group is led by Doug Wilson, who served as the assistant secretary of Defense for public affairs during the Obama administration," and we were first to tell you how he has assembled a bipartisan cadre of fellow Rhodes Scholars across the globe as an unofficial kitchen cabinet ... did Mayor Pete's foreign policy speech Tuesday - which seemingly slammed fellow Democrats as well as Republicans - drive enough of a wedge between him and former vice president Joe Biden (D) so as to mean that he can't (or won't) run as the Biden veep candidate if Biden continues to lead the field, and



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that it's presidential nod now or later, but no "Now and Next" number two run with the (current) Demo frontrunner in 2020? ... a new Quinnipiac University National Poll (06/06-10; 1,214 RVs; a margin of error $\pm 3.5\%$) finds Mayor Buttigieg as one of six Democratic challengers who lead the President at this point, up 47% to 42%, albeit a slimmer margin than four other hopefuls hold over the incumbent ... Mayor Pete calls for a "New Marshall Plan" for the improvement of economic prosperity for Black Americans, which he dubs the Douglass Plan in honor of Frederick Douglass.

IN Political News . . .

- Former LaPorte County assessor Carol McDaniel is selected as the new LaPorte County Democratic Party chair over a pair of candidates from Michigan City, Amy Straka and Rodney McCormick. McDaniel, a former CD 02 Democratic Party chair, succeeds Jim Kimmel, who resigned in June after 2½ years at the helm, citing the need to concentrate on his work of overseeing elections for the county.

IN Brief

IN Federal Circles . . .

- U.S. Sen. Todd Young (R) has teamed with U.S. Sen. Chris Murphy (D-CT), and the two "are taking steps toward blocking the administration's plan to sell weapons to Saudis without going through Congress," POLITICO's "Morning Defense" reported Monday. The two members of the Senate Committee on Foreign Relations "are using a provision in the Foreign Assistance Act to request a report from the administration on Saudi Arabia's human rights record, which could eventually trigger a vote to halt billions in arms sales which Secretary of State Mike Pompeo is moving forward despite congressional opposition. A State Department spokesperson declined to comment on the specific Murphy-Young plan, but cited the dangers of holding off on weapons shipments. 'Delaying these shipments could cause degraded systems and a lack of necessary parts and maintenance concerns for our key partners, during a time of increasing regional volatility,' the spokesperson said." A few hours after the Morning Defense story, Sen. Young announced that he would introduce a privileged resolution Monday to begin the process of forcing a vote on arm sales and other security assistance to Saudi Arabia. He said the resolution comes after Secretary Pompeo declared an emergency last month to sell arms to Saudi Arabia and the United Arab Emirates totaling \$8.1 billion without congressional approval. He also said that the resolution would serve as a check on presidential power and reassert the congressional role in setting U.S. foreign policy. The measure draws upon Section 502B(c) of the Foreign Assistance Act, which allows Congress to vote to request information on a particular country's human rights practices within 30 days. After receipt of this report, Congress can then vote on terminating or restricting security assistance. This allows for a forced vote on any aspect of U.S. security assistance to Saudi Arabia, which could include broad categories of future arms sales in addition to the 22 specific sales notified last month. Upon introduction of this resolution, the Senate Committee on Foreign Relations has 10 days to put the request for information before the Committee for consideration. Otherwise, Sens. Young and Murphy can force a floor vote on the motion to discharge from the panel. "Our arms sales to Saudi Arabia demand Congressional oversight. This bipartisan resolution simply asks the Secretary of State to report on some basic questions before moving forward with them. The ongoing humanitarian crisis and complicated

security environment in Yemen requires our sustained attention and we cannot permit U.S. military equipment to worsen the situation on the ground. I look forward to working with my colleagues to swiftly pass this resolution," said Sen. Young . . . Sen. Young joins a bipartisan coalition of largely veteran senators to introduce legislation to shine a light on efforts by foreign interests to influence American policy and public opinion. The "Foreign Agents Disclosure and Registration Enhancement Act of 2019" would provide mechanisms to better enforce existing law aimed at ensuring public awareness of lobbying campaigns pushed by foreign powers. The bill is led by U.S. Sen. Chuck Grassley (R-IA) and also cosponsored by U.S. Sens. Dianne Feinstein (D-CA), John Cornyn (R-TX), Jeanne Shaheen (D-NH), and Marco Rubio (R-FL). "This legislation aims to strengthen rules to ensure individuals working on behalf of foreign entities report their activities. Doing so gives the FBI more tools to protect our national security interests and will ensure greater transparency," notes Sen. Young. The existing law has only been used in 15 criminal prosecutions – seven of which stemmed from Special Counsel Robert Mueller's investigation. The proposed measure would strengthen current law by providing the U.S. Department of Justice with more tools – including Civil Investigative Demand authority – to investigate possible violations and increasing criminal fines and establishing new civil penalties for those who should or fail to properly register as a foreign agent. The bill would also require DOJ to develop and implement a comprehensive enforcement strategy improves advisory opinion transparency and require the Government Accountability Office to study whether and to what extent the Lobbying Disclosure Act exemption is being misused or abused to conceal foreign lobbying activity. GAO would also produce a report on the effectiveness of these amendments . . . on Tuesday, Sen. Young and U.S. Sens. Angus King (I-ME) and Maria Cantwell (D-WA), along with a group of 13 bipartisan senators, reintroduced the "Task Force on the Impact of the Affordable Housing Crisis Act," which aims to better understand and respond to America's housing affordability crisis by creating a bipartisan housing task force. The task force would evaluate and quantify the impact of housing costs on other government programs, and provide recommendations to Congress on how to increase affordable housing options in order to improve life outcomes. "I've seen firsthand in Indiana how a lack of affordable housing has negative and lasting consequences. The inability to access safe and affordable homes leaves Hoosier families with fewer dollars to spend on important expenses like health care and groceries. As part of my Fair Shot Agenda, I've made solving this crisis a top priority," said Sen. Young. "Our bipartisan bill would assemble a group of experts to better understand the housing affordability crisis so that we can take legislative action and end the cycle of poverty for millions of struggling Americans" . . . Sen. Young joins U.S. Sens. Bill Cassidy (R-LA) and Michael Bennet (D-CO) on Tuesday to reintroduce the "Waterway LNG Parity Act." This bill would require excise taxes on liquefied natural gas (LNG) for marine transportation on inland waterways be levied at a rate consistent with energy output relative to diesel and gasoline. "The Waterway LNG Parity Act is a market-based fix for how we tax liquefied natural gas," explains Sen. Young. "The bill levels the playing field for this important alternative fuel source which represents a growing sector of our economy." The bill authors observe that while it takes about 1.7 gallons of LNG to provide the same amount of energy as a gallon of diesel, fuel usage is taxed on volume, so LNG usage would be taxed 50¢ for the same amount of energy contained in a gallon of diesel fuel that is only taxed at 29 cents. Natural gas is cleaner and more efficient

than gasoline and diesel respectively, yet under the current federal tax code disincentivizes its use. This legislation would change the inland waterways financing rate to provide equal treatment within the federal tax code . . . Sen. Young pairs up with U.S. Sen. Ben Cardin (D-MD) to introduce a budget-neutral measure that would provide Medicare beneficiaries more timely access to needed therapies. The “Medicare Home Health Flexibility Act of 2019” would break down barriers for seniors by allowing occupational therapists to perform the initial home health assessment in cases in which occupational therapy is ordered by the physician, along with speech language pathology and/or physical therapy services, and skilled nursing care is not required. In underserved areas where access to physical therapy or speech-language therapy providers is limited, the ability of occupational therapists to perform the initial and comprehensive assessments would prevent delays in home health care and increased costs to Medicare. “Ensuring the health of our seniors begins with timely care,” said Sen. Young of the bipartisan S. 1725. “I’m encouraged that the Medicare Home Health Flexibility Act will help the way we approach healthcare home services for patients in rural areas. Our bipartisan legislation would use Medicare to ensure our seniors are quickly and comprehensively assessed in their homes in order to receive proper treatment” . . . Sen. Young spoke Tuesday at a Senate Republican leadership gaggle about the difficulties Indiana farmers are facing this planting season and urged the U.S. Department of Agriculture (USDA) to act quickly to finalize guidance to apply for payments for crop and livestock losses in 2018 and 2019 due to severe weather. “This is a difficult time right now for a lot of our nation’s farmers, particularly those who hail from my home state of Indiana,” he explained. “Adverse weather conditions have complicated the planting season. In fact, so many Hoosier farmers can’t get their crops into the ground. As of last week, only 31% of corn crop was able to find its way into the ground as compared to 67% nationally,” he added. Congress passed a disaster aid bill, which was signed into law by the President earlier this month. The package includes \$3 billion for agriculture programs and contains provisions specifically related to livestock and crop losses. Sen. Young says that farm country is waiting for clarification from USDA on the application process and eligibility requirements as farmers make tough decisions about planting this season . . . Sen. Young coalesces with U.S. Sens. Catherine Cortez Masto (D-NV), Tim Scott (R-SC), Tina Smith (D-MN), and Kevin Cramer (R-ND) to introduce legislation promoting manufactured housing as part of the solution to America’s affordable housing crisis. The bipartisan “HUD Manufactured Housing Modernization Act of 2019” would ensure that the U.S. Department of Housing and Urban Development (HUD) supports state and local governments that wish to include manufactured housing as an affordable housing solution when applying for federal funding. “Solving the housing affordability crisis for Hoosiers of all income levels is going to require bold and innovative changes to our nation’s housing policies,” says Sen. Young. “With over 2.5 million Hoosiers already living in manufactured homes – and with Hoosier workers leading the way in construction of manufactured housing – I know it’s time to put greater emphasis on manufactured housing as a housing affordability solution” . . . Sen. Young tells the *Wall Street Journal* Friday he wants the Trump Administration to follow the normal review process after the late week attacks on two oil tankers in the Gulf of Oman. “No one has presented to me arguments indicating that the United States military or our regional partners don’t have the assets to respond to this sufficiently,” he said. “If the administration is making that argument, they need to come over to Congress and make it to us.”

● U.S. Sens. Todd Young (R) and Mike Braun (R) team up with U.S. Sens. Dick Durbin (D-IL) and Tammy Duckworth (D-IL) on the Senate side, and U.S. Reps Larry Bucshon (R) and John Shimkus (R-IL) to introduce the “Restore the Harmony Way Bridge Act,” legislation that the House of Representatives passed by unanimous consent in the 115th Congress, when it was cosponsored by every member of the Indiana and Illinois delegations. The historic Parker truss span bridge was permanently closed in 2012 due to structural integrity issues. The federal law that led to the bridge’s construction in 1930 has also prevented it from being refurbished and reopened by the states of Indiana and Illinois. S. 1833 and H.R. 3245) would convey the bridge between New Harmony and White County, Illinois from a federal commission to the New Harmony River Bridge Authority (Illinois Bridge Authority) and the New Harmony and Wabash River Bridge Authority (Indiana Bridge Authority) and repeal the 1941 federal statute, removing the problematic conditions.

□ “I’m proud to join my colleagues in introducing this bipartisan, bicameral legislation which will grant certainty to the New Harmony community,” said Sen. Young. “Passage of this bill would allow Posey county, along with its neighboring communities, to dictate the future of this important, historic landmark.” “The Harmony Way Bridge is one of southern Indiana’s lost treasures, and I’m proud to pitch in to the great work Reps. Bucshon and Shimkus have done on both sides of the Wabash to help get this piece of Hoosier history back up and running,” adds Sen. Braun. “I am optimistic that this legislation will pass both chambers of Congress and finally breath life back into the New Harmony Bridge that extends from Indiana to Illinois across the Wabash River,” Dr. Bucshon asserts. “The Restore the Harmony Way Bridge Act will convey the Harmony Way Bridge to both the Indiana and Illinois Bridge Authorities – allowing the states to have management over the Harmony Way Bridge and write the next chapter for this historic bridge.”

● U.S. Rep. Jim Baird (R) was one of nine House members last week adding their co-sponsorship to the “Local Radio Freedom Act (LRFA),” a resolution opposing “any new performance fee, tax, royalty, or other charge” on local broadcast radio stations. The measure, which opposes any potential legislation that imposes new performance royalties on broadcast radio stations for music airplay, now has 175 cosponsors in the House and 22 in the Senate.



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● U.S. Rep. Jim Banks (R) applauds the inclusion of language from H.R. 2060, the “Ensuring a Secure Afghanistan Act,” in the Fiscal Year 2020 “National Defense Authorization Act (NDAA).” The language specifies a list of requirements that the Taliban must meet before U.S. troop levels may safely fall below 10,000 in Afghanistan. Said Rep. Banks, “The inclusion of important language pertaining to the war in Afghanistan in the House Armed Services Committee’s Chairman’s Mark, is a great step in uncovering Taliban ambitions throughout the diplomatic negotiations. As we determine funding levels of our military, it is critical that any allocation of resources reflects our military’s priorities. As negotiations with the Taliban continue it’s critical to shed light on the Taliban’s refused allegiance to the Government of Afghanistan, affiliations with terrorist groups, and our commitment to the rights of women before any deal is made. With the ongoing ISIS-K and al-Qaeda threats, we cannot afford to take a step backward. Funding our efforts in Afghanistan, and the brave men and women who serve there, should not be beholden to a short-sighted deal struck with dishonest Taliban brokers. I applaud my colleagues for addressing this concern by including this language in the legislation” . . . Rep. Banks Thursday expressed concern following the House Committee on Armed Services’ passage of the “Fiscal Year 2020 National Defense Authorization Act (NDAA),” the legislative vehicle that authorizes funding levels and priorities for our nation’s military. The NDAA passed through committee on a party-line vote of 33-24. Said Rep. Banks, “While this year’s NDAA included a number of priorities that are important to Indiana, I am disappointed my Democrat colleagues chose to break with years of traditional, bipartisan collaboration to instead politicize this process in unprecedented fashion in an effort to score cheap political points. This process is far from over, and while I voted no on reporting the NDAA out of committee, I will continue to engage my colleagues in both chambers of Congress – and in both parties – to ensure our national security priorities are met despite the polarization of the process.” The legislation includes many initiatives championed by Rep. Banks, including and Indiana-focused university hypersonics consortium to support basic and applied research; protection of our universities from foreign entities, including governments, corporations, nonprofit and for-profit organizations, and any subsidiary or affiliate of such an entity, that pose a threat of espionage, to prevent the spread of sensitive information to nations like China, Russia, Iran, and North Korea; a call for a larger, long-term force structure based upon a Five Ocean Navy Strategy; new educational options for military dependents; military spouse license reciprocity; and upgrades for military electronic health records . . . Rep. Banks proposed an amendment Thursday cutting all non-defense, discretionary spending by 14% in the Democratic Labor, Health and Human Services and Education Division appropriations package. The amendment is the second of its kind offered by Banks on the floor of the House, and though it was unsuccessful, it garnered backing from 150 members. He explains, “Cutting 14¢ on every dollar is the first step in reining government spending to begin tackling our \$22 trillion debt. As a father with three young daughters, I find it reprehensible to saddle their generation, and their children’s generation, with crippling debt just because we lacked fiscal discipline to address Washington’s spending problem ourselves. As Chairman of the Republican Study Committee Task Force on Budget and Spending, I was proud to lead the effort to produce a budget that would balance in six years and cut over \$12.6 trillion in spending. To date, this is the only budget proposed in this Congress. Hoosiers across Indiana work hard to balance their checkbook, and I will fight tirelessly to make sure the government lives up to their

example.” The 14% percent cuts proposed by Rep. Banks, when applied to all non-discretionary accounts, would bring non-defense discretionary spending below the FY 2020 cap set by the Budget Control Act. A vote on the his amendment to the State and Foreign Operations Division is scheduled this week. Look for him to continue to offer the same amendment to all non-defense discretionary accounts as the appropriations process moves forward.

● U.S. Rep. Larry Bucshon (R) votes against what he labels as the “President Harassment Resolution” Tuesday, the measure that allows the House Committee on the Judiciary to pursue a civil lawsuit to enforce subpoenas issued to Attorney General William Barr and former White House Counsel Donald McGahn and petitions for disclosure of grand jury information. H.Res. 430 also allows other House committees to initiate civil proceedings in federal court as long as it is approved by the Bipartisan Legal Advisory Group – a group of five lawmakers, three leaders from the majority and two leaders from the minority. Rep. Bucshon calls this an attempt by House Democrats to use legally untested authority to circumvent normal order and sue without exercising all existing options to acquire desired information. “House Democrats are completely neglecting their oath of office – refusing to legislate on behalf of the American people – and are now voting to give themselves unprecedented authority to circumvent the entire House of Representatives. While the House is a majority-driven institution, regular order is designed to ensure that that the minority can be heard and respected. The President Harassment Resolution is designed to deliberately circumvent regular order to shut out and silence the minority and remove any sort of check on the ability of House Democrats to sue the Administration,” Rep. Bucshon asserts. “The complete obsession by House Democrats to impeach President Trump – which this resolution is solely designed to help enable – above any other priority is self-serving, politically motivated, and unbecoming of their duties to their constituents.”

● U.S. Rep. Jackie Walorski (R), a member of the House Committee on Ways and Means, joins forces with U.S. Rep. Harley Rouda (D-CA) to introduce H.R. 3078, the “Expanding Access to Retirement Savings for Caregivers Act.” Their bipartisan bill would allow individuals that took at least one year out of the workforce to care for a family member, without receiving an earned income, to make catch-up contributions to their 401(k) plans, individual retirement accounts, and other eligible retirement accounts in years prior to age 50. “Hardworking Americans who take time away from the workforce to care for a loved one often face difficulties saving enough for retirement,” Rep. Walorski says. “Women in the workforce are especially at risk because they are more likely to put their jobs on hold to become full-time family caregivers. This bipartisan bill will help them set aside the retirement savings they need once they return to work by allowing them to start catch-up contributions to their retirement accounts sooner.” Under current law, only employees aged 50 and older are eligible to utilize catch-up contributions to make additional deposits to their eligible accounts. Although using catch-up contributions can be an important mechanism for many Americans to expand their retirement savings, it can still not be sufficient for those who take time out of the workforce to care for family members and can miss opportunities to save for their retirement for multiple years. They find that this disparity predominantly impacts women, since women are more likely to take more time to act as family caregivers full-time.

- U.S. Rep. André Carson (D) took to the floor of the House Tuesday to urge Congress to continue its efforts to help lower prescription drug prices. The House has previously passed legislation aimed at this goal: H.R. 987 – the “Strengthening Health Care and Lowering Prescription Drug Costs Act,” and H.R. 1503 – the “Orange Book Transparency Act of 2019,” and Rep. Carson told colleagues that he looks forward to Senate action soon on this priority.

- U.S. Rep. Trey Hollingsworth (R) asks constituents in CD 09 his question of the week, following this set-up: “The House Judiciary Committee launched a bipartisan investigation into whether big tech companies, including Google and Facebook, have engaged in anti-competitive behavior. The investigation will include a look into data privacy, policing of speech, and big tech’s effect on the news media landscape.” His query: “Do you support a Congressional review of big tech companies’ effect on competition and consumers?”

IN State Circles . . .

- Attorney General Curtis Hill (R) handles voice over –sans credit – for what appear to be public service announcements for OAG programs that we heard running more than once last week on the WIBC 93.1-FM *Tony Katz Show* in Indianapolis.

- On Monday, the first business day after Senior U.S. District Court Judge Sarah Evans Barker denied the State’s motion for a stay of her May 31 preliminary injunction allowing the Texas-based Whole Woman’s Health Alliance to open “an unlicensed pill-only abortion clinic in South Bend” – over the objections of the Indiana State Department of Health – Attorney General Curtis Hill (R) asked the U.S. Court of Appeals for the Seventh Circuit to intervene and “to stop the immediate opening of an unlicensed abortion clinic . . . providing chemical abortions despite lacking the required license from the Indiana State Department of Health,” as his office frames it in a news release. *Whole Woman’s Health Alliance, et al., v. Hill, et al.*, No. 19-2051.

□ “The district court has declared that something as ordinary and fundamental as state licensing – which the state does for everything from nursing homes to daycares – can be invalidated in the name of the right to abortion,” General Hill explains in language that parallels the State’s motion. “This ruling turns the right to abortion into a cudgel against state licensing laws that the Supreme Court long ago declared to be perfectly valid.” ISDH has denied Whole Woman’s Health a license after the entity failed to provide such requested information as documentation about the safety record of affiliated clinics in other states. “The preliminary injunction threatens irreparable harm to Indiana women because it allows Whole Woman’s Health to open an unlicensed and unregulated abortion clinic,” the AG continues. “Indiana has no way of ensuring that an unlicensed abortion clinic is complying with its other requirements or to ensure that patients are being given safe and proper care.”

□ Directly contradicting Judge Barker’s ruling (she wrote that “Defendants have failed to make a strong showing that they are likely to succeed on the merits of their appeal”), Solicitor General Tom Fisher’s brief on behalf of the State asserts that “It is very likely to be reversed on appeal, and because (1) South Bend has been without an abortion provider for several years, and (2) Plaintiffs have identified no one from South Bend who during that time was unable to obtain an abortion, the equities favor a stay of the injunction to preserve the status quo during the State’s appeal.”

□ General Hill also observes that a licensed abortion clinic already operates west of South Bend in Merrillville. “The whole point of professional licensing regulation is to protect consumers from suffering injury,” Hill said. “The risk of harm to women by allowing unlicensed clinics to dispense chemical abortions outweighs any speculative burdens faced by Whole Woman’s Health or women who must otherwise travel a mere 65 miles for an abortion.”

- Left in limbo by the Supremes: *Box, et al., v. Planned Parenthood of Indiana and Kentucky, Inc., et al.*, No. 18-1019, the appeal of a constitutional challenge to the requirement of ultrasound as part of informed consent at least 18 hours before an abortion (also added by HEA 1337-2016, which Indiana Right to Life refers to as the Dignity for the Unborn Law). This particular case has already been on the docket at three successive May conferences of the justices, but has now been held and has not been on the agenda for at least two more conferences.

□ On July 9, at 10:00 a.m., at the Indiana State Department of Health offices in Indianapolis, ISDH will hold a public hearing to amend 410 IAC 26 to make the rules applicable only to abortion clinics providing surgical abortions; to update and add definitions; and to update license application and license renewal requirements, plan of correction requirements, license survey requirements, the content of medical records, employee training requirements, anesthesia service requirements, patient care requirements, other service requirements, physical plant requirements, and documents incorporated by reference. The rules would also add informed consent brochure requirements. In addition to removing outdated references and making technical corrections, one definition would be repealed.

□ Also on the agenda for the ISDH hearing: adding 410 IAC 26.5, a new article to regulate abortion clinics performing drug-induced abortions.

- Three decades after then-Rep. Dick Worden (R) brought fame to the General Assembly by appearing on such national television talk shows as those hosted by Phil Donahue; Sally Jessy Raphael; Morton Downey, Jr.; and Oprah Winfrey to tout his bill that would allow certain men convicted of sex crimes the option to be castrated rather than serve jail time, Alabama Gov. Kay Ivey (R-AL) signed a bill requiring men convicted of sex offenses against those under the age of 13 to undergo “chemical castration” as a condition of parole.

- As the State Personnel Department issues a Request for Proposals for a vendor that can satisfy the State’s need for a flexible spending account (FSA) plan administrator, it reveals that the State is exploring adding Transportation FSA and Health Reimbursement Accounts (HRA). Currently the State offers a medical FSA, Limited Purpose Medical FSA, and Dependent Care FSA.

- QuoteWizd, a LendingTree company, and an online insurance marketplaces, releases a new report compiled from Centers for Disease Control and Prevention (CDC) data, and finds that Indiana trails only Oklahoma and Kentucky in the prevalence of current e-cigarette users and vaping.

- Despite what we’re hearing is strong public support from officials representing communities east of S.R. 49 (Valparaiso) to the Ohio State line, the Indiana Department of Transportation is showing little interest in upgrading U.S. 30 to freeway standards – a major undertaking.

- The Indiana Department of Transportation is “temporarily suspending operations at Rieth-Riley’s La Porte asphalt plant following a harsh INDOT audit,” reports the *Michigan City News-Dispatch*. “INDOT representatives found several instances of poor record-keeping at the facility’s laboratory, including a lack of documentation on what corrective actions employees took when asphalt mixes fell outside INDOT guidelines during testing, [and] could allow work to resume at the La Porte plant later this summer or as late as next January,” even as the company works to bring the facility into compliance with INDOT mandates. Rieth-Riley is using product from its South Bend and Valparaiso plants to meet local needs.

- Greenwood and Noblesville have had to mill and repave brand new roundabouts due to failed paving materials; the original contractors for those two jobs picked up the bill.

- In an unrelated action, represented by Frost Brown Todd LLC, Rieth-Riley last week filed suit in Marion County Superior Court, Civil Division 1 against Janssen & Spaans Engineering, Inc., (JSE) alleging that “As a result of JSE’s design errors and omissions” on the design-build State Street Redevelopment roadway project for the City of West Lafayette, Indiana and Purdue University, Rieth-Riley “incurred extensive and significant additional costs to complete the Project,” which it pegs at “at least \$2,183,146.00 of additional costs arising from JSE’s performance of its design services on Sections 1 and 2,” and “at least an additional \$897,220.01 of costs arising from Sections 3 and 6B through 6E, \$45,463.11 for lighting and signal rework, and approximately \$311,000.00 for achieving compliance with the Technical Provisions Section 10.1.1.h.” Rieth-Riley further contends that it “is also entitled to reasonable mark up to cover its extended project management, overhead and expenses of 9% on top of the damages set forth above, investigation and expert expenses to date of more than \$300,000.00, and attorneys’ fees and costs.” *Rieth-Riley Construction Co, Inc. v. Janssen & Spaans Engineering, Inc.*, No. 49D01-1906-PL-023468.

- We’ve been keeping you informed about the Indiana Department of Transportation’s planned drone program, and when a potential vendor for services INDOT is seeking asked questions about whether the current major INDOT contract is meant to focus more on waiver training and implementation of unmanned aerial systems (UAS) for INDOT purposes (such as infrastructure inspection) or “a larger vision of building out a statewide UAS program for commercialized use of unmanned systems throughout Indiana, INDOT explains last week that the agency “is looking for near term line of sight utilization, training, and implementation of a UAS program to fit applicable business cases in the agency.” Long term goals – including “Beyond the Visual Line of Sight” (BVLOS) programs – “fit a larger vision after the program is implemented.”

- Eyebrows are raising again about municipal nepotism issues after Anderson police officer Adam Watters was hit with Level 6 Felony charges of Residential Entry, Official Misconduct of a Public Servant, Criminal Confinement and Strangulation. In addition to a misdemeanor charge of Domestic Battery, Watters was also charged with misdemeanor Intimidation after an Indiana State Police investigation. While the ISP news releases about the charges didn’t mention it, state law enforcement was called in because Watters is the son of Anderson Police Chief Tony Watters. Late last year, Anderson’s assistant city attorney resigned after he was arrested on suspicion of drunken driving, the third alcohol-related arrest for Evan Broderick, the son of Anderson Mayor Thomas Broderick, Jr. (D) – in addition to an out-of-state arrest on suspicion of misdemeanor battery.

- The *Anderson Herald Bulletin* also cryptically reported last year that “A Marion County Superior Court in 2013 expunged and sealed (the younger) Broderick’s criminal records.”

- In *Toomey v. Indiana (sic) Department of Corrections (sic)*, No. 49C01-1501-PL-003142 Judge Sheryl Lynch of the Marion County Circuit Court comes down hard on the Indiana Department of Correction for its failure to comply with a request for “public records containing basic information regarding the drugs it maintains to carry out executions by lethal injection.”

- After largely being turned down, the requestor, A. Katherine Toomey, received backing from both the Office of the Public Access Counselor and Judge Lynch, but the Department remained recalcitrant, and, as Judge Lynch notes, complicated things by a final-day insertion of pharmaceutical secrecy language in HEA 1001-2017, the 2017 budget bill. “If the Department had not gone to the General Assembly without knowledge to Toomey or the Court to get a retroactive statute to essentially vacate this Court’s Order for Summary Judgment dated October 24, 2016 in favor of Toomey and file an improper appeal to the Indiana Court of Appeals and the Indiana Supreme Court to prolong the Attorney Fee hearing, then Toomey would not have needed to file its pleading to force the public disclosure of e-mails and legislative materials.” She continued, “The Department in its actions going to the General Assembly to successfully obtain a retroactive statute without advising the Court and Toomey after the Court issued its Summary Judgment Order October 24, 2016 in favor of Toomey, and filing an improper appeal... was egregious.” After reviewing an email colloquy between officials at DOC and the Governor’s Office which made it clear that the budget bill language would obviate the requests and related litigation, Judge Lynch awarded Toomey \$538,343.72 in attorney fees (but turned down her request for pre-judgment interest on the attorney fees in the amount of \$56,617.32).

- The Indiana Health Coverage Programs (IHCP) is in the process of amending its policy for enrolling providers in certain areas that are currently designated out-of-state, and with this policy change, enrolling providers in some of these areas will soon be designated as in-state providers, allowing more seamless coverage. The in-state designation will be amended to consider the parameters of the metropolitan statistical areas (MSAs) of major cities within and bordering Indiana. Providers with service locations in certain out-of-state counties will be considered in-state for IHCP enrollment purposes, because the counties are located within the MSA of the cities listed.

- All currently enrolled IHCP providers located in these counties will have their enrollments automatically reclassified as in-state providers. Newly enrolling IHCP providers in these counties will automatically be enrolled as in-state providers. This in-state status will allow providers to follow guidelines and processes for enrollment and prior authorization (PA) transactions with the IHCP as though they were located in Indiana. However, the in-state status will not affect billing and reimbursement for services. Claims for providers located outside Indiana will be processed as out-of-state.

- Newly enrolling providers that are located out-of-state, and not in one of the select counties, will be afforded an opportunity to request in-state status when applying for IHCP enrollment. During the initial IHCP enrollment process, providers may assert one of the following circumstances to support their request to be designated as an in-state provider:

(1) Enrollment increases access to medically necessary services in areas where the distance to an in-state provider would subject a member, or a member's family, to significant financial hardship or create an unnecessary significant burden on a member; (2) Enrollment allows a member to retain a primary medical provider, or to obtain specialty services from a provider (such as centers for excellence) when the same care may not be available from an in-state provider, or would place a significant hardship on a member due to the geographic location of the in-state specialty care provider; (3) Transportation to an appropriate in-state provider would cause significant undue expense or hardship on a member or the office; or (4) Enrollment addresses an emergency health crisis.

Out-of-state counties to be considered in-state for IHCP provider enrollment purposes:

Chicago, Illinois

Cook
DeKalb
DuPage
Grundy
Kane
Kendall
Lake
McHenry
Will

Cincinnati, Ohio

Bracken
Brown
Butler
Campbell
Clermont
Gallatin
Grant
Hamilton
Kenton
Pendleton
Warren

Louisville, Kentucky

Boone
Bullitt
Henry
Jefferson
Oldham
Shelby
Spencer
Trimble

Evansville, Indiana

Henderson (KY)

South Bend, Indiana

Cass (MI)

● In *J.A.W. v. Evansville Vanderburgh School Corp.*, No. 3:18-cv-00037-WTL-MPB, Judge William T. Lawrence of the U.S. District Court for the Southern District of Indiana holds that the Evansville Vanderburgh School Corporation (EVSC) violated both the Equal Protection Clause of the Fourteenth Amendment to the United States Constitution and Title IX of the Education Amendments Act of 1972, 20 U.S.C. § 1681(a) when EVSC refused to allow the student to use the male restrooms, the restrooms consistent with his gender identity. The American Civil Liberties Union of Indiana sued the EVSC in February 2018, on behalf of the student, diagnosed with gender dysphoria and under a physician's care (and taking hormone therapy) who was denied the ability to use these restrooms and faced discipline if he attempted to do so. Judge Lawrence also observed that further that "J.A.W. has pointed to evidence that stands unrefuted that EVSC's practice could not be stated without referencing sex and that the practice treated transgender students like J.A.W. differently."

IN the Economy

● Expect to hear before month's end about yet another extension of the \$8 million purchase agreement between the Ports of Indiana and Tanners Creek Development for the prospective fourth Indiana port site, the former power plant in Lawrenceburg, as significant environmental issues at the property (we warned you) continue to be addressed.

● The General Fund counted \$1.140 billion in collections during May, exceeding expectations by \$82.5 million (7.8%), and the good news doesn't end there. When measured on a fiscal year-to-date basis, revenues are running slightly ahead of forecast by \$181.4 million (1.3%). The forecast was most recently updated on April 17, 2019. Higher than expected collections from sales and use, and individual income and corporate taxes combined to drive revenues above both current year estimates and prior year actual collections both on a monthly and fiscal year-to-date basis. State tax collections were up 20% over estimates and by more than three percent from May 2018 in Ohio, and General Fund receipts jumped by almost 21% in Kentucky in May (boosted by sales and cigarette tax hikes that produced large increases in the Bluegrass State). Overall fiscal year collections through May in Indiana are running \$156.6 million (1.1%) north of the numbers upon which the current biennial budget was predicated (thanks largely to significant September and April overperformance).

□ Total revenue dropped in May from the historic collections we saw in April (the largest individual income tax collections in any month in state history), but May exceeded its revenue estimates by almost double the percentage difference (7.8%) compared to April (4.1%). State tax collections vaulted over May 2018 by \$74.5 million (6.8%). With one month to go on the fiscal year calendar, fiscal year-to-date general fund tax collections have grown compared to the same 11 months in Fiscal Year 2018 by \$707.1 million (5.0%).

□ Sales taxes added \$671.7 million to the General Fund, exceeding the estimates produced just one month earlier by \$20.5 million (3.2%) and growing over May 2018 by \$41.8 million (6.6%). Sales taxes outperformed the new forecast after three consecutive months in which the category fell south of predictions. Fiscal year-to-date sales taxes have outperformed the same period in FY 18 by \$256.7 million (3.7%), perhaps in part due to greater emphasis on the new state law taxing a wider range of online sales.

□ Individual income collections for May totaled \$373 million, surpassing the monthly estimate by \$36.7 million (10.9%) and improving marginally vs. the strong May 2018 performance by \$1.2 million (0.3%). Year-to-date individual income tax collections out-perform the same 11 months in the prior fiscal year by \$117.0 million (2.2%).

□ Corporate taxes of \$18.8 million beat the monthly estimate by \$28.4 million (293.5%) and stand in stark contrast to last year's net shortfall of \$16.1 million in May, a positive difference of \$34.8 million (216.8%). Fiscal year-to-date corporate tax collections remain well ahead of the pace in the prior fiscal year, running ahead by \$242.9 million (58.6%). According to the State Budget Agency, corporate tax refunds were lower – and tax payments were also higher – than last year.

□ Gaming contributed \$48 million in tax revenue to the General Fund during May, lower than May 2018 by \$1.1 million. Gaming taxes represent 4.2% of total General Fund collections for the month. On a year-to-date basis, both the riverboat and the racino wagering taxes continue to out-perform the same 11 months in the prior fiscal year by a double-digit percentage.

- In a key Hoosier economic metric, the RV Industry Association's April survey of manufacturers finds that total RV shipments ended the month with 40,243 wholesale shipments, a decrease of 15.2% from the 47,442 units shipped in April 2018. Towable RVs, led by conventional travel trailers, totaled 35,718 units for the month, a decrease of 13.7% compared to then prior April's total of 41,411 units. Motorhomes finished the month with 4,525 units, down by 25.0% compared to the April 2018 total of 6,031 units.

□ For the first four months of 2019, RV shipments have reached only 140,219 units, down by 24.0% from the 184,528 units at this same January-April point last year. The first four months of 2018 all showed improvements over the prior year. July 2018 was the last month in which RV shipments exceeded those of the same month in the previous year.

- Rolls-Royce Corporation of Indianapolis is awarded an \$8,622,670 modification to a Naval Sea Systems Command contract for procurement of 10 MT7 marine turbine installation parts kit shipsets for the Landing Craft, Air Cushion (LCAC) 100 Class craft. Work will be performed in Indianapolis, and is expected to be completed by January 2021 . . . Raytheon Company is awarded a \$234,640,402 Naval Air Systems Command contract for the low-rate initial production of 23 Joint Precision Approach and Landing Systems. In addition, this contract procures three production and installation engineering development model unit upgrade kits, engineering change proposals, and associated data. Ten percent of the work will be performed in Indianapolis, and is expected to be completed in August 2023 . . . CSRA LLC, of Falls Church, Virginia, is awarded a \$24,249,327 modification for a previously awarded Marine Corps Systems Command contract to continue information support services for software development and maintenance of business mission area systems largely for personnel and financial accounting systems to support the mission of the Department of Defense. Indianapolis is in line for 20% of the work, which is expected to be completed by May 14, 2020.

- Northeast Indiana is watching warily a proposed all-stock merger of equals between Raytheon Company - a defense contractor that is one of Fort Wayne's largest private employers - and United Technologies Corporation, which has shuttered some Huntington-area Carrier Corporation and related facilities in recent years (remember the 2016 presidential election?) as the two companies seek to become one of the world's largest aerospace and defense companies next year in the form of Raytheon Technologies Corporation.

□ On CNBC's *Squawk Box* Monday morning, the President seemed to indicate some trepidation to host Joe Kernen over the merger prospect. "When I hear they're merging, does that take away more competition? It becomes one big, fat, beautiful company, but I have to negotiate, meaning the United States has to buy things and does that make it less competitive because it's so already non-competitive." But shortly thereafter, also on CNBC, Raytheon CEO Tom Kennedy and UTC CEO Greg Hayes tried to tamp down any competition issues. "Once [President Trump] understands the benefits of this merger in terms of what it's going to do to reduce costs to the government, what it's going to do to improve technology of the U.S. and its defense profile and what it's going to do for jobs in this country, I think he's going to be supportive, as he has been for both of our companies over his administration," Hayes said. Kennedy added, "We are complementary. We are not competitive. I don't remember the last time we competed with them."

- Ball State University eliminates 25 positions, among other cost-savings efforts, to save \$4.5 million and end Fiscal Year 2019 in the black . . . the U.S. Department of Agriculture reveals that it will transfer hundreds of federal research jobs at the National Institute of Food and Agriculture and the Economic Research Service from Washington, D.C. to the Missouri-Kansas metro area in the Kansas City region. Indiana had been one of three finalists for the move.

- The German-based Marbach Group, a manufacturer of die-cutting and thermoforming tools for almost a century, plans to invest \$3 million to expand into Michigan City in the former Haskell Building, expecting to create some 30 new jobs at wages between \$15 and \$20 per hour with help from a property tax abatement from the Michigan City City Council . . . Indiana Wheel Corporation (IWC), a startup manufacturing joint venture led by China-based Jingu Company Limited (Jingu), and specializing in the production and distribution of steel wheels, plans to invest almost \$23 million to purchase, renovate, and equip a 300,000 square-foot production facility in Plymouth. The new facility, which will undergo immediate on-site infrastructure improvements, will feature more than \$14.5 million of state-of-the-art, specially designed equipment to support IWC's manufacturing operations for the trailer and recreational vehicle (RV) industries. The new Marshall County operations are expected to create more than 115 new jobs over the next few years. The Indiana Economic Development Corporation offers IWC up to \$1.2 million in performance-based tax credits. The Plymouth Common Council approved additional property tax abatement last week . . . Brotherhood Mutual Insurance Company, an insurer of Christian ministries, a century-old Hoosier company specializing in property and casualty insurance for churches, Christian schools and related ministries, plans today to invest \$25.5 million to add 88,000 square feet of meeting and office space to its Fort Wayne headquarters, expecting to create up to 100 new jobs by the end of 2022, and eventually potentially add as many as 300 new employees. IEDC offers Brotherhood Mutual up to \$925,000 in performance-based tax credits. Northeast Indiana Works will provide hiring and training assistance. The Fort Wayne City Council approved additional real and business personal property tax abatements . . . Turkey-based Mikropor America, an air and gas compressor filter supplier, plans to invest \$400,000 in a new Michigan City facility, allowing it to expand from its current 75,000 square feet plant to 175,000 square feet, expecting to create 10 new jobs.

IN Transition

- Jasper County Commissioner Kendell Culp (R), vice president of the Indiana Farm Bureau, is appointed to serve on the U.S. Department of Agriculture Agricultural Technical Advisory Committee for Trade in Grains, Feed, Oilseeds and Planting Seeds for a term that expires June 14, 2023. Culp raises corn, soybeans, and beef cattle, and has an independent hog finishing operation with his parents, wife, and son near Rensselaer.

- The newly established 15-member 21st Century Energy Policy Development Task Force, a panel that will seek to identify strategies that will advance Indiana's energy policies for the future.

□ House Speaker **Brian Bosma** (R) appoints House Committee on Utilities, Energy and Telecommunications Chair **Ed Soliday** (R) as co-chair and State Rep. **Ethan Manning** (R) as a member. Senate President Pro Tem **Rodric Bray** (R) taps Sen. **Eric Koch** (R) as co-chair, and Senate Committee on Utilities Chair **Jim Merritt** (R) as a member.

□ The Governor also makes seven appointments to the panel, all for terms to expire December 2, 2020: Indiana Utility Consumer Counselor **Bill Fine** of Greenwood; **John Graham** of Bloomington, retiring dean of the Indiana University O'Neill School of Public and Environmental Affairs; Ice Miller energy and utilities law partner **Kay Pashos** of Indianapolis; **Philip Powell** of Indianapolis, associate dean of academic programs, clinical associate professor of business economic and public policy, and Daniel C. Smith faculty fellow at the Indiana University Kelley School of Business; **Wallace E. Tyner** of West Lafayette, James & Lois Ackerman chair and professor of agricultural economics at Purdue University; **Donna Walker** of Bloomington, president and CEO of Hoosier Energy Rural Electric Cooperative, Inc.; and **Juan Pablo Carvallo** of Berkeley, California, scientific engineering associate in the electricity markets and policy group at Lawrence Berkeley National Laboratory.

● The Governor makes several new appointments and reappointments to assorted state boards and commissions, including: Capital Improvement Board of Managers of Marion County, two appointments (thanks to newly signed legislation) for terms to expire January 15, 2021 - **Sarah Fisher** of Indianapolis, retired IndyCar driver and business owner; and gubernatorial Chief of Staff **Earl Goode** of Indianapolis . . . Indiana State Egg Board, five reappointments for terms to expire June 30, 2022 - **Bryan Johnson** of Orleans, with Riverview Farms, representing the Indiana Farm Bureau; **Darrin Karcher** of West Lafayette, with Purdue University, representing the Office of Agricultural Research Programs; **Blair Kriner** of Indianapolis, with Delco Foods, representing the food service industry; **Thomas Lafferty** of Noblesville, with Blackford County Foods, representing the Indiana Grocery & Convenience Store Association; and **Alex Seger** of Jasper, with Wabash Valley Produce, representing the Egg Council of the Indiana State Poultry Association . . . two new appointments to the Integrated Public Safety Commission, who will serve at the pleasure of the Governor - **Jim Fulwider** of Crawfordsville, president of the Board of Commissioners of Montgomery County; and Boone County Sheriff **Michael Nielsen** of Lebanon . . . serving at the pleasure of the governor on the Task Force for Services for Individuals with Intellectual & Other Developmental Disabilities - Lieutenant Governor **Suzanne Crouch** (R), who will chair the Task Force as the Governor's designee; **Jonathan Burlison** of Indianapolis, CEO of Bridges of Indiana; **Steve Cook** of Brownsburg, president of INARF; **Kim Dodson** of Westfield, executive director of The Arc of Indiana; **Shawn Fulton** of Marion, president of Self-Advocates of Indiana; **Joe Langerak** of Evansville, an attorney with Jackson Kelly PLLC; **Kathleen McAllen** of Indianapolis, senior consultant with G2 Group; **Jason Meyer** of Roanoke, president and CEO of Passages, Inc.; and **Danie'l Mize** of Columbus, board member of The Arc of Indiana and Self-Advocates of Indiana. State agency representatives serving on the panel based on statutory requirements are **Christine Dahlberg**, director of the Governor's Council for People with Disabilities; **Trent Fox**, chief of staff for the Indiana State Department of Health; **Eric**

Heater, interim deputy director of adult services with the Division of Mental Health & Addiction; **Dr. Nancy Holsapple**, special education director with the Indiana Department of Education; **David Reed**, deputy director of Child Welfare Services; **Sarah Renner**, deputy director of the Division of Aging; **Julie Reynolds**, director of strategic initiatives with the Division of Disability & Rehabilitative Services; and **Allison Taylor**, director of the Office of Medicaid Policy & Planning.

● **Dr. Byron L. Ernest**, a former member of the State Board of Education and the 2010 Indiana Teacher of the Year, will chair the Education Dispute Resolution Working Group, a panel that will spend the next five months studying opportunities to revise the special education complaint and investigation requirements in order to reduce costs to school corporations and parents of students with disabilities. Recommendations are due to the General Assembly by November 1 reports our sister Hannah newsletter, **INDIANA EDUCATION INSIGHT**.

IN the Lobby

● The Indiana Association of Public School Superintendents installs new officers for the 2019-2020 membership year, and the new president is **John Hunter**, superintendent of the Union Township School Corporation in Valparaiso. **Dr. Tracy Lorey**, superintendent of the Greater Jasper School Corporation in Jasper is IAPSS president-elect.

● **Barnes & Thornburg LLP** files a lobby termination report for its federal representation of the Portland Cement Association.

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[Howey 6-30-19.pdf](#)
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Pillar 1- Diversify our economy

Inside IN Business- [\\$260 Million Ashley Plant Seen as Global 'Showcase'](#)

IN Public Media- [Catalent Announces Bloomington Facility Expansion](#)

Inside IN Business- [Emerging Leaders Broaden Indiana's Borders](#)

Inside IN Business- [Shorr Packaging Grows Fishers Presence](#)

Indy Star- [State Farm to close Indianapolis operations center](#)

Reporter- [Indiana manufacturing hints recessing inching closer](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [IURC Approves Indiana American Water Rate Increase](#)

RTV6- [Indiana American Water customers will be paying more](#)

Indy Star- [Crossing over the Ohio River? Check out the new toll rates](#)

Inside IN Business- [Federal Funding Coming to Chesterfield Water Project](#)

NWI Times- [Federal funding request submitted for South Shore Line's Double Track project](#)

Portage Life- [Purchase agreement for potential fourth port extended](#)

Inside IN Business- [AT&T Touts Indiana Investment](#)

Indy Politics- [On the road again](#)

Pillar 3- Strengthen our workforce

NWI Times- [COMMENTARY: Transforming Indiana's workforce](#)

NWI Times- [Indiana unemployment claims fall to yearly low in May](#)

IN Public Media- [People On HIP Need To Start Logging Hours To Comply Work Requirements](#)

Pillar 4- Attack the drug epidemic

WIBC- [109 People Arrested on Drug Charges in Three Days in Northern Indiana](#)

Daily Journal- [Opioid treatment centers, programs open in Greenwood area](#)

Legislation Effective July 1st

Indy Star- [What you should know about these Indiana laws going into effect July 1](#)

WSBT- [New laws are set to take effect today. Here's what you need to know](#)

Journal Gazette- [Animal cruelty, school bus safety laws take effect](#)

WNDU- [MAXSTRONG bus safety law in effect as of Monday](#)

NWI Times- [New Indiana laws take effect Monday](#)

WFYI- [Most 2019 Legislation Takes Effect July 1](#)

NWI Times- [Federal judge halts new Indiana abortion restriction from taking effect Monday](#)

Indy Star- [Judge blocks Indiana abortion law banning second-trimester procedure](#)

CBS News- [Federal judge blocks Indiana's second-trimester abortion ban](#)

2019 Legislative Session

Inside IN Business- [Governor Signs Data Center Incentive Bill](#)
Enterprise Times- [Tax break for data centers now law in Indiana](#)
IN Public Media- [Amtrak Officials: State Funding Of Rail Service Is Possible](#)
WBAA- [Could The Hoosier State Line Come Back?](#)
RTV6- [End of the line for Amtrak's Hoosier State](#)
Daily News- [Online sports gambling looms](#)
Journal Gazette- [Opinion: Rushed sports gambling bad bet](#)
Herald Argus- [Keeping detained students from falling behind](#)
County TAB- [Governor signs Zay bill in statehouse ceremony](#)
NWI Times- [Porter County Election Board prepares for changes](#)
Tribune Star- [Editorial: Lawmakers keep piling on unfunded mandates](#)
Indy Star- [Anti-LGBT hate crimes are rising, the FBI says. But it gets worse](#)

Misc.

Indy Star- [Many Indiana colleges and universities are increasing tuition. Here's how much they cost.](#)
RTV6- [Indy hospital specially trains nurses to combat Indiana's growing infant mortality rate](#)
Middletown Press- [First Lady Janet Holcomb to chair women's conference](#)
Wave 3- [Kinley's Birthday Carnival brings joy to fellow kids battling illness](#)
News and Tribune- [Arc employees hard at work producing goods](#)
DC Herald- [Spencer County kids part of lawsuit against DCS](#)

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INDIANA LEGISLATIVE INSIGHT

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Workers' comp claims hold steady

Costs remain stable – and low – since 2013 reforms trimmed claim costs

Since the implementation of reforms to Indiana's workers' compensation system six years ago in HEA 1320-2013, the average total cost per workers' compensation claim in Indiana has remained stable, according to an updated analysis undertaken by the Workers Compensation Research Institute (WCRI), an independent, not-for-profit research entity.

The WCRI study, *CompScope™ Benchmarks for Indiana, 19th Edition*, details the impact of the 2013 changes in the Indiana workers' compensation system that addressed the key issues of high hospital costs and the state's low maximum statutory benefit, factors which drive higher than typical medical payments and lower indemnity benefits per claim in Indiana. The changes included institution of a new hospital fee schedule that took effect on July 1, 2014, as well as increases in indemnity benefits in three yearly increments beginning in 2014. The WCRI study also compares the performance of workers' compensation systems in Indiana to 17 other states.

In 2015, indemnity benefits per claim in Indiana were 34% lower than typical in other states, and benefit delivery expenses were 21% lower than typical. WCRI researchers attribute this in part to Indiana having the lowest percentage of cases with more than one week off work (15%), and a shorter duration of temporary disability (a 12-week average), compared to the 18-state median. According to the report, indemnity benefits per claim grew between three percent and six percent from 2014 to 2015 depending on claim maturity, while total benefits per claim increased by almost 10% from 2015 to 2016 for 12-month claims – and by more than 11% for 24-month claims.

The income benefit provisions of the 2013 law are identified as key factors in the indemnity growth. The statutory weekly benefit increased by a total of 20% from 2014 to 2016 (from \$650 before enactment in 2014 to \$780 in 2016), permanent partial impairment per degree of impairment benefits increased by 16% to 25% (with a higher percentage for lower categories), and the maximum compensation payable increased from \$325,000 to \$390,000. The increases in maximum statutory benefit moved Indiana closer in line with the statewide average weekly wage (SAWW), a metric used in most states to set benefits. Indiana's maximum benefit now sits at 92% of SAWW after the yearly incremental increases from 2014 through 2016, up from 82% of SAWW in 2013.

A decrease in medical payments per claim from 2014 to 2015 was largely credited to the new hospital fee schedule, with reimbursement set at 200% of Medicare. Medical payments decreased by five percent to 11% in that time period for claims at 12, 24, and 36 months of experience; however, medical payments per claim increased for claims at 12 and 24 months of experience from 2015 to 2016 and remain higher than typical compared to other states (33-35% higher than the 18-state median).

While overall medical expenses grew, hospital outpatient payments per claim decreased by almost 15% per year from 2013-14 to 2016-17, driven down by the hospital fee schedule, shifting Indiana close to the median for combined inpatient and outpatient hospital payments per claim. The higher overall costs were associated with payments for non-hospital services that grew on the order of 6.5 percent.

For more, please see the following page . . .

To Catch (Scratch?) a Thief

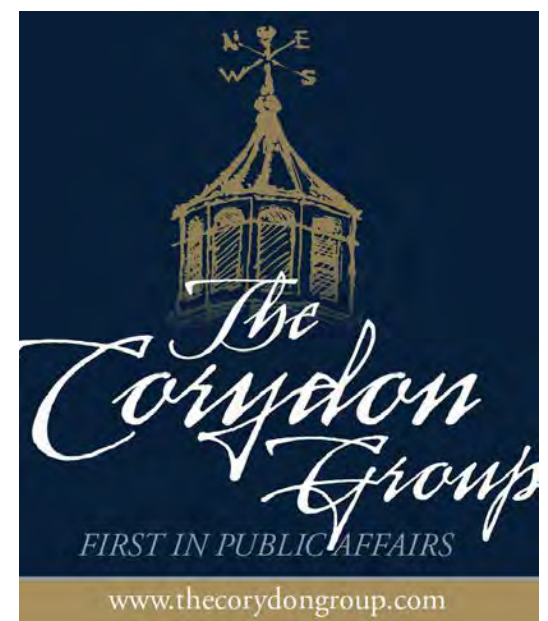
Fusion Center gets Lottery misdemeanor

The work of the Indiana Intelligence Fusion Center has always been shrouded in mystery to most Hoosiers outside law enforcement.

The Center's professed mission "is to collect, evaluate, analyze, and disseminate information and intelligence data regarding criminal and terrorist activity in the State of Indiana while following Fair Information Practices to ensure the rights and privacy of citizens."

Along those lines, our sister Hannah News Service newsletter, *INDIANA GAMING INSIGHT*, includes an interesting nugget this week.

A probable cause affidavit filed in Jasper County Superior Court 1 reveals that a Jasper County Sheriff's Office investigation of a single Hoosier Lottery scratch-off ticket allegedly being cashed twice led to convenience store surveillance video and pictures emailed to area detectives, where local law enforcement in a neighboring county "submitted the information to the Indiana Fusion Center and they received a possible lead. Based on facial recognition it showed that the suspect was [the person who ended up being charged]," and whose vehicle "matches the vehicle in the images from the gas station surveillance," according to the probable cause filing.



The increasing costs and higher than typical average can be correlated to features of the Workers Comp System, including the fact that reimbursement for professional services and Ambulatory Surgery Centers (ASCs) are not regulated through a fee schedule. The costs of these services (already among the highest of the compared states) have been on the rise. Payments related to surgery facilities and surgeon's fees comprise almost one-third of total medical payments in Indiana, and the percentage of claims with facility payments are higher than typical in Indiana for both ASCs and hospital outpatient departments, according to the WCRI report.

While individual metrics were heavily affected by changes stemming from the change in the law, total costs per claim remained fairly stable from 2012 to 2017 (less than a 2.0% increase per year) due to offsetting factors, thus masking the individual changes brought about by the statute.

Among the study's other findings:

- The time from injury through indemnity payment including the average total costs per claim is \$38,400 in Indiana, with more than seven days of lost time, eight percent lower than the 18-state median for 36 months experience.
- The average indemnity benefits per claim represent a 20% increase since 2013 after having grown by only four percent from 2014 to 2015 and 11% from 2015 to 2016.
- The average medical payments per claim decreased by 12% from 2014 to 2015 - and then increased in subsequent years due to various factors.
- The duration of temporary disability for Indiana was 12 weeks on average vs. the median of 16.5 weeks.

WCRI analyzed workers' comp claims with experience through 2018 for injuries up to and including 2017. WCRI compared Indiana with workers' compensation systems in 17 other states and found Indiana WC costs to be largely typical of those in the other states studied.

The bottom line: Before passage of HEA 1320-2013, Indiana experienced lower than typical indemnity costs and higher than typical medical costs. Changes brought about by the 2013 law produced higher indemnity costs because of the increased benefits provisions, but lower hospital costs due to the hospital fee schedule, while overall medical costs increased due to offsetting features (non-hospital services cost increases) of the Workers Comp System.

Medical payments per claim remained higher in Indiana and indemnity benefits per claim remained lower in Indiana when compared with most of other states WCRI studied.

IN Politics

Federal Office Races . . .

- In our magnum opus on the CD 05 race to succeed retiring U.S. Rep. Susan Brooks (R), we passed along what we had heard from others who told us that in conversations with Sen. Victoria Spartz (R) they left with the impression that she would not be a candidate. However, her political team emphasizes that no final decision has yet been made by Sen. Spartz about the freshman senator from Noblesville's candidacy.

□ We're now told that she was not inclined to run "due to her major initiatives [that] needed to be done at the state level," but that "Due to a lot of inquiries from the 5th District, her extensive expertise on fiscal issues much needed at the federal level, and her understanding that education, fiscal and healthcare reforms she is working on at the state level will not happen unless we fix broken federal systems, she is going to consider this office and will make her final decision after the 4th of July."

State Office Races . . .

- If you're not attending the Norman Dale Basketball Camp on July 13, the place to be is Knightstown. The anticipated re-election announcement for Governor Eric Holcomb (R): Hoosier Gym, home court of the Hickory Huskers from *Hoosiers*. No doubt his biggest brag: Shooting hoops in all 92 counties (Jimmy Chitwood would be jealous; Dennis Hopper would be oblivious).

- Lieutenant Governor Suzanne Crouch (R) transfers what state Republicans say is "an historic \$1 million" from her campaign account into the Eric Holcomb for Indiana gubernatorial campaign account. She announced this transfer at a June 25 Team Holcomb fundraising event that separately raised another \$1 million in a single night . . . Friends of Suzanne Crouch received a \$10,000 contribution June 19 from the Indiana Multi-Family Housing Political Action Committee.

- Zionsville attorney John Westercamp (R) of Bose McKinney & Evans LLP made official on Thursday his bid for the Republican nomination for attorney general. He made stops in Indianapolis (where he was introduced by Rep. Mike Speedy (R)), Elkhart, Fort Wayne and Evansville, and hopes to be able to use his work on RFRA to peel away some social conservatives from embattled Attorney General Curtis Hill (R). In his announcement, Westercamp sounded more like Hill than predecessors Carter and Zoeller when he declared that our liberty is under fire from "courts that care less about the rule of law and more about acting as a super-legislative body, or the left's ambition to legislate radical socialist policies."

IN the Presidential Race . . .

- Even as Nikki Haley (R) 2020 vice presidential talk heats up (including from the *Wall Street Journal* editorial staff), the President says that he is "100%" behind Vice President Mike Pence (R) as his 2020 running mate (after seemingly hesitating to endorse the VP as a 2024 successor).

- South Bend Mayor Pete Buttigieg (D) was "knocked off course, balance, and message," Josh Lederman of MSNBC reported from South Bend following a recent police shooting in his city that amplified quiet local discontent over the fact that the police force did not come close to mirroring the color of the community - a situation which has become more acute in the seven years of Buttigieg leadership. Remember several months ago when we questioned how long it would be before the national media looked past the lustre and started digging into the police department issues which had plagued his administration seemingly from the start? And for Mayor Pete, this couldn't have come at a worse time for his nascent campaign - just as he was beginning to make headway with African American voters (particularly in South Carolina, where he had to miss the politissential Clyburn Fish fry), and taking his attention away from preparation for the Thursday debate (and raising questions about whether he should have skipped it to stay home and calm his community, which was taking advantage of the national attention to hold his feet to the fire)



... Mayor Pete caught some national flak for a series of intellectual responses over the week that came from the McKinsey & Company side of his brain, and not more emotional responses from his heart. That the local Fraternal Order of Police publicly rebuked him also didn't help. But we've been telling you all along that Democrats could end up with a Now and Next Biden-Buttigieg 2020 ticket, and the yin and yang of the two men on exhibit during June plays into this. Mayor Pete was criticized for leading with his brain and not his heart on this, while the former vice president was hurt by his leading with his heart and emotional side on the racism comments, and not thinking enough about his comment would be received ... Team Pete designates Anthony Mercurio as "the National Investment Director at Pete for America," labeling the arm making the ask the "Investment" team instead of the "Finance" or "Fundraising" team ... the police shooting issue and high-profile town hall forum far overshadowed the Buttigieg city response to a pair of EF-2 tornadoes that caused serious damage in the local community on Sunday, June 23; we saw no national coverage of that aspect of Mayor Pete's role as chief executive ...

IN Political News ...

● We told you not to expect an appeal of *Witwer, et al., v. City of Fort Wayne*, No. 02D03-1904-MI-000318, the case in which Allen County Superior Court 3 Judge Jennifer L. DeGroote issued an injunction barring the City of Fort Wayne from enforcing its so-called "Pay to Play" ordinance, which survived a veto by Fort Wayne Mayor Tom Henry (D). The *Fort Wayne Journal Gazette* reported Wednesday that the Henry Administration "is unlikely to appeal a court ruling that struck down a controversial ordinance limiting campaign contributions from city contractors, City Council Attorney Joe Bonahoom wrote in a memo to the council president. A mayoral spokesman agreed with Bonahoom's assessment."

● The difference between the Supreme Court of the United States and the Indiana Supreme Court on redistricting:

□ In *Ruche v. Common Cause*, 588 U. S. ____ (2019), the Supreme Court of the United States holds that partisan gerrymandering claims present political questions beyond the reach of the federal courts. The syllabus explains that "federal courts are neither equipped nor authorized to apportion political power as a matter of fairness. It is not even clear what fairness looks like in this context perhaps it should be measured by adherence to 'traditional' districting criteria. Deciding among those different visions of fairness poses basic questions that are political, not legal. There are no legal standards discernible in the Constitution for making such judgments. And it is only after determining how to define fairness that one can even begin to answer the determinative question: 'How much is too much?' The fact that the Court can adjudicate one-person, one-vote claims does not mean that partisan gerrymandering claims are justiciable."

□ As Justice Elena Kagan begins her dissent, joined by three other justices, "For the first time ever, this Court refuses to remedy a constitutional violation because it thinks the task beyond judicial capabilities."

□ Contrast Thursday's SCOTUS punt with the *per curiam* opinion of the Indiana Supreme Court in *Peterson v. Borst*, 786 N.E.2d 668 (Ind. 2003). The Court, with three justices appointed by Democratic governors and two, including the chief justice, appointed by Republican governors, accepted jurisdiction of an appeal involving how the Indianapolis-Marion County City-County Council districts had been drawn, ultimately approved by a 16-13 partisan vote of an *en banc* Marion County Superior Court. Recognizing the civic importance of the matter and time was of the essence - the transfer petition was filed in mid-February and the primary election was coming up on May 6 - the Supremes bypassed the Indiana Court of Appeals, held oral argument, and issued a ruling, which included a new Supreme Court-drawn map - within a five-week window, issuing the ruling and map on March 19, 2003.

□ From the groundbreaking *per curiam* Indiana opinion: "Based on the unchallenged principle of judicial independence and neutrality, we hold that in resolving partisan redistricting disputes, Indiana judges must consider only the factors required by applicable federal and State law. We conclude that this was the intent of the legislature in providing both the criteria for district boundaries and the dispute resolution mechanism that it did. Whatever role politics may legitimately play in the decisions and maneuverings of the legislative and executive branches, if those branches cannot reach a political resolution and the dispute spills over into an Indiana court, the resolution must be judicial, not political. Thus, Indiana judges may not consider the partisan political consequences of redistricting plans because this is not among the

constitutional and statutory factors that inform a judicial decision." They dared to tread 16 years ago where the Supreme Court majority did not on Thursday.

● Kate Schroder (D), vice president of essential medicines at Clinton Health Access Initiative, Inc. in Cincinnati becomes the first announced opponent to U.S. Rep. Steve Chabot (R-OH), a 12-term incumbent. Schroder spent almost two years as a legislative correspondent for then-U.S. Sen. Evan Bayh (D) early in his first term in the U.S. Senate.

IN Brief

IN Federal Circles ...

● Littoral Combat Ship 17, the future *USS Indianapolis*, completes acceptance trials in Lake Michigan. This is the ship's final significant milestone before delivery to the U.S. Navy this year.



□ LCS 17 is the ninth Freedom-variant LCS designed and built by a Lockheed Martin-led industry team. The trials included a full-power run, maneuverability testing, and surface and air detect-to-engage demonstrations of the ship's combat system. Major systems and features were demonstrated, including aviation support, small boat launch handling, and recovery and machinery control and automation.

● From the Republican National Committee's Trump Administration vetting documents obtained by Axios: "Seema Verma, who Trump appointed as the Administrator of the Centers for Medicare and Medicaid Services, had this paragraph near the top of her vetting form: 'Verma was simultaneously advising Indiana (\$3.5 million in contracts) on issues impacting how it would spend Medicaid funds while she was also being paid by a client that received Medicaid funds. Ethics experts have called the arrangement a conflict of interest that potentially put Indiana taxpayers at risk.' " Verma earned a presidential shout-out on live television, front-and-center on the stage with the President at an executive order signing ceremony Monday.

□ The vetting docs also contained some significant errors, such as this on Dr. Jerome Adams, now the U.S. surgeon general: "Adams[]" position as the Indiana State Health Commissioner meant he oversaw Indiana's expansion of Medicaid under Obamacare."

□ There were also mistakes in the RNC work for the White House covering former U.S. Sen. Dan Coats (R), now director of national intelligence. Some simple (and important) biographical information is extracted from *Encyclopedia Britannica*, and it gets his dates of Senate service wrong. His "red flags" centered on criticism of Donald Trump (R) and lobbying during his Senate services interregnum.

● U.S. Sen. Todd Young (R), a member of the Senate Committee on Foreign Relations, secures a commitment from Committee Chair Jim Risch (R-ID) to hold a hearing on the Authorization for the Use of Military Force (AUMF) regarding the U.S. military taking action against Iran. Because Sen. Risch has agreed to hold the hearing, Sen. Young said that he would not support the amendment proposed by U.S. Sens. Tom Udall (D-NM) and Tim Kaine (D-VA) that would jeopardize passage of the annual military funding bill debated by the Senate last week. "I share the concern of many of my colleagues about the role Congress must play in authorizing the use of military force. Rather than derailing the NDAA process and jeopardizing the many important provisions contained in it, I've requested that we have this conversation in the Senate Foreign Relations Committee, and Chairman Risch has agreed. I will continue working closely with Chairman Risch and committee to staff to ensure this hearing is scheduled immediately," said Sen. Young. "As I have said repeatedly, we must stand firm on our maximum pressure campaign on Iran, the world's leading state sponsor of terror, while also ensuring Congress fulfills its constitutionally mandated role to authorize the use of force." As we've been telling you, Sen. Young has advocated for a new AUMF since coming to the Senate in January 2017. On Tuesday, at the Senate Republican leadership gaggle, Sen. Young outlined his support for the National Defense Authorization Act (NDAA), the annual military funding bill that he says is critical to national security and provides service members the funding they need to defend our country. "We must guarantee our warfighters have unparalleled and overwhelming capabilities to deter or respond to global threats. That's why it is vital that we continue to modernize our

military with advanced capabilities such as hypersonic systems, invest in the latest generation fighter jets, and increase the Navy's fleet strength. I agree with President Trump: Our brave service members should have all the resources necessary to ensure they never have to enter a fair fight. At the same time, Congress must also address the true driver of our national debt - runaway, automatic entitlement spending - which is crowding Congress' ability to perform its most important responsibility - provide for our national defense," said Sen. Young. . . . Sen. Young also teams up with Sen. Risch to introduce the "Small Business Investment Improvement Act of 2019," legislation to create oversight of the Small Business Administration's Small Business Investment Company (SBIC) program and facilitate more early stage capital to Indiana's small businesses. S. 1975 is cosponsored by a bipartisan coalition that includes U.S. Sens. Mike Crapo (R-ID), Tammy Duckworth (D-IL), Cory Booker (D-NJ), and Shelley Moore Capito (R-WV). Under current law, the SBIC program lacks statutory timelines for processing applications, which has caused uncertainty for funds applying to participate in the program and small businesses seeking investor capital. This legislation would direct SBA to approve or decline applicants within specific reasonable timelines and require Federal Bureau of Investigation background checks on all applicants before they can participate. "The SBIC program has invested more than \$451 million dollars in 135 Hoosier small businesses over the last 10 years. Delays in the application process are preventing these numbers from being even higher," said Sen. Young. "This commonsense legislation will streamline the application process, improve oversight, and ensure that the SBIC program is running as efficiently as possible so that Indiana small businesses can continue to grow" . . . Sen. Young decides to co-sponsor the "Never Forget the Heroes: Permanent Authorization of the September 11th Victim Compensation Fund Act." S. 546 would permanently reauthorize the September 11th Victim Compensation Fund which supports 9/11 survivors and first responders who have experienced health issues following the 2001 terrorist attacks. "The survivors, first responders, and families who lost loved ones on September 11th continue to feel the devastating effects of that horrific day and we have an obligation to support them," said Sen. Young. "There's no question, these American heroes need to receive the full compensation they are due."

● U.S. Sens. Todd Young (R) and Mike Braun (R) are joined by U.S. Sens. Jon Tester (D-MT), and Sherrod Brown (D-OH) in introducing a bipartisan Senate resolution celebrating the Indianapolis-based American Legion's 100-year anniversary of serving veterans of the Armed Forces, their families, and communities. The resolution would designate August 23 - 29 as "American Legion Week" to coincide with the Legion's 100th Anniversary convention in the Circle City. "For 100 years, the American Legion has advocated for our veterans. As an American Legion member myself, I can attest to the important work the Legion does to improve the lives of veterans across America. That's why I was proud to help create the American Legion 100th Anniversary commemorative coin, and it's why I'm proud to help introduce a resolution celebrating this milestone," said Sen. Young. "The American Legion has been a cornerstone of American life from the local to the federal level since the beginning, and serves as a constant reminder of the enormous contributions America's armed service members have made to enrich our nation during and after their military service," adds Sen. Braun. "Indiana is proud to be home for the American Legion, and I'm proud to congratulate them on 100 years of service."

● U.S. Sen. Mike Braun (R) scored a presidential name-check on live television at a White House signing ceremony for a presidential executive order on prescription drug-pricing transparency Monday. After the event, he said “President Trump is taking decisive action to bring transparency to negotiated hospital rates, which will reduce surprise medical bills and lower the cost of the healthcare. This executive order compliments solutions I’ve offered to ensure patients know what they’re paying for and hold the healthcare industry accountable, which is a win for all Americans.”

● The entire Indiana congressional delegation (with the exception of U.S. Rep. Trey Hollingsworth (R)), sent a late June letter to U.S. Department of Agriculture Secretary Sonny Perdue urging swift action to help mitigate the immediate and long-term effects of planting hardship on producers in Indiana. The letter explained that “Indiana is experiencing the worst planting progress levels for corn and soybeans in recorded history,” and urged Secretary Perdue “to expeditiously finalize guidance related to the Additional Supplemental Appropriations for Disaster Relief Act of 2019 recently passed by Congress and signed into law by President Trump” that will “mitigate the immediate and long-term effects of planting hardship in Indiana.”

□ The Hoosier lawmakers also point out “The recent disaster bill includes language that allows prevented planting payments under crop insurance to not exceed 90% and provides additional authority to compensate producers on the higher of the projected price or harvest price. As the USDA finalizes program eligibility and application guidance,” the Hoosiers tell USDA they “strongly encourage consideration of Indiana’s prolonged exposure to rains that have prevented farmers from planting, and will inevitably result in a shortened growing season with decreased yields. We also encourage the USDA to consider using existing authorities to adjust prevented planting deadline dates, adjust the 1% per day penalty for coverage, or other avenues that will alleviate Hoosier farmers’ burden in dealing with detrimental effects from adverse weather.”

● U.S. Sens. Todd Young (R) and Ron Wyden (D-OR), joined by U.S. Reps. Joe Neguse (D-CO), Don Beyer (D-VA), and Jackie Walorski (R), introduce bipartisan bicameral legislation to protect the 30-year affordability commitment of housing financed by the Low-Income Housing Tax Credit (Housing Credit). Currently, Housing Credit properties are subject to a minimum 30-year affordability period. Under current law, owners may pursue a Qualified Contract, which often results in the ability for properties to convert to market rate after just 15 years. The “Save Affordable Housing Act” would prevent the premature loss of affordable housing and ensure that Housing Credit properties remain affordable for at least 30 years, as Congress intended, fulfilling the program’s commitment to serve low-income Americans. “I recently helped introduce legislation that will strengthen the Low-Income Housing Tax Credit, which empowers the private sector to increase the supply of affordable housing,” and this is “an additional step to strengthen this program,” said Sen. Young. “I look forward to working with all stakeholders to provide more safe and affordable housing options for Hoosiers.” “The Low Income Housing Tax Credit has proven to be a critical tool for spurring investment in affordable rental housing and providing stability for low-income Americans, including veterans, seniors, and those with special needs,” adds Rep. Walorski. “By maintaining the availability of affordable rental units, this bipartisan bill will ensure the program continues to give workers and families a better opportunity to achieve the American Dream.”

● U.S. Sen. Mike Braun (R) and U.S. Rep. Larry Bucshon (R) are the latest Hoosiers to add their name to the list of 181 co-sponsors in the House and 23 in the Senate for the Local Radio Freedom Act (LRFA), which signals opposition to any potential legislation that imposes new performance royalties on broadcast radio stations for music air play.

● A bipartisan rider to the FY 2020 Commerce-Justice-Science spending bill to specifically prohibit the U.S. Department of Justice from using funds to prevent states, Washington, D.C., and U.S. territories from implementing their adult-use and medical marijuana programs was approved by the House 267-165. U.S. Rep. Trey Hollingsworth (R) was one of 41 House Republicans who voted for the bipartisan amendment, joining U.S. Reps. André Carson (D) and Pete Visclosky (D), while Indiana’s other six Republicans were among the 15 House Republicans who opposed the amendment.

● U.S. Rep. Greg Pence (R) successfully offered a floor amendment to the “Commerce, Justice, Science, and Related Agencies Appropriations Act, 2020” that would increase funding for the rural broadband Distance Learning and Telemedicine Grant Program by \$25 million. The Pence amendment is revenue-neutral, offset against an equal decrease in the Office of the Chief Information Officer Fund. Even though the amendment prevailed by voice vote, Rep. Pence demanded a recorded vote, which showed the amendment passing 425 - 6, with unanimous support from the Indiana delegation. “I am grateful for the support of my colleagues on both sides of the aisle to help close the digital divide in rural America,” Rep. Pence said. “Without access to broadband, entire communities can be left behind, and I am proud to have gotten something done to increase rural broadband access.”

● U.S. Rep. Trey Hollingsworth (R) serves up his question of the week for constituents, explaining, “following recent suspected Iranian attacks on two foreign oil tankers, Iranian forces shot down a U.S. military surveillance drone. In response, President Trump issued new financial sanctions on Iran which will ‘deny the Supreme Leader and the Supreme Leader’s Office, and those closely affiliated with him and the office, access to key financial resources and support.” His query: “Do you support increased financial sanctions as a response to Iran’s latest action?” Listed answers: Yes, I support increased sanctions as a response; No, I support military action; No, these sanctions will only increase tensions between US and Iran; I don’t know; and Other (share your thoughts).



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● U.S. Rep. André Carson (D), a senior member of the House Permanent Select Committee on Intelligence, released this statement following the President's announcement that he is issuing new economic sanctions on Iran. "President Trump's strategy towards Iran has been aimless, impetuous, and downright dangerous. His actions are devoid of tactical coherence and have created enormous unrest in the global community. I believe it's critical to protect Americans. But this must be done through a careful plan that prioritizes peace and human lives above all else, not reckless brinksmanship. Most importantly, the President must get Congressional approval for any military action against Iran, or any other nation. A decision of this gravity should not be made by one person, but by the people's representatives who understand war's lasting mark on our respective communities" . . . after voting for H.R. 3401, the \$4.5 billion emergency border supplemental appropriations bill to address the humanitarian situation at the U.S. southern border, Rep. Carson said, "Like most Americans, I am heartbroken by the situation at our southern border, a grave humanitarian crisis that is being exacerbated by this Administration's cruel and reckless policies and its inhumane treatment of migrants. Hoosiers abide by the timeless virtue of kindness towards our fellow human beings. What is happening at the hands of federal agencies, which includes the suffering of innocent children in our nation's care, is a shame, and far from Hoosier and American values. Such abusive practices must stop. Lives are at stake, and so is the moral conscience of America. I am proud to vote for the House's life-saving legislation that helps put an end to the needless cruelty at our southern border and affirms the dignity of every human. I urge my colleagues in the Senate to swiftly pass the bill before more people are irreparably harmed. But this is only a start. Congress must pass comprehensive, common-sense and compassionate immigration reform that prevents this crisis from ever happening again. We can't wait another moment."

● U.S. Rep. Larry Bucshon (R) applauds the President's executive order to increase transparency of negotiations he says play a factor in the cost of health care for consumers in an effort to increase price transparency and drive down costs for Americans. Dr. Bucshon said Monday that "Patients need readily available and clear information on how much their hospital stay or doctor visit will cost so they can make the best decisions for themselves and their families. President Trump's executive order is an important step to increase transparency in health care. As a physician, I am pleased that we are moving in a direction that allows consumers to better understand the cost of care they are receiving earlier in the process. By driving down the actual cost of care we can provide better access and higher quality care to more Americans" . . . after voting Thursday in support of H.R. 3401, the Senate amended version of the Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border to aid efforts at the Southern border, Rep. Bucshon said, "The crisis along our Southern border has been spiraling out of control for months but Democrats are just now acknowledging it as a crisis. President Trump asked for funding to deal with this crisis 58 days ago, and House Democrats finally realized something had to be done. The deteriorating conditions, understaffing, and overcrowded facilities could have been addressed and likely avoided if Democrats had listened to Border Patrol experts and the President when he called for funding to secure the border. This last minute vote to provide supplemental emergency funding could have been avoided, however, I support this measure that provides much needed financial assistance and allows our agencies along the border to do their jobs."

● U.S. Rep. Susan Brooks (R) saw the President on Monday sign into law the Pandemic and All Hazards Preparedness and Advancing Innovation Act (PAHPA) that she authored with U.S. Rep. Anna G. Eshoo (D-CA) to strengthen the country's existing preparedness and response programs. Rep. Brooks says that PAHPA will ensure the nation is better prepared to respond to a wide range of public health emergencies, whether man-made or a result of a natural disaster or infectious disease. "People across the country expect the federal government to be prepared to keep them safe during times of natural disasters or biological, chemical, radiological or nuclear threats to our public health and national security," notes Rep. Brooks. "The reality is, these kinds of threats are not just hypothetical. Threats such as Ebola, smallpox or the pandemic influenza can devastate communities, whether occurring naturally or manufactured into weapons of mass destruction by nation states or terrorist organizations. Now that PAHPA has been signed into law, we are one step closer to a safer and more secure future. PAHPA is a critically important bipartisan tool that bolsters America's response to the growing threats to our public health security and is the product of years of collaboration from medical and public health preparedness and response stakeholders" . . . Rep. Brooks provided the following statement after voting in support of what her office described as "humanitarian aid for our southern border": "Providing urgently needed relief for the thousands upon thousands of migrant families and unaccompanied children at our southern border as well as our federal agents who are working to care for these individuals is something every Republican and Democrat should support. I am proud that today, Congress is showing the American people we can work together in a bipartisan way to address the ongoing humanitarian crisis at our southern border."

● U.S. Rep. Jim Banks (R) issued a statement Wednesday about an amendment supported by U.S. Reps. Ro Khanna (D-CA), and Alexandria Ocasio-Cortez (D-NY), and what his office describes as "anti-Trump progressives in the House" to limit the Commander-in-Chief's ability to respond to attacks against American interests by the Islamic Republic of Iran. Said Rep. Banks, "As the Ayatollah saber rattles, President Trump has shown remarkable strength, embodying Theodore Roosevelt's 'Speak softly and carry a big stick' adage. Unfortunately, some of my colleagues would like to take the 'stick' out of the Commander-in-Chief's hands. This unconstitutional amendment is woefully misguided, putting our national security at serious risk and I urge all of my colleagues to oppose it."

IN State Circles . . .

● Due to several scheduling conflicts for the team overseeing the Indiana Department of Transportation's forthcoming Request for Proposals for the Unmanned Aerial System (drone) Implementation, this high-profile RFP that we've been telling you about is now being moved by INDOT from a planned July 9 advertisement to August 13.

● Just as things seemed to be calming down at – and with – the Department of Child Services under the steady leadership of Terri Stigdon and her expanding new team, Indiana Disability Rights, the New York-based child advocacy group A Better Childhood, and the Kirkland & Ellis law firm files suit in U.S. District Court for the Southern District of Indiana in Evansville, alleging in an 81-page complaint that the state of Indiana (DCS) is failing in its duty to protect the 22,000+ children in the child welfare system.

□ The purported class action lawsuit, *Ashley W. et al., v. Holcomb, et al.*, No. 3:19-cv-129, filed on behalf of nine Hoosier children, ages 3 to 16, alleges that the State consistently fails to protect children under its supervision by placing them in inappropriate, unstable, or overly restrictive settings; failing to provide necessary support services and medical care; failing to provide meaningful case management, delaying or denying services and providing minimal oversight; and allowing children to languish in foster care for years before they are either reunited with their primary caretakers, adopted, or age out of the system. The complaint also contends that the medical, mental health, and physical needs of Hoosier children in foster care are not being met because of irregular DCS assessments and the lack of sufficient and accessible resources.

□ Of particular interest is not that the plaintiffs contend the problematic nature of the foster care system have been well-known and glossed over for many years, but that the much-touted reforms implemented after the Alabama-based Child Welfare Policy and Practice Group recommendations were made one year ago have not resulted in substantive change, and Hoosier children continue to suffer from emotional and physical trauma as a result.

□ House Democratic Leader Phil GiaQuinta (D) said after the suit was filed that it demonstrates “the need for lawmakers to have constant vigilance over the care of at-risk children. While the Holcomb Administration has seemed more committed than previous governors to correcting the errors that have plagued DCS for years, today’s announcement shows that we cannot afford to pay anything but the closest attention to what is going on at this agency.” He adds that this is why Rep. Ryan Hatfield (D) offered an amendment to the 2019 session “compelling DCS to meet legally-defined caseload standards. House Republicans defeated that amendment, and promised vigilance in making sure that DCS would be held accountable.” Rep. GiaQuinta believes the complaint “shows that vigilance should be mandated, not just promised. There is a vehicle for holding DCS accountable. It is called the Commission on Improving the Status of Children in Indiana, which has a Child Services Oversight Committee that reviews the work of DCS. It would appear that today’s announcement provides something for those groups to study in the months to come. Frankly, DCS hasn’t earned the right to be given a break in enacting the reforms it so desperately needs. When it comes to protecting the lives of children, we cannot afford to be lenient.” “This might just be the wake-up call Republican leadership needed to assure we make major changes for the protection of our state’s children,” adds Senate Democratic Leader Tim Lanane (D).

● On July 22, the Bureau of Motor Vehicles will hold a public hearing on a proposed rule concerning recently controversial procedures to streamline the process for amending an individual’s gender on a driver’s license or identification card and ensure uniformity in the records maintained by BMV and the Indiana State Department of Health.

□ The proposed rule change is intended to create a more consistent process and will also make minor nonsubstantive amendments to bring further clarity to the rule.

● The Indiana Supreme Court weighs in again in the decade-long fight over the \$1.3 billion failed Daniels Administration-era state welfare intake modernization project. *Int’l Bus. Machines Corp. v. State ex rel. the Indiana Family & Social Services Admin.*, No. 19S-PL-19.

□ As Justice Steven David writes for the Court, “This case comes before our Court for the second time and arises out of a contract entered into between the State of Indiana, acting on behalf of the Family and Social Services Administration, and International Business Machines, Corp. to modernize and improve Indiana’s welfare eligibility system. We previously determined that IBM materially breached the contract and remanded the matter to the trial court to determine damages and appropriate offsets. After the submission of evidence and a full-day hearing, the trial court issued detailed findings and conclusions. It determined that damages to the State resulting from the breach totaled \$128 million and that IBM was entitled to offsets in the amount of \$49,510,795, resulting in a final judgment of \$78,178,109 to the State. Both parties appealed, raising various issues. Today we address one of the issues raised: whether IBM is entitled to post-judgment interest on its \$49.5 million damages award running from the date of the original judgment in 2012 or running from the judgment on remand. Finding that the original 2012 judgment was not ‘final,’ we hold that the post-judgment interest due to IBM runs from the judgment on remand. We summarily affirm the Court of Appeals on all other issues and affirm the trial court on all issues.” The 3-1 Court ruling saw Chief Justice Loretta Rush and Justice Christopher Goff concur. Justice Geoffrey Slaughter concurred in part and dissented in part with a separate opinion. Justice Mark Massa, who was a gubernatorial general counsel during part of the drama, did not participate.

□ The bottom line is that while the Supremes uphold Marion County Superior Court Judge Heather Welch (who handled the case after issues arose with the original trial court judge and awarded the State \$128 million in damages, offset, however, against equipment costs for IBM) and an Indiana Court of Appeals panel on the award of \$78 million in damages to the State from IBM after then Gov. Mitch Daniels (R) summarily canceled the mega-contract, IBM is entitled to post-judgment interest on its own \$49.5 million damages award running from the 2017 judgment on remand. The State had sought a greater damages award; IBM had contended it should have been lower.

□ So if we’ve done the math right, the \$78 million figure is the net amount of damages the State was to receive. That will be offset by about \$4 million the State owes to IBM in interest on its own judgment . . . but if the Supremes had accepted IBM’s contention that it was entitled to an additional five years of interest, IBM would have been able to offset the judgment by another \$14.5 million.

□ Justice Slaughter injects an interesting practical note of sorts at the end of his opinion, in which he supports the lower interest amount, but contends that the majority applied the wrong legal standard to the breach of contract claim and thus awarded too high a judgment. More intriguingly, Justice Slaughter observes that “though the Court’s summary affirmance benefits the State in the short term, the longer-term consequence of our ruling for the State’s future procurement efforts may not be so favorable. It will come as little surprise if prospective vendors respond to today’s ruling in one of two ways. Either they will not do business with the State at all, thus reducing the supply of those willing to contract with the State. Or they will include a risk premium in their contracts to cover the unknown costs of fulfilling obligations beyond what they agreed to. Either way, the State and its taxpayers may soon learn that the future cost of obtaining third-party services will be higher – perhaps appreciably so – than otherwise. The magnitude of the increased cost may not be knowable, but it is a cost nonetheless.”

● Effective July 1, the Indiana Health Coverage Programs (IHCP) will modify the coverage of certain mental health services – crisis intervention, intensive outpatient treatment (IOT), and peer recovery services. For service on or after July 1, IOT and peer recovery services will no longer be restricted to members eligible for the Medicaid Rehabilitation Option (MRO) benefit plan; in addition, all three services will no longer be carved out of managed care.

□ Crisis intervention – short-term emergency behavioral health service, 24 hours per day, 7 days per week – is available to all members, and does not require prior authorization. Crisis intervention should be limited to occasions when a member suffers an acute episode, despite the provision of other community behavioral health services, and intervention should be member-centered and delivered on an individual basis. quick-turnaround documentation (between one and four hours, depending) is required.

□ Intensive outpatient treatment – a treatment program that operates at least three hours per day, at least three days per week – is planned and organized with mental and behavioral health professionals and clinicians providing multiple treatment service components for rehabilitation of alcohol and other drug abuse or dependence in a group setting. IOT includes individual and family therapy, group therapy, skills training, medication training and support, peer recovery services, care coordination, and counseling. IHCP requires the provision of at least 120 minutes of therapeutic interventions per three-hour session. Only specified providers are authorized to deliver IOT and the services require prior authorization. IOT includes the following components: individual/family therapy, group therapy, skills training, medication training and support, peer recovery services, and care coordination – and must be offered as a distinct service with a licensed professional responsible for the overall management of the clinical program. IOT is available to members of all ages. The child rate referenced in Tables 1 and 2 is applied to members who are younger than 21 years of age.

□ Peer recovery services – peer support or peer counseling services – are individual, face-to-face services that provide structured, scheduled activities that promote socialization, recovery, self-advocacy, development of natural supports, and maintenance of community living skills. Peer recovery services must be delivered by individuals certified in peer recovery services per the Department of Mental Health and Addiction (DMHA) training and competency standards for a certified recovery specialist (CRS). Individuals providing peer recovery services must be under the supervision of a licensed professional, and peer recovery services are available without prior authorization up to 365 hours per rolling calendar year. additional units may be authorized via the prior authorization process. A new rate reimbursement schedule is set forth by state officials.

● Facing what they label as an “insulin cost crisis,” Minnesota’s legislative leaders and governor saw their efforts to devise an emergency funding package fail in the final hours of their 2019 legislative session, but all seem to indicate that an “Emergency Insulin Act,” will be enacted during an imminent special session. The DFL-majority House version of the measure would require insulin manufacturers to fund emergency assistance; the Republican-majority Senate sought to have the state foot the bill, but compromise seems likely this Summer – even as the parties work toward a more comprehensive 2020 session solution to address growth in pharmaceutical costs.

□ Don’t be surprised to see an insulin-assistance package introduced in the Indiana General Assembly modeled on a successful Minnesota model next year, perhaps authored by Rep. Vanessa Summers (D) . . . and it will be interesting to see if it is dropped into the hopper with Eli Lilly and Company already on board.

● Our sister Hannah News Service newsletter, INDIANA EDUCATION INSIGHT, identifies an issue you need to monitor during the 2020 session and legislative campaigns. “In a development likely to amplify debate over – if not actual support for – prohibiting private schools that discriminate on the basis of sexual orientation from participating in the school voucher program, Brebeuf Jesuit College Preparatory School in Indianapolis will no longer be recognized as a Catholic institution by the Archdiocese of Indianapolis,” writes everyone’s favorite education newsletter. “This comes after leadership of the prestigious Indianapolis private school – which boasts a distinguished corps of alumni – defied the Archbishop.” As school officials explain, “Brebeuf Jesuit has respectfully declined the Archdiocese’s insistence and directive that we dismiss a highly capable and qualified teacher due to the teacher being a spouse within a civilly-recognized same-sex marriage.”

□ And our tipoff became even more prophetic when the following weekend generated the news that Cathedral High School became the third high-profile Indianapolis Catholic high school in the LGBT spotlight (Roncalli led the way) after the administration made what it labeled as the “agonizing decision” to “separate” a teacher – like the one at Brebeuf – who was in a legally recognized same-sex marriage. Unlike Brebeuf, Cathedral acceded to the Archdiocese of Indianapolis, which, school administrators write, “made it clear that Cathedral’s continued employment of a teacher in a public, same-sex marriage would result in our forfeiting our Catholic identity due to our employment of an individual living in contradiction to Catholic teaching on marriage.”

□ House Democrats emailed a fundraising appeal on Wednesday explaining that “Last year, Roncalli High School received \$1.6 million in state voucher dollars and Cathedral High School received nearly \$1.2 million. That is why, this past session, House Democrats introduced an amendment stating schools that choose to discriminate against their LGBT staffers are not eligible to receive these state funds. Not surprisingly, our amendment failed when only one Republican vote for it. If we are going to stand up and support our LGBT community, we need to elect more Democrats to the Indiana Statehouse. For that reason, I am asking you to please contribute to help us fight for all Hoosiers.”

□ Potentially interesting to watch: whether the Indiana Department of Education (and outgoing Superintendent of Public Instruction Jennifer McCormick (R) – who tweeted her frustration with teacher mandates and low pay Friday a.m.) line up on the same side of this issue as the Governor.

● Good news (we think!) for taxpayers: The Department of Local Government Finance is seeking a vendor for development and implementation of a web application that will allow personal property tax filing to occur electronically throughout the State of Indiana.

● KeyBank National Association is selected over U.S. Bank National Association, the sole other bidder, to begin contract negotiations for implementation of Unemployment Insurance Benefit Payment Distribution services for the Department of Workforce Development.

● The U.S. Court of Appeals for the Seventh Circuit schedules oral argument for July 11 on the State of Indiana's request case for an immediate stay that would stop the operation of an unlicensed abortion clinic in South Bend until the appeal can be fully resolved, *Whole Woman's Health Alliance, et al., v. Hill, et al.*, No. 19-2051. On May 31, Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana granted a preliminary injunction allowing the Whole Woman's Health Alliance to open a facility that the Attorney General's Office asserts would offer "chemical abortions despite lacking the required license from the Indiana State Department of Health." On June 2, the Office of the Attorney General appealed the injunction to the U.S. Court of Appeals for the Seventh Circuit, concurrently filing a motion with Judge Barker seeking an immediate stay that would have prevented the unlicensed clinic from opening until the State's appeal could be considered. On June 7, Judge Barker denied the motion for a stay - prompting OAG on June 10 to seek the intervention of the U.S. Court of Appeals in the form of a stay.

□ On June 21, not only did the appellate court, in a *per curiam* order, schedule oral argument, but it found Judge Barker's "injunction as written is overbroad, as it purports to deal with the operation of Indiana's licensing scheme as a whole. All abortion clinics - those providing medical abortions, surgical abortions, and both - are subject to this licensing scheme, and it applies state-wide. Yet the lawsuit brought by plaintiff Whole Woman's Health Alliance (WWHA) concerns only the clinic that WWHA wishes to open in South Bend, Indiana, and only the provision of medical abortions in that clinic. Pending the resolution of the state's motion, therefore, we are taking the immediate step of narrowing the injunction to one against only the inclusion of facilities that provide medical abortions, as provided by Ind. Code § 16-18-2-1.5(a)(2), and only with respect to the proposed clinic in South Bend. That responds to the state's valid argument that it has valid public health and safety interests in the operation of clinics that it must be permitted to pursue. As so narrowed, the district court's preliminary injunction will remain in effect pending the oral argument on this motion and the court's decision on the question whether to continue the modified preliminary injunction."

□ The Court of Appeals also told the parties that in addition to any other matters they choose to raise, they were invited to address the following points:

- Whether the sort of information the state is demanding is excessive and not reasonably related to its licensing decision.
- Whether the distinction between the use of medication to induce abortions and the use of the identical medication to treat miscarriages violates either the Equal Protection clause or the Due Process Clause of the federal Constitution.
- Whether the state has any burden to justify measures that prohibit one method of abortion while leaving others available.

□ "The Court of Appeals' decision to schedule oral argument shows that it is taking seriously our concerns about the safety of patients who seek abortion at an unlicensed clinic," Attorney General Curtis Hill (R) said. "Dispensing medication that curbs progesterone and causes uterine contractions is serious business, and whether states may require licensing of clinics that do so is a nationally important issue. We appreciate the court's diligence in reviewing this matter."

● Last week we told you about the Indiana Department of Environmental Management approving an air-quality permit for the proposed Riverview Energy direct coal-hydrogenation plant in Dale (and yards locally are heavily populated with signs opposing the plant). Since then, some local environmentalists and Democrats, led by Dubois County Democratic Party Chair Mike Kendall, a former Democratic state senator known for his championing of environmental and ethics issues during his sole term, have filed a series of complaints with the Public Access Counselor seeking response to public records requests filed with four local lawmakers, IDEM, the Indiana Economic Development Corporation, the Lincolnland Economic Development Corporation, and the City of Huntingburg seeking documents specifically related to Riverview Energy's plans for treatment and disposition of industrial wastewater, particularly that expected to be discharged into feeders for Huntingburg's water supply.

● Attorney General Curtis Hill (R) expressed his frustration and disappointment over a decidedly unfavorable 21-page Court of Appeals ruling that his office had spent a lot of legal and political capital on, *State ex rel. Hill, v. Pfister, et al.*, No. 18A-PL-771, which was a not for publication ruling.

□ A unanimous intermediate appellate panel, led by Judge Elaine Brown, affirmed Lake County Circuit Court Judge Marissa McDermott (D) in her grant of summary judgment in favor of a pair of former officials of the School Town of Munster and Ohio Farmers Insurance Company, the district's insurer. The Attorney General had been quite outspoken in his pursuit of the former two Munster school administrators for the return of almost \$700,000 in retirement pay to which he contended they were not entitled. The case turned on interpretation of the statute of limitations. Judge McDermott - whose husband, Hammond Mayor Tom McDermott (D) has frequently tangled politically with AG Hill - had ruled the five-year statute of limitations for recapture of the cash had passed, while General Hill contended that the period for seeking repayment began when the State Board of Accounts issued a special audit of the Munster schools after the district reported "suspected misappropriation" to SBOA.

□ The appellate panel agreed with Judge McDermott's findings (in her 35-page ruling) that the funds were paid out over some 13 years pursuant to 27 employment contracts the district entered into beginning in 1998. "The record reveals that various members of the Board signed each contract," and school financial officials signed accounts payable vouchers each year from 2003 to 2014. "From 2000 until 2004, from 2006 until 2007, and from 2009 until 2013, the Board allowed payments to [the two] and examined and approved the relevant Account Payable Voucher Registers - which included the Accounts Payable Vouchers, documents noting the specific amount and salary percentage of the annuity contributions to [their] accounts, and copies of the checks made to them. We also observe that the SBOA conducted six regular biennial audit examinations of the School Town during this period," writes Judge Brown for the appellate court in finding the claims "are barred by the statute of limitations."

□ On WJOB 1230-AM in Hammond Wednesday, General Hill made it clear to host Jim Dedelow that he vehemently disagreed with the conclusions of the unanimous intermediate appellate panel, and would make a decision by week's end as to what course of action to pursue in continuing to pursue what he sees as justice for taxpayers and appropriate authority for the State Board of Accounts. Expect OAG to seek a rehearing, and failing that, transfer to the Supreme Court.

- Under the auspices of the National Association of Attorneys General, a bipartisan coalition of 43 attorneys general – including Attorney General Curtis Hill (R) – submit comments to the Federal Trade Commission regarding consumer privacy, data security, antitrust enforcement, and technology platform businesses.

□ The submission by the AGs explains that “The market for consumer data presents new issues,” and that the market value of data and privacy are important considerations. Privacy is also said to be a critical aspect of competition in technology platform markets. The AGs also contend that the “massive scale of data collected by dominant firms creates network effects and barriers to entry,” and in the digital era, “non-price aspects of competition merit renewed antitrust attention” and non-price effects should be “a staple of merger analysis” in technology platform markets as dominant platforms may leverage data advantages to target rivals.

□ The AGs urge the FTC to require prior approval or prior notice for future acquisitions in technology platform markets, and to afford greater consideration of non-price and network effects in assessing mergers in those markets, noting that nascent competitors may be acquired by dominant firms in technology platform markets, but these acquisitions are often not reportable under Hart-Scott-Rodino market competition reviews. They also note suggest that legislation addressing transparency in the collection and sale of data “could facilitate an efficient and competitive market.”

- United Collection Bureau, Inc. is selected from a field of eight prospective vendors to begin contract negotiations for the implementing of Revenue Collection Services for the Department of Revenue. The estimated four-year contract value is \$22.88 million, but there is technically no cost to the State because the amount is paid to the contractor by the delinquent taxpayers. United Collection Bureau commits to subcontracting 8.0% of the total contract value to Bucher + Christian Consulting, Inc. dba BCforward (MBE); 4.0% to Guidesoft, Inc. dba Knowledge Services (WBE) 4.0% to RepuCare, Inc. (WBE), 3.0% to REDCOM Public Relations (VBE), and 3.0% to Vespa Group, LLC (VBE).

□ The evaluation team received proposals from seven other applicants for the work: AllianceOne Receivables Management, Inc.; CBE Group, Inc.; GC Services Limited Partnership; Harris & Harris, Ltd.; I.C. System, Inc.; Premiere Credit of North America, LLC; and Verliance, Inc.

- The appellate courts continue to make the State of Indiana more LGBT-friendly, with a pair of Not for Publication rulings this month overturning trial court rulings, a move that will ensure transgender individuals can keep confidential court records regarding their name and gender marker change under Indiana Administrative Rule 9 (you shouldn’t be surprised to see at least one, if not both, of these rulings changed to a For Publication ruling).

□ Judge John Baker, the longest-serving member on the current court, authored both opinions, *In the Matter of the Name Change of M.E.B., M.E.B., 19A-MI-118*, a case arising from the Orange County Circuit Court, and *In the Matter of the Name Change of K.H., 18A-MH-3077*, a case that began in Hamilton County Circuit Court. Judges Ted Najam (appointed 1992) and Margret Robb (appointed 1998) rounded out the experienced appellate panel. All three were appointed by Democratic governors.

□ The *K.H.* matter, involving a transgender woman who sought to change her name and gender marker, was relatively straightforward. She filed requests to waive publication and seal the record pursuant to Indiana Administrative Rule 9. The trial court directed her to publish notice of the Rule 9 hearing in a newspaper and to notify the attorney general. While the trial court did not require her to include her name, it required her to include her cause number, date and time of hearing, and the fact that she desired to change her name from a traditionally male name to a traditionally female one. The appellate panel found those directives were erroneous, and that the record supports K.H.’s Administrative Rule 9 requests.

□ “Neither the statute nor Administrative Rule 9 provides for alternative forms of public notice – including notice by publication,” Judge Baker wrote for the panel.

□ In a footnote (we’re omitting citations), the panel adds, “Although we find the publication requirement in this case as a whole to be erroneous, we note that the trial court’s astonishing demand that K.H. include in the published notice the fact that she ‘desires to change [her] own name from a name commonly used by males to a name more commonly used by females,’ is plainly an attempt at an end-run around the legislature. There is no statute or rule requiring that an individual seeking a gender marker change publish notice of that intent. Had the trial court truly only wanted her to notify the public that she intended to change her name, there would have been no need to require the gender specific language in the notice.”

□ Judge Baker then writes, “It is apparent that the trial court intended to force K.H. to signal implicitly to the world that she seeks to change her gender. In so doing, it exceeded its authority. There is no statute or rule requiring that an individual seeking a gender marker change publish notice of that intent. Had the trial court truly only wanted her to notify the public that she intended to change her name, there would have been no need to require the gender specific language in the notice. It is apparent that the trial court intended to force K.H. to signal implicitly to the world that she seeks to change her gender.”

□ In the Orange County case, “the fact that M.B. didn’t provide evidence that she, herself, or other citizens of Indiana have been a target of violence is of no moment. The goal of Rule 9 is proactive; it seeks to prevent harm. To force petitioners to wait until they have already experienced that harm would vitiate the purpose of the rule. Rather than focus on the evidence that M.B. did not provide, the trial court should have focused on the evidence she did provide.” Regardless, Judge Baker, in a footnote finds that “M.B. did provide evidence of a specific act of violence to a transgender person in Indiana,” and “She also provided evidence of a specific act of discrimination that she has faced as a result of her gender identity.” She had told the trial court that “(p)ublishing a notice tells people that I am trans and inviting them to the hearing would give power to the community to dictate my life.” Judge Baker continues for the unanimous court, “We find that this evidence readily supports M.B.’s argument that, if she had to publish notice of her name change petition and maintain a publicly open case file, she would be at significant risk of substantial harm. The trial court erred in ruling otherwise.”

□ Judge Baker then adds, “we are compelled to address the trial court’s conclusion that M.B. could not be “outed” because of the way she presents in person. This subjective assessment is not an element of an Administrative Rule 9 petition, nor should it be. Appearance is in the eye of the beholder, and regardless of the trial court’s own opinions about how men and women ‘should’ look, M.B. has the right to appear as she desires while maintaining public confidentiality about her gender identity. This was a wholly improper reason to deny M.B.’s petition. The trial court should have granted M.B.’s Administrative Rule 9 petition to waive publication of notice of her name change and to seal her case record.”

□ The Court of Appeals ruling also admonishes Orange County Circuit Court Judge Steven L. Owen. “Throughout its order, the trial court fails or refuses to use M.B.’s preferred pronoun. The order is also permeated with derision for M.B. We would hope that the trial courts of this state would show far greater respect (as well as objectivity and impartiality) to all litigants appearing before them. ‘Transgender’ is one word, with no hyphen.” That’s about as harsh a rebuke of a trial court judge as we can recall seeing in many years.

□ Intriguingly, 12 years ago, a panel that included judges Baker and Robb (who both served as chief judges of the Court of Appeals) indicated considerable empathy for a gay plaintiff – and rebuke for the homophobic parents of his gay partner – in a case in which the plaintiff’s partner suffered an incapacitating stroke after 25 years as what the court described as “life partners.” While Judge Baker and the panel kept stretching to find a way to accommodate the plaintiff in the guardian *at litem* and visitation case arising from Hamilton County, it could not find that the “trial court did not abuse its discretion,” despite, for example, “overwhelming evidence in the record establishing that it is in Patrick’s best interest to continue to have contact with Brett, his life partner of twenty-five years,” and “Given the [parents]’ lack of support of their son’s personal life through the years and given his mother’s astonishing statement that she would rather that he never recover than see him return to his relationship with Brett, we are extraordinarily skeptical that the [parents] are able to take care of Patrick’s emotional needs We are confronted here with the heartbreaking fracture of a family. Brett and Patrick have spent twenty-five years together as life partners – longer than Patrick lived at home with his parents – and their future life together has been destroyed by Patrick’s tragic medical condition and by the [parents]’ unwillingness to accept their son’s lifestyle.” Judge Baker seemed frustrated as he wrote that “we are compelled to affirm the trial court’s order” on guardianship.

● Attorney General Curtis Hill (R) was the only state attorney general joining federal authorities at a Chicago press conference Tuesday announcing a national robocalling sweep organized by the Federal Trade Commission (FTC). In “Operation Call it Quits,” the FTC and its law enforcement partners announced 94 actions targeting operations around the country, with many states, including Indiana, serving as partners. “Every year, our office gets more consumer complaints about unwanted robocalls than just about any other issue,” General Hill explains. “At best, these calls represent a nuisance for families just wanting to enjoy peace and privacy without needless disturbances interrupting their routines. At worst, they represent scams that successfully steal people’s identities or hard-earned money. In Indiana, we are quite serious about stopping illegal robocalls, and our alliances with such partners as the FTC are valuable assets in this mission.”

□ At the press conference, General Hill also discussed his office’s recent civil complaint against American Health Services, a Maryland company and two individuals after receiving dozens of consumer complaints about a pitch for various insurance products. In the complaint, the Office of the Attorney General alleges that these individuals and their company violated three Indiana statutes, and they could face up to \$1.17 million in civil penalties, plus fees and costs. “These are the kinds of actions we must continue to take against violators of laws intended to protect consumers,” Attorney General Hill said. “We will never stem the tide of illegal robocalling until we prove we have the resolve and wherewithal to make offenders pay.”

● The Indiana Department of Transportation selects American Structurepoint, Inc., and Beam, Longest and Neff for a \$4.5 million contract to design and manage the construction of a third travel lane on I-65 from the S.R. 56 interchange in Scottsburg to about two miles south of Henryville near Memphis Road. The project would widen this 12-mile stretch of I-65 to six lanes and would replace the existing bridges over Caney Creek and Blue Lick Creek built in 1958 (and reconstructed in 1989). The estimated \$145 million project should be let in May 2023.

□ INDOT also issues a Request for Information seeking industry expertise on how the implementation of a part-time shoulder running on the heavily traversed Borman Expressway (I-80/I-94) might improve the overall performance of traffic operations. INDOT is interested in learning more about the potential value of pursuing travel on inside and/or outside shoulders for high-volume freeways such as I-80/I-94, as well as achieving a clearer understanding of the technical engineering involved, project development process, and generalized variations in design and time-of-day operations.

□ The RFI concedes the eight-lane Lake County roadway “is approaching carrying capacity” and that “travel reliability is weak (predictable travel time)” and “incidents (e.g., crashes, disabled vehicles) are frequent and highly disruptive to traffic flow for extended periods of time” INDOT seeks to build its understanding of hard shoulder-running to prepare for what may lead in the near future to a Request for Proposals for cost-effective countermeasures to be implemented for the Borman within the next three to five years.

● Governor Eric Holcomb (R) tells Dan Carden of the *Times of Northwest Indiana* that he “is not pleased that Illinois has chosen to join Michigan, and nine other states, in legalizing recreational marijuana use, since federal law continues to classify the drug as a prohibited controlled substance. ‘I’m not convinced that legalization will lead anyone to the promised land,’ Holcomb said. ‘I’ve asked the federal government to enforce the law as it is, and I’ve let them know that we’re a law-and-order state.’ ” But some of the concerns of Dr. Adams, a former Indiana state health commissioner, are not shared by Governor Holcomb, who “said he has no problem with legitimate medical research into the potential health benefits of marijuana. ‘We’d be happy to be a partner in that effort so that we are looking at facts, not just trying to run to some honey hole for cash,’ he said. But Holcomb warned that so long as marijuana remains banned under federal law, Indiana will continue enforcing its statutes restricting marijuana possession, including for motorists traveling from Illinois and Michigan through Indiana ‘I have spoken to [Indiana State Police] Superintendent Doug Carter about this very issue,’ Holcomb said. ‘He’s confident that we have the resources that we need on all of our borders.’ ”

□ U.S. Surgeon General Jerome Adams, speaks with STAT's Morning Rounds about marijuana legalization: "I'm very concerned at how fast and how far we're going into marijuana," he said, adding, "There is no such as thing as medical marijuana. There are over 100 components in marijuana that may be medicinal, but we need to push for more research." On flat-out legalization, Indiana's former state health commissioner adds, "Folks are thinking of the marijuana of Woodstock. They're not thinking about kids using Shatter [a marijuana concentrate] and vaping it and getting 85-90% THC. There [are] some very real health concerns and the problem is a lot of them you're not going to see 'til years down the road."

□ Asked about Philadelphia potentially becoming home to the nation's first supervised injection site and whether that's a good way to deal with the opioid crisis, Dr. Adams tells STAT, "We need more naloxone. We need more syringe service programs. We need more [medication assisted treatment]. And so before we go and stack on something else that's controversial and unproven in that environment, let's make sure we maxed out or at least reached reasonable levels of these other things that are evidence-based."

● Duke Energy's new Integrated Resource Plan (IRP) – a road map showing how the company plans to meet customers' energy needs using a diverse mix of power generation resources – includes some updated plans for the retirement of coal generation facilities. In 2018, close to 90% of the power Duke produced in Indiana was coal-fired. Since 2005 in Indiana, Duke says it has decreased sulfur dioxide emissions by 95%, nitrogen oxide emissions by 63%, and carbon emissions by 21 percent. Given new carbon-emission regulations, a consumer desire for cleaner power options, and the declining cost of renewable power. Duke says it has focused on diversifying its power generation, and accelerating the retirement dates for some coal-fired units and adding more natural gas and renewable energy to our supplies (with the caveat that these are not final decisions to retire units or add new power generation to the system).

□ Duke expects to add 1,240 megawatts of cleaner burning natural gas, 700 megawatts of wind energy, and 1,650 megawatts of solar power by 2037, while continuing to operate some coal-fired generation units for almost two decades under a graduated retirement plan. The Sierra Club says the coal-dependent utility needs to "reconsider" the schedule, contending that "Duke is still burning too much coal for too long, and those gas plants should never be built." The Sierra Club also encourages Duke to "take advantage of current tax incentives for wind and solar" energy generation. The 20-year IRP submitted by the company to the Indiana Utility Regulatory Commission – next to be updated in 2022 – offers an overview of projected 2018-2037 generation plans:

Cayuga Station – Vermillion County (Two coal-fired units)

Unit 1 – 500 MW Advancing retirement from 2035 to 2028
9 remaining years of operation

Unit 2 – 495 MW Advancing retirement from 2037 to 2028
9 remaining years of operation

Proposed replacement: 1,240MW CC natural gas-fired plant

Gibson Station – Gibson County (Five coal-fired units)

Unit 1 – 630 MW Advancing retirement from 2041 to 2038
19 remaining years of operation

Unit 2 – 630 MW Advancing retirement from 2040 to 2038
19 remaining years of operation

Unit 3 – 630 MW Advancing retirement from 2043 to 2034
15 remaining years of operation

Unit 4 – 622 MW Advancing retirement from 2044 to 2026
7 remaining years of operation

Unit 5 – 620 MW Advancing retirement from 2047 to 2034
15 remaining years of operation

Gallagher Station – Floyd County (Two coal-fired units)

Unit 2 – 140 MW Previously announced retirement date – 2022

Unit 4 – 140 MW Previously announced retirement date – 2022

Edwardsport Station – Knox County (Coal-to-gas plant)

595 MW No change in 2045 retirement date

Noblesville Station – Hamilton County (Natural gas-fired CC plant)

300 MW Advancing retirement date from 2038 to 2034

15 remaining years of operation

□ Unclear: What effect – if any – a trio of new regulations promulgated June 19 by the U.S. Environmental Protection Agency (scheduled to become effective 30 days from issuance) granting states greater latitude to determine their projected energy resource mixes might have on the Duke IRP as well as others pending before the Indiana Utility Regulatory Commission. The rules could give utilities new reasons to invest in certain plant modifications as well as reassessing the projected life spans of facilities. Consultants advising utilities nationally tell them to ready themselves for possible state-by-state changes to policies defining what constitutes "clean" energy and related reliability. The implementation timeline for the rules, however, is likely to be delayed by litigation from several states and environmental organizations.

□ The first rule repeals the Obama Administration's 2015 Clean Power Plan (CPP). The second, the Affordable Clean Energy (ACE) rule, effectively supplants CPP and allows states to develop their own individual standards of performance for greenhouse gas emissions from existing coal-fired electric utility generating units within their purview. The third rule finalizes ACE implementation regulations and certain future Clean Air Act emission guidelines.

IN the Economy

● A new study by the Economic Innovation Group (EIG) finds that manufacturing job growth has increased by a modest amount nationally during the past two years, while the gains have shown disparities across regions, with the most strength in the western states and northeast posting the weakest numbers. While many Midwestern states experienced sizable net increases in manufacturing jobs from December 2016 to December 2018, they still added jobs at a lower rate than the nation as a whole. Despite the increases in automation and productivity, the EIG researchers find that assuming current trends continue, it would take more than two decades for manufacturing employment to return to their 2000 levels. Here is how Indiana has fared over the last biennium compared to our surrounding states:

Manufacturing Growth Rate, December 2016 to December 2018

Michigan	4.7%
Indiana	3.5%
Illinois	3.4%
Ohio	2.9%
Kentucky	1.2%

□ At 130%, Nevada leads the nation in the rate of increase in manufacturing jobs versus 2000, one of five states topping 100% growth, while the 36% growth in the District of Columbia is the lowest nationally. Indiana leads our neighboring states, albeit by a slim margin over Kentucky.

2018 Manufacturing Jobs Share of 2000 Manufacturing Jobs

	Change in Manufacturing Jobs vs. 2000
Indiana	82%
Kentucky	81%
Michigan	70%
Ohio	68%
Illinois	67%

● The Governor convened leaders from the state's agriculture sectors for a session in his office to receive an update on the unprecedented weather conditions that have impacted farms and other agriculture businesses statewide. Representatives from Indiana Corn & Soybean, the Indiana Farm Service Agency, Agribusiness Council of Indiana, Indiana Pork, Purdue College of Agriculture and others joined Governor Holcomb for the meeting. "The unprecedented weather and extreme field conditions have put Indiana farmers in a very trying situation," Gov. Holcomb said. "The relentless rainfall has prevented many acres from being planted and in some cases farmers have not been able to plant at all. This not only affects crop producers but those involved in animal production and the businesses that supply them."

● As we recently told you to expect, the State has extended its option to decide if it will purchase land near Lawrenceburg that could be the site of the state's fourth port. The Ports of Indiana entered into an agreement in September 2017 to purchase up to 725 acres of land that was formerly the American Electric Power plant along Tanners Creek and the Ohio River. That option was set to expire June 30. The option has been extended by six months to enable the seller, Tanners Creek Development, LLC, to complete its environmental remediation plan for the site and submit it to the Indiana Department of Environmental Management. If the Ports of Indiana decides to move forward, the total cost for the land and equipment would be approximately \$8 million.

● For the first time since February, the adjustable Indiana gas tax, declines from the prior month, and does so by a meaningful one-half cent. This decline follows four consecutive months of over-the-month increases. The new rate is 15.6¢ per gallon for July, and while it is higher than any month during the first quarter, it is lower than the rate in July 2018. While we noted earlier in the year that the tax in each of the first four months of 2019 was lower than it was during *any* month in 2018, that took a turn in May and June, but returned to the lower-than-prior-year status in July.

Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April	12.8¢	13.3¢	12.4¢	9.5¢	12.9¢
May	15.1¢	14.4¢	12.9¢	10.9¢	13.1¢
June	16.1¢	15.9¢	12.9¢	12.3¢	14.3¢
July	15.6¢	16.7¢	12.8¢	14.1¢	15.8¢
August		16.2¢	11.9¢	12.5¢	15.9¢
September		16.1¢	12.5¢	11.3¢	14.1¢
October		15.8¢	13.4¢	12.0¢	14.1¢
November		16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

□ A major June 21 explosion and lingering fire at the Philadelphia Energy Solutions oil refinery, the largest refinery on the East Coast, was expected to quickly drive gas prices higher, however, with futures prices immediately climbing by the highest amount in more than three months.

● Radial, which will soon begin operations at a new 690,700 square-foot distribution center for some of the world's largest brands and retailers in Brownsburg "plans to initially hire 20 management and 25 hourly positions," and "will then hire an additional 150 full-time jobs by the end of the summer," reports WTHR-TV in Indianapolis, which adds that the company also plans "to hire up to 2,000 employees during certain times of the year."

IN Transition

● Krista Rivera will leave her post as assistant director of state relations and policy analysis for Indiana University become the new senior fiscal analyst for the Senate Majority Caucus. Rivera worked from 2017-18 as director of legislative affairs for the Department of Revenue, and served as the Senate Majority fiscal analyst for six legislative sessions (2011-17), and also worked for the Senate Majority Caucus as a legislative assistant, Borst Fellow, and intern.

● Senate President Pro Tem Rodric Bray (R) appoints Perry Township Schools Superintendent Pat Mapes to the State Board of Education.

● The Governor makes one new appointment to the Indiana Commission for Higher Education. Dr. Trent Engberts of Evansville, an associate professor at the University of Southern Indiana, will join as the faculty member of the commission and serve until June 30, 2021. The Governor also made three reappointments to the ICHE board, and will serve until June 30, 2023: former state revenue commissioner Mike Alley of Indianapolis, chairman and owner of Patriot Investments, LLC; Michael "Jud" Fisher of Muncie, president and COO of Ball Brothers Foundation; and Alfonso Vidal of Newburgh, president of Vidal Plastics.

IN the Lobby

● Cass County Prosecutor Lisa Swaim (R) is the new chair of the Indiana Prosecuting Attorneys Council (IPAC) Board of Directors for 2019-2020. Her husband is Sen. Randy Head (R).

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June 30, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Sunday, June 30, 2019 11:12 AM

HARRIS SURGES IN POST-DEBATE MORNING CONSULT POLL; PETE FADES: [Morning Consult](#) surveyed 2,407 Democratic primary voters immediately following the first Democratic primary debate and Joe Biden topped the list with 33% (*Howey Politics Indiana*). Biden was followed by Sen. Bernie Sanders at 19%, Sen. Kamala Harris and Sen. Elizabeth Warren tied at 12% while South Bend Mayor Pete Buttigieg declined to 6%. Harris is the clear winner from the first debate: She moves into third place with 12% of the vote share, picking up 6 points since last week. Biden takes a hit: Biden dropped by 5 points, but still maintains a 14 lead over Sanders, who's support remained steady.

CLARK COUNTY JUDGE INDICTED, SUSPENDED AFTER SHOOTING: Clark County Judge Andrew Adams was suspended with pay Friday following a grand jury indictment related to a shooting in Indianapolis in May (Depompei, [News & Tribune](#)). Adams and Clark County Judge Brad Jacobs were shot during an altercation with two men in downtown Indianapolis on May 1. On Friday, Marion County Prosecutor Terry Curry announced that Adams is charged with multiple counts of battery, including felonies, and one count of disorderly conduct. The two men, Brandon Kaiser and Alfredo Vazquez, have also been indicted. According to a news release from the Indiana Supreme Court, the Indiana Commission on Judicial Qualifications filed a notice of criminal charges and a request for Adams to be suspended with pay immediately upon learning of the indictment. Soon after, the Indiana Supreme Court issued an order formally suspending Adams with pay. The suspension will continue until further notice. Temporary judges have been appointed to hear cases in Clark Circuit 1 (Adams' court) and Clark Circuit 2 (Jacobs' court). The appointed judges remain on the bench. In the judicial commission's request to suspend Adams, the commission asked that the suspension to continue "pending further order of this Court or final determination of any disciplinary proceeding that may hereafter result from the criminal charges." Disciplinary cases are typically initiated by the receipt of a written, verified complaint, but the judicial commission can initiate proceedings on its own, according to its website. If a complaint is deemed founded, an inquiry begins. If the inquiry indicates that misconduct occurred, the commission can proceed to an investigation, which would remain confidential. The investigation could lead to a public admonition or public charges. If charges are filed, the proceedings, which could include either a settlement agreement or a hearing, become public. A hearing can result in sanctions, including a public reprimand, suspension without pay or disbarment.

MACER UNREADY TO COMMIT TO GOV RACE: Karlee Macer might be on next year's ballot as a Democratic candidate for Indiana governor. The state representative, who represents Indianapolis's west side, wouldn't say Saturday as she traveled to the Tri-State Cornfield Conference at the Noble County Fairgrounds in Kendallville. "I'm not at a place where I'm fully ready to commit," she said during a phone interview (Slater, [Fort Wayne Journal Gazette](#)). Macer might be forgiven for her reluctance to make it official. Her only son got married in May, and her only daughter is getting married Aug. 3 in Chicago. As Macer put it, there's a lot going on in her family this summer. "I'm on the biggest mom high in my life," she added. Even so, the three-term state representative found time to attend the Cornfield Conference as a special guest. Democratic Party organizations in Noble, DeKalb, Kosciusko, Whitley and LaGrange counties hosted the event designed to fire up Democrats before the 2020 elections.

JUDGE BLOCKS INDIANA ABORTION LAW: A federal judge blocked an Indiana law that would ban a second-trimester abortion procedure on Friday, just days before the law was set to come into force (Davies, [AP](#)). The order putting the Indiana law on hold was released hours after the U.S. Supreme Court declined to revive a similar law in Alabama that sought to ban dilation and evacuation abortions. The law passed by Indiana's Republican-dominated Legislature this spring calls the

procedure "dismemberment abortion." It was set to become effective on July 1. The American Civil Liberties Union of Indiana sued on behalf of two doctors who perform dilation and evacuation abortions. Under the law, a doctor who performs the procedure could face a felony charge, punishable by up to six years in prison. Indiana's attorneys maintained the state had a valid role in limiting types of abortion procedures, citing a 2007 U.S. Supreme Court ruling that upheld a federal law banning the method. ACLU attorneys argued that the ban would put a "substantial and unwarranted burden on women's ability to obtain second-trimester, pre-viability abortions." In granting the preliminary injunction that blocked the law, U.S. District Judge Sarah Evans Barker wrote that it "prohibits physicians from utilizing the most common, safest, often most cost effective, and best understood method of second trimester abortion, requiring them instead to resort to alternatives that are medically riskier, more costly, less reliable, and in some instances simply unavailable, while accomplishing little more than expressing hostility towards the constitutionally fundamental right of women to control their own reproductive lives."

SOUTH BEND GRAPPLES WITH PD DIVERSITY: Twice in the past week, South Bend Mayor Pete Buttigieg publicly acknowledged his administration failed to change the lopsided racial makeup of the city's police force, as he confronts fallout over the fatal shooting of a black man by a white officer (Sheckler, [South Bend Tribune](#)). The issue has followed Buttigieg to the national stage as he runs for president. During Thursday's Democratic primary debate, MSNBC's Rachel Maddow asked the mayor why the police department has not hired more black officers during his two terms. "Because," Buttigieg replied, "I couldn't get it done." At a tense town-hall meeting last week, Buttigieg took responsibility for the failure, though he said it wasn't for lack of trying. "I promise you," he said, "we have tried everything we can think of." What Buttigieg hasn't detailed yet is how city leaders plan to address the police department's diversity problem going forward. The lack of minorities among the city's sworn police officers is a long-standing problem, and one that has vexed departments around the country. Yet data show the disparity has worsened during Buttigieg's nearly eight years in office. And now, the city is confronting the issue again amid public frustration over the shooting death of 54-year-old Eric Logan on Father's Day.

TRUMP, PUTIN YUK IT UP OVER U.S. ELECTION ASSAULT: Smiling together on a global stage, Donald Trump and Vladimir Putin cheerfully dismissed Russian interference in U.S. elections, shared their contempt for the world's news media and generally flaunted their personal bond Friday ([AP](#)). That was one day after the Russian leader praised the president of the United States for his nationalist world views and vigorously declared the days of the West's liberals are dying if not already dead. For some time, Trump has defied the once-entrenched Republican distrust if not outright hatred of the powerful nation at the heart of the former Soviet Union. But Friday's joint appearance seemed to go even further. As the two leaders sat down for their first meeting in nearly a year, a reporter asked Trump if he would warn Putin not to meddle in America's upcoming 2020 election. "Of course," the president replied. Then he turned to Putin and facetiously said, "Don't meddle in the election." He playfully repeated the request while pointing at Putin, who laughed.

TRUMP MEETS KIM AT DMZ, ENTERS NORTH KOREA: President Trump today became the first U.S. commander-in-chief to step onto the North Korean side of the Demilitarized Zone — the heavily guarded neutral strip dividing the Korean Peninsula between freedom and totalitarianism (*Axios*). Trump heartily shook hands with Kim Jong-un and patted the North Korean dictator on the back during a last-minute encounter that followed a presidential trip to Japan and South Korea. "Big moment. Big progress," Trump said after crossing the line at 2:50 a.m. ET. Why it matters: The West for decades has seen the North Korean side of the DMZ, a vestige of the Cold War, as enemy territory. The encounter reflects Trump's instinct for stagecraft and spontaneous diplomacy. The setting: "There isn't much demilitarized about it," per AP. "A minefield laced with barbed wire, it's guarded by combat-ready troops on both sides and has been the site of numerous, sometimes deadly gun battles and skirmishes." The context: The pen pals had a pair of high-profile summits before today's hour-long meeting. But they have not struck an enforceable deal for North Korean denuclearization. Speaking to U.S. reporters after saying goodbye to Kim, Trump trumpeted progress they have made over the past two and a half years: "You don't report it accurately, but that's OK. Someday history will record it accurately."

NEW TRUMP PRESS SEC 'BRAWLS' WITH NORTH KOREANS: The new White House press secretary, Stephanie Grisham, got into a scuffle with North Korean officials on Sunday during a chaotic scene outside a meeting room where US President Donald Trump and North Korean leader Kim Jong Un talked privately ([CNN](#)). A source at the scene said Grisham got in "an all out brawl" with North Korean officials as American and North Korean reporters were hustled in to view the summit. Grisham was bruised a bit in the scuffle, the source added. Grisham could be seen after the episode directing reporters outside the building in which Kim and Trump met, and she was later seen looking no worse for wear as she accompanied the President at the DMZ.

SCHUMER BLINDSIDES PELOSI ON BORDER BILL: House Speaker Nancy Pelosi told her colleagues in a private meeting Thursday that she thought she had a deal this week with her longtime ally, Senate Minority Leader Charles E. Schumer: She would ensure passage of a more liberal border funding bill in the House, and he would back her up by persuading Democratic senators to fight for it. Instead, Pelosi (D-Calif.) said, she was blindsided ([Washington Post](#)). Nearly all Senate Democrats voted for a Republican-backed bill that kneecapped the House and marked the most embarrassing defeat for Pelosi in the six months since Democrats took over the chamber. "Schumer destroyed all our leverage on Wednesday by not being able to hold his people," said a senior House Democratic aide. Schumer (D-N.Y.), meanwhile,

believed Pelosi failed to deliver on a deal of her own. After House moderates revolted Thursday, Democrats had to discard a plan to send the bill back to the Senate before an end-of-month deadline.

PENTAGON STUDY SAYS RUSS INFLUENCE GROWING WORLDWIDE: The U.S. is ill-equipped to counter the increasingly brazen political warfare Russia is waging to undermine democracies, the Pentagon and independent strategists warn in a detailed assessment that happens to echo much bipartisan criticism of President Donald Trump's approach to Moscow ([Politico](#)). The more than 150-page white paper, prepared for the Joint Chiefs of Staff and shared with POLITICO, says the U.S. is still underestimating the scope of Russia's aggression, which includes the use of propaganda and disinformation to sway public opinion across Europe, Central Asia, Africa and Latin America. The study also points to the dangers of a growing alignment between Russia and China, which share a fear of the United States' international alliances and an affinity for "authoritarian stability." "Russia is attacking Western institutions in ways more shrewd and strategically discreet than many realize," said Natalia Arno, president of the Free Russia Foundation, an anti-Putin Washington think tank that recently completed its own study of Russian efforts to undermine the West. "The attacks may seem more subtle and craftier, but they are every bit as destructive as governments are influenced, laws are changed, legal decisions are undermined, law enforcement is thwarted and military intervention is disguised."

IMPACTS AFTER 5 YEARS OF LEGAL MARIJUANA IN COLORADO: Colorado's first-in-the-nation experiment has reshaped health, politics, rural culture and criminal justice in surprising ways that often defy both the worst warnings of critics and blue-sky rhetoric of the marijuana industry, giving a glimpse of what the future may hold as more and more states adopt and debate full legalization ([New York Times](#)). Since recreational sales began in 2014, more people here are visiting emergency rooms for marijuana-related problems, and hospitals report higher rates of mental-health cases tied to marijuana. At the same time, thousands of others make uneventful stops at dispensaries every day, like the hiking guide in the college town of Boulder who now keeps a few marijuana gummies in a locked bag to help her relax before bed. Some families rattled by their children's marijuana problems have moved, seeking refuge in less permissive states. But over all, state surveys do not show an increase in young people smoking pot. And while low-level marijuana charges have plummeted, the racial divide in drug arrests has persisted. State numbers show that African-Americans in Colorado were still being arrested on marijuana charges at nearly twice the rate of white people. "You don't see drug-addled people roaming the streets, but we haven't created a utopia," said Jonathan Singer, who was one of just two state legislators who endorsed the Colorado ballot measure that made it legal for adults 21 and over to buy, consume and grow recreational marijuana.

HPI DAILY ANALYSIS: It may have been more than a photo op that any thing substantive, but it's good that President Trump and North Korean despot Kim Jong Un are meeting again. It's a vastly better prospect than the saber rattling the two engaged in 2017. - *Brian A. Howey*

Campaigns

MACER, MELTON MAKE CORNFIELD PITCH: Election Day 2020 is still 17 months away, but two Democrats exploring running for the state's highest office made one of their first pitches during an event Saturday in Kendallville (Garbasz, [KPC News](#)). State Sen. Eddie Melton, D-Gary, and Rep. Karlee Macer, D-Indianapolis, both were attending the Tri-State Cornfield Conference, an event for northeast Indiana Democrats offering training and guidance for community organizing ahead of the 2020 election year. Both state lawmakers have recently announced they are exploring runs to challenge Indiana Republican Gov. Eric Holcomb next year. The event in Kendallville was one of the first public opportunities for both prospective candidates to talk about their backgrounds, the issues they see facing Indiana and what they would bring to Indiana's executive office. "I believe our moral compass is off and we need to right that ship. I think that OK is not enough, I would like to see us do better than just OK," Macer said. "I believe that we can do a better job of lifting up communities by giving them the tools and going out and helping them instead of letting them figure it out themselves." "When you have both the House and the Senate ... Indiana has a serious issue and concern when it comes down to representation," Melton said. "We don't live in a society where everyone lives and thinks the same way so I think it's imperative upon us as Democrats to challenge the status quo and the narrative being pushed out there."

'DRAFT HALE' FACEBOOK PAGE SURFACES: A "Draft Hale for Congress" Facebook page has appeared (*Howey Politics Indiana*). Former legislator Christina Hale is mulling a bid for the open 5th CD seat. "As she has proven throughout her career, Christina Hale has the experience and ability to lead. That's why we need her in Congress," the page says. Thus far, 2018 nominee Dee Thornton is the only Democrat who has signaled a candidacy, which she will kick off on July 15 in Westfield.

Presidential 2020

BUTTIGIEG TO MAKE 'HISTORIC' ANNOUNCEMENT: Democrat Pete Buttigieg is following up his first presidential debate with a fundraiser in New York with a group that has contributed millions of dollars to openly LGBT candidates ([AP](#)). LGBTQ Victory Fund President Annise Parker says she will join Buttigieg at a World Pride campaign event in Brooklyn on Friday "to make a historic special announcement." Parker said earlier this year the organization expected to endorse the gay mayor of South Bend, Indiana. An endorsement would provide immediate financial support ahead of Sunday's second-quarter fundraising deadline. Victory Fund invested \$2 million in candidates in 2018. Other fundraisers Buttigieg planned this weekend in New York were canceled. He'll return Friday to South Bend, where he's been dealing with the fatal shooting of a black man by a white police officer.

SOUTH BEND REACTS TO BUTTIGIEG DEBATE: Thursday night, residents of South Bend gathered to watch their mayor on a national stage in the first Democratic presidential debate. The question on everyone's mind: if and how Pete Buttigieg would address the police shooting of Eric Logan ([Indiana Public Media](#)). In the basement of an upscale apartment building in downtown South Bend, Pete Buttigieg supporters were spooning out dip and microwaving food in preparation for a watch party. They even had cookies stamped with the campaign's official "Pete" logo. Josh Mandell organized the watch party. He says he hopes Mayor Pete could use the debate to increase his name recognition around the country. "I'm just looking for Pete to shine," Mandell says. "You know he's still fourth, fifth, third, depending on which poll you look at so I'm looking for him to make a strong showing." But Mandell also knew that Pete would get tough questions about the police shooting of Eric Logan almost two weeks before. "Pete's just going to have to go on record about all the things he's done with inclusion in South Bend and trying to diversify the police force and things like that," he says. Meanwhile, across town at the West Side Democratic Club, the inevitable question was also on Emily Dean's mind, too. "It is so hard to have a local discussion on a national stage like that," Dean says. "I think it's really, really difficult for him to address the intricacies of city governance and politics and what is and isn't possible for a mayor on a national stage in a 30-second sound byte."

Sunday Talk

KUDLOW WONDERS 'WHAT PLANET' DEMS ARE ON: President Trump's top economic adviser said on Sunday responded to Democratic presidential candidates questioning whether the U.S. economy is benefiting all Americans by saying he doesn't "understand what planet they're describing." "I just don't understand in general. I hear some of their policies, I hear some of their narratives. I don't understand what planet they're describing," Larry Kudlow told Chris Wallace on ["Fox News Sunday"](#). "The United State economy is booming," he added.

GRAHAM CALLS HARRIS 'FORCE TO BE RECKONED' WITH: Sen. Lindsey Graham (R-S.C.) said Sen. Kamala Harris will be "a force to be reckoned with" following her performance in the first Democratic debate this week. "She's got game. She is very talented. She's very smart, and she'll be a force to be reckoned with," Graham said according to a video posted online Saturday by CBS's [Face the Nation](#). Graham also said that former Vice President Joe Biden, who Harris criticized for his comments about working with segregationist senators, should "up his game." "The narrative is that maybe it's not his time and that he's not up to the task," he said, but added, "I think you'll underestimate Joe Biden at your own peril." "I think the next debate he's got to change the narrative," Graham said.

SANDERS BLASTS TRUMP/KIM 'PHOTO OP': Sen. Bernie Sanders (I-Vt.), a 2020 White House hopeful, said on Sunday that he doesn't want talks between President Trump and North Korea leader Kim Jong to be merely a photo op. "I don't have a problem with him sitting down and negotiating with our adversaries, I don't want it to be a photo opportunity. We need real diplomacy," Sanders said on ABC's ["This Week"](#). Sanders said that while Trump is meeting with the North Korean leader, the president has "weakened the State Department." The senator also said the U.S. needs a "strong State Department to move forward diplomatically."

BOOKER SAYS BIDEN 'DIVIDING' COUNTRY: Sen. Cory Booker (D-N.J.) said his opponent in the Democratic presidential primary former Vice President Joe Biden is further dividing the country and hurting some Americans with his rhetoric. "Right now, the vice president is not doing a good job at bringing folks together. In fact, he's causing – and I've heard this from people all around the country – he's causing a lot of frustration and even pain with his words," Booker said on NBC's ["Meet the Press"](#).

KLOBACHAR SKEPTICAL OF TRUMP/KIM MEETING: Sen. Amy Klobuchar (D-Minn.), a 2020 White House hopeful, on Sunday sounded a skeptical tone about President Trump's historic meeting with Kim Jong Un on North Korean soil and said the president is taking an overly simplistic approach to diplomacy. "We want to see a denuclearization of the Korean peninsula, a reduction in these missiles but it's not as easy as just going and, you know, bringing a hot dish over the fence to

the dictator next door," Klobuchar said on CNN's ["State of the Union."](#) "This is a ruthless dictator and when you go forward, you have to have clear focus and a clear mission and clear goals," she said.

CASTRO SAYS NO ONE WANTS OPEN BORDERS: Democratic presidential candidate Julián Castro said Sunday that while the U.S. can take in more immigrants, he does not want to allow an "unlimited" amount of asylum seekers into the country. "I agree with people that say, in theory, can't we take everyone who would like to be in the United States" he said on ABC's ["This Week"](#) while clarifying his immigration plan. "Nobody has called for that," he added. "I do believe, however, and put forward an immigration plan that would accept more people."

CASTRO SLAMS BIRTER COMMENTS BY TRUMP JR: Julián Castro on Sunday blasted Donald Trump Jr. as "a coward" for raising questions about the racial heritage of Sen. Kamala Harris (Calif.), a fellow 2020 Democratic presidential hopeful. The president's eldest son last Thursday retweeted and then deleted a post by Ali Alexander, a conservative media personality, claiming that Harris "comes from Jamaican Slave Owners" but is "not an American Black." "Is this true? Wow," Trump Jr. tweeted to his 3.65 million followers before later deleting it. Castro on Sunday called the move "disgusting" and said it "has no place in our politics." "You notice what he did, he tweeted it out and then he deleted it, like a coward, so he could say, 'That was just a mistake,' but he knows what he's doing. He's giving voice to these racist, you know, utterances about Sen. Harris," he said on CNN's ["State of the Union."](#)

CHAIRMAN PEREZ MAKES CONTRAST TO TRUMP: Days after a contentious debate that seemed to draw battle lines between many of the party's 2020 presidential candidates, Democratic National Committee (DNC) Chairman Tom Perez sought to instead draw a contrast between the entire field and President Trump. ["Fox News Sunday"](#) anchor Chris Wallace pushed Perez several times on questions about whether exchanges between Joe Biden and Sen. Kamala Harris (D-Calif.) regarding busing and other civil rights issues had weakened the former vice president, who is the party's front-runner for the nomination. "Voters will have to look at the totality of the vice president's record and every other candidate's record. The good news is the difference between us and this president is night and day on these issues of civil rights," Perez said. "The Party of Lincoln used to be the party of civil rights and the Party of Lincoln is dead. It's the Democratic Party that's fighting to make sure everybody has the opportunity to realize the American dream."

CLAPPER DENIES OBAMA SOUGHT SUMMIT WITH KIM: Former Director of National Intelligence James Clapper on Sunday disputed President Trump's claim that North Korean leader Kim Jong Un refused a meeting with Barrack Obama when he was president. A puzzled look came over Clapper's face during an interview on CNN's ["State of the Union"](#) when he saw a clip of Trump claiming that "President Obama wanted to meet and Chairman Kim would not meet with him." "The Obama administration was begging for a meeting. They were begging for meetings constantly and Chairman Kim would not meet with him," Trump added during a news conference earlier Sunday with South Korean President Moon Jae-in. Clapper flatly denied that claim. "In all the deliberations that I participated in on North Korea during the Obama administration, I can recall no instance whatever where President Obama ever indicated any interest whatsoever in meeting with Chairman Kim," Clapper said. "It's news to me."

General Assembly

NEW LAWS TAKE EFFECT MONDAY: Lawmakers targeted revenge porn, school bus safety and more with dozens of laws that go into effect Monday (Kelly, [Fort Wayne Journal Gazette](#)). A few special statutes were effective immediately, but the majority of bills the legislature approved in the 2019 session become operative this week. A few highlights:

School bus safety: After a 2018 crash in Rochester that killed three children, legislators passed a bill that stiffens penalties for Indiana drivers who recklessly pass school buses when the stop arm is out. If someone is injured or killed, the crime will be a felony instead of a misdemeanor. The bill also gives schools a way to pay for cameras on school buses. "The lives of Hoosier children are sacred, and everyone needs to make sure they are paying attention to their surroundings when on the road," said Sen. Randy Head, R-Logansport. "I am hopeful this legislation would help prevent similar accidents from occurring in the future." He wrote Senate Bill 2, which also allows school boards to seek reimbursement from the county council for the cost of cameras mounted on the stop arm. A provision allowing a third party to install cameras and collect fines was removed.

Revenge porn: Two bills made it through the legislature dealing with revenge porn, the intimate or pornographic images distributed by one person to harm another. While the people in the photos may have given permission for the photos to be created, they did not agree to making them public. Sen. Aaron Freeman, R-Indianapolis, brought Senate Bill 243 for the third year in a row. As a former prosecutor and now a private attorney, he has seen firsthand cases where a spouse or significant

other releases – or threatens to release – naked photos or videos to hurt or embarrass the other. Under the new law, it would be a misdemeanor for a first offense and rise to a felony for a second offense. A second bill, Senate Bill 192, also allows someone to sue civilly and receive monetary damages.

Animal cruelty: House Bill 1615 updates Indiana's animal cruelty statutes to crack down on people who choose to harm animals. "The goal of this legislation is to create better protections for Hoosier animals and people," said Rep. Ryan Hatfield, D-Evansville. He said FBI profilers have found murderers often start out by torturing and killing animals. "There is a direct link between people who abuse animals and people who abuse other people. When we strengthen animal cruelty crimes to protect animals, we also protect fellow Hoosiers," Hatfield said. The bill originally raised sentences, but the Senate was worried the punishments weren't proportional to crimes with human victims. So instead the bill clarifies abuse.

Tourism: Indiana's tourism efforts are getting a reboot. House Bill 1115 creates the quasi-governmental Indiana Destination Development Corp., moving tourism duties to the new entity instead of the traditional state tourism office. Quasi-governmental agencies must follow some state laws and rules, but generally have more autonomy and flexibility than regular state offices. Other examples include the Indiana State Lottery Commission, Indiana Economic Development Corp. and the Indiana Housing and Community Development Authority. The new agency will be run by a seven-member board including the governor (or designee), head of the Economic Development Corp. and five people from the tourism industry. Rep. Mike Karickhoff, R-Kokomo, said by having members of hotel, restaurant and other groups on the board and more involved with the direction of the agency he hopes they will also invest private dollars into the tourism efforts.

Teacher pay: The state budget increases student tuition support by \$539 million over the next two years, and makes a total of \$753 million in new education funding available to Indiana schools (Carden, [NWI Times](#)). But decisions on whether to put that money toward teacher pay raises, as opposed to other needs, were left up to local school district leaders. (House Enrolled Act 1001)

Gaming: Gary's Majestic Star casinos are authorized to relocate from their Lake Michigan dock. One is allowed to move to a land-based site, likely adjacent to the Borman Expressway. A new casino also is permitted in Terre Haute, and Hoosier adults will be able to place bets on sporting events, including from mobile devices, possibly as soon as Sept. 1. (HEA 1015)

Bias crimes: It is an aggravating factor, for which a judge can impose more than the advisory prison term, if a crime is committed "with bias due to the victim's or the group's real or perceived characteristic, trait, belief, practice, association or other attribute the court chooses to consider." (Senate Enrolled Act 198)

Data center: Sales and business personal property tax incentives are available to enable the \$40 million, 105,000-square-foot Digital Crossroads of America Data Center at the site of the former State Line Generating Plant in Hammond to grow into a \$200 million campus with 400,000 square feet of lake-cooled data storage. (HEA 1405).

Flood prevention: A reconstituted Kankakee River Basin and Yellow River Basin Development Commission will have \$3 million a year, starting in 2021, to spend on flood-control projects. The money would be generated by a new annual fee imposed on eight Northwest Indiana counties. The counties have the option of passing those fees along to owners of property located in the river basins. (HEA 1270)

State superintendent: A governor-appointed secretary of education will lead the Indiana Department of Education starting in 2021, instead of an elected state superintendent of public instruction. (HEA 1005)

Porter County elections: Porter County election administration is reorganized on a bipartisan basis to prevent a repeat of last year's general election chaos that saw missing poll workers, nonexistent absentee ballot deliveries and no vote tallies for days after the polls closed. (HEA 1217)

Church guns: Any person legally authorized to carry a firearm may possess it in a church or religious building that's connected to a school, so long as the religious institution permits guns within its facilities. Similarly, a gun owner can bring his or her weapon into a school building when it's being used by a house of worship that allows guns. (HEA 1284)

Griffith: The town of Griffith gains an extra year, until November 2020, to complete its voter-approved exit from Calumet Township, by joining either North Township or St. John Township in Lake County. (HEA 1177)

Golf alcohol: Beer, wine and liquor, instead of only beer, can be sold from the back of golf carts roving across the links at public and private golf courses that hold the required alcohol sale permits. (HEA 1518)

Conscience protection: Nurses, pharmacists and physician assistants gain the same right as physicians, hospital employees and health clinic staffers to opt out of providing abortion care, including the provision of an abortion-inducing drug, if they have an ethical, moral or religious objection to abortion. (SEA 201)

Citizenship test: All Indiana high schools must administer to students, as part of the mandatory U.S. government course, the naturalization test that's typically taken by immigrants hoping to become American citizens. (SEA 132)

Exonerated inmates: A wrongfully incarcerated person can receive \$50,000 for each year the person spent in the Indiana Department of Correction or a county jail for a conviction that was vacated based on actual innocence of the crime. (HEA 1150)

Critical infrastructure: New felony crimes and a fine of up to \$100,000 are established for damaging, trespassing upon or conspiring to harm facilities broadly defined as Indiana's "critical infrastructure," including steel mills and oil refineries. (SEA 471)

Pregnancy drug use: Medical providers are required to use a standard verbal screening tool to assess all pregnant women for substance use disorder throughout their pregnancies. Women found to be addicted to drugs must either be treated by the provider or referred elsewhere for drug abuse treatment. (HEA 1007)

Sex offenders: Individuals classified as "sexually violent predators" or "offenders against children" are barred from working as child-care providers, respite-care providers or at an adult day-care centers, as well as prohibited from living in home in which child-care services are provided. (SEA 258)

Newborn testing: Krabbe disease, Pompe disease and Hurler syndrome, starting July 1, 2020, are added to the 12 medical disorders for which Indiana infants are required to be tested as soon as possible following birth. (SEA 41)

Drugs: Drug crimes committed within 100 feet of a drug treatment center, any location where drug recovery or support group meetings are held or inside a penal or juvenile detention facility can be enhanced one felony level by prosecutors, with a corresponding increase in potential prison time. (SEA 110, SEA 198)

Water infrastructure: A new water infrastructure assistance fund is permitted to leverage \$20 million in state revenue to make loans and grants available to water utilities for new pipes, mains or leak controls. With timely repayments, the fund ultimately could produce more than \$2 billion in water system fixes over 20 years. (HEA 1406)

Child services: The caseload limit for family case managers at the Department of Child Services is changed to: 12 initial assessments; 12 families receiving in-home services; or 13 children with out-of-home placements. DCS also gets two hours to respond to a child in imminent danger of serious bodily harm, instead of the prior, often unattainable, one-hour response mandate. (HEA 1006)

Opioids: Any prescription drug that contains, or is derived from, opium must include a notice on the prescription label that the drug is an opioid. (SEA 133)

Fire districts: Local fire protection district boards are permitted to pay their trustees up to \$100 a meeting, instead of a maximum of \$20, in the hope of enticing more residents to serve. (SEA 156)

Veterans aid: Eligible Indiana Department of Veterans Affairs employees must request Military Family Relief Fund emergency financial assistance through the Indiana Veterans Affairs Commission, instead of from the agency's director. (HEA 1257)

State

GOVERNOR: HOLCOMB MAKES APPOINTMENTS — Gov. Eric J. Holcomb today announced several new appointments and reappointments to various state higher education boards and commissions (*Howey Politics Indiana*).

Ball State University Board of Trustees: The Governor made two new appointments to the board: Rebeca Mena (Muncie), a junior majoring in chemistry and Spanish at Ball State University, will join as the student member of the board and will serve until June 30, 2021. Henry O. Hall (Fort Wayne), president of Skytech Products Group, will join as an alumni member of the board and will serve until Dec. 31, 2022.

Indiana Commission for Higher Education: The Governor made one new appointment to the board: Dr. Trent Engberts (Evansville), associate professor at the University of Southern Indiana, will join as the faculty member of the commission and will serve until June 30, 2021. The Governor also made three reappointments to the board, who will serve until June 30, 2023: Mike Alley (Indianapolis), chairman and owner of Patriot Investments, LLC, will continue his service on the commission. Michael "Jud" Fisher (Muncie), president and COO of Ball Brothers Foundation, will continue his service on the commission. Alfonso Vidal (Newburgh), president of Vidal Plastics, will continue his service on the commission.

Indiana State University Board of Trustees: The Governor made two new appointments to the board: Casey J. Phillips (Greenfield), a junior majoring in supply chain management and marketing at Indiana State University, will join as the student member of the board and will serve until June 30, 2021. Robert E. Casey, Jr. (Indianapolis), chief security officer with Eli Lilly & Company, will join as an alumni member of the board and will serve until June 30, 2023. The Governor also made two reappointments to the board, who will serve until June 30, 2023: Kathy Cabello (Indianapolis), owner of Cabello Associates, will continue her service on the board. Kimberly O. Smith (Indianapolis), president and CEO of Indiana Farmers Mutual Insurance Company, will continue her service on the board.

Indiana University Board of Trustees: The Governor made one new appointment to the board: Molly C. Connor (Columbus), a second year law student at the Indiana University Robert H. McKinney School of Law, will join as the student member of the board and will serve until June 30, 2021. The Governor also made three reappointments to the board, who will serve until June 30, 2022: William "Quinn" Buckner (Bloomington), vice president of communications for Pacers Sports & Entertainment, will continue his service on the board. James T. Morris (Indianapolis), vice chairman of Pacers Sports & Entertainment, will continue his service on the board. Melanie Hart Walker (Bloomington), CEO of TASUS Corporation, will continue her service on the board.

Ivy Tech University State Board of Trustees: The Governor made five reappointments to the board, who will serve until June 30, 2022: Terry W. Anker (Carmel), chairman of The Anker Consulting Group, Inc., will continue his service on the board. Michael Dora (Rushville), state director of rural development for the USDA, will continue his service on the board. Larry Garatoni (Mishawaka), CEO of HQ Investments, will continue his service on the board. Paula Hughes-Schuh (Fort Wayne), CEO of YWCA Northeast Indiana, will continue her service on the board. Steve Schreckengast (Lafayette), president of Citation Homes, Inc., will continue his service on the board.

Purdue University Board of Trustees: The Governor made one new appointment to the board: Noah M. Scott (Leesburg), a junior majoring in industrial engineering technology and organizational leadership at Purdue University, will join as the student member of the board and will serve until July 1, 2021. The Governor also made two reappointments to the board, who will serve until July 1, 2022: Lawrence "Sonny" Beck (Atlanta), CEO of Beck's Superior Hybrids, Inc., will continue his service on the board. Don Thompson (Chicago, Illinois), CEO of Cleveland Avenue, will continue his service on the board.

University of Southern Indiana Board of Trustees: The Governor made two new appointments to the board: Josi Barscz (Huntington), a sophomore majoring in biochemistry at the University of Southern Indiana, will join as the student member of the board and will serve until June 30, 2021. Christina Ryan (Newburgh), CEO of The Women's Hospital, Deaconess Health System, Inc., will join the board and will serve until June 30, 2023. The Governor also made one reappointment to the board, who will serve until June 30, 2023: Jeffrey L. Knight (Evansville), executive vice president and chief legal counsel for Old National Bancorp, will continue his service on the board.

STATEHOUSE: HILL EXPECTED ABORTION LAW RULING - Indiana Attorney General Curtis Hill said in a statement he expected to appeal the federal court ruling on Indiana's abortion law (AP). "I continue to believe that Indiana has a compelling interest in protecting the value and dignity of fetal life by banning a particularly brutal and inhumane procedure," Hill said.

COURTS: SUPREMES RULE ON CIVIL FORFEITURE FUNDS - The Indiana Supreme Court says it's constitutional for police and prosecutors to keep some proceeds from civil forfeitures. But, only two justices agreed with the opinion in full. Indiana law allows police to seize property they suspect was involved in a crime, even if the person is never charged (Brosher, [Indiana Public Media](#)). In many cases, they eventually sell the property. The case challenges what happens with those proceeds. A group of taxpayers filed a lawsuit against several Marion County and Indianapolis officials that claimed they violated the Indiana Constitution by keeping some proceeds from civil forfeitures to offset their costs. The constitution says all fines and forfeitures should go to the Common School Fund. Justice Mark Massa wrote the majority opinion, which says the General Assembly can decide how and when forfeiture proceeds accrue to the Common School Fund. Justice Christopher Goff was the only other justice to agree with the full opinion. While Chief Justice Loretta Rush agreed that taxpayers had legal standing to bring the case and that the Constitution's language about the Common School Fund applies to civil forfeitures, she wrote a dissenting opinion on the constitutionality of the state's civil forfeiture statute. She says at least some civil forfeiture proceeds must go to the Common School Fund. "Here, the current statute's allocation scheme neither tracks offset costs nor increases the Fund," Rush writes. "Thus, the legislature overstepped a constitutional limit on its authority."

TRANSPORTATION: LAST AMTRAK TRAIN LEAVES INDY - The last Amtrak train from Indianapolis to Chicago left the station early Sunday morning ([WTHR-TV](#)). The rail service lost its funding, so for the first time in nearly 100 years, Hoosiers will not be able to take the train directly from the Circle City to the Windy City. Sunday morning's train had a special car for passengers wanting to enjoy one last ride. The last train leaving Chicago for Indy is set to arrive at Union Station just before midnight.

WHITE HOUSE: TRUMP TO ALLOW HUAWEI SALES - President Trump and Chinese President Xi Jinping agreed to a cease-fire on trade that will remove some curbs on Huawei Technologies Co. buying high-tech equipment from the U.S., for the moment lifting one cloud over the global economy ([Wall Street Journal](#)). Under the cease-fire, the U.S. agreed to put off additional tariffs on Chinese goods indefinitely. In response, China will start buying large amounts of American farm products, Mr. Trump said. Until the two leaders sat down for an 80-minute lunch meeting Saturday on the sidelines of a Group of 20 meeting, the U.S. was poised to hit China with tariffs on the roughly \$300 billion in goods that aren't currently covered by 25% tariffs. Afterward, Mr. Trump said the sides were ready to start talking again. "We're going to work with China on where we left off to see if we can make a deal," he said at a news conference. "I'm not rushed," he said, calling the talks "intricate."

CITIES: MUNCIE SAYS DELAWARE COUNTY SEWAGE PLAN POLLUTES - The Muncie Sanitary District is expected to spend upwards of \$160 million by 2031 on a court-ordered plan to keep sewage out of the White River (Slabaugh, [Muncie Star Press](#)). Which is why MSD is keeping a wary eye on a Delaware County Regional Wastewater District (DCRWD) proposal to build a wastewater treatment plant that would discharge into Muncie Creek, which flows through Morningside Addition, the Whitely neighborhood and McCulloch Park into the White River. MSD and Mayor Dennis Tyler have vowed to fight any county wastewater treatment plant that would discharge into Muncie Creek, saying it would degrade the waterway. DCRWD, whose territory includes the rural/suburban Royerton, DeSoto and Country Village area, says it is considering building its own treatment plant because it can no longer afford MSD's constant rate increases. The county district owns its own sewer lines but pipes its sewage to MSD for treatment. "Ongoing rate increases assessed by MSD have negatively impacted the communities of Royerton and DeSoto by rendering sewer service unaffordable for the existing customer base," the county district's consultant, Commonwealth Engineers, said in a preliminary engineering report.

CITIES: JUDGE RULES FOR FORMER COLUMBUS MAYOR - A judge has ruled in favor of a former mayor of a southern Indiana city whose efforts to obtain public records ended up in court ([Indiana Public Media](#)). Former Columbus Mayor Kristen Brown sued in 2017 after she said the city's police department failed to comply with her request for information related to a 2016 crash involving law enforcement. Special Judge Richard Poynter ruled this month that Brown will get attorney's fees and court costs. The court says she was given "insufficient detail" about her request. Brown says they've "wasted so much taxpayer money" and attorney's fees are approaching \$50,000. City of Columbus attorney Alan Whitted says the city hasn't decided whether to appeal.

CITIES: ANN DANCER FUNDING MISSES GOAL - The fund drive to upgrade the dancing electronic art on Mass Ave is still short of its goal as the campaign enters its final day ([WIBC](#)). The Indy Cultural Trail is about \$80,000 short of a \$260,000 goal to upgrade the software that keeps the minidress-wearing stick figure in motion. Executive director Karen Haley says several potential donors expressed interest but can't act until after the self-imposed Saturday deadline. She says the Cultural Trail will be reconnecting with them to finalize donations.

COUNTIES: PORTER PREPARES FOR ELECTION CHANGES - The Porter County election board is starting with a clean financial slate after the county council approved changes for the board's reform in July (Kwiatkowski, [NWI Times](#)). The council retooled the budget for the new Board of Elections and Voter Registration, replacing the old board and the office of voter registration. The only thing the council didn't approve was hiring two of the four requested positions for the new director and assistant director. "We're tabling two just so that we can understand further down the road if there is an issue where we need more staff," said Council Vice President Jeff Larson. "We weren't sure of what the productivity was in the office before the reforms." Clerk Jessica Bailey said she believed they needed four deputies to handle the workload, but she respected the council's decision because of problems with the previous board, which state officials said was negligent.

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BUTTIGIEG TO POST \$24.8M: Pete Buttigieg's presidential campaign announced a \$24 million second quarter FEC haul ([Howey Politics](#) Indiana). "We just announced via email raising more than \$24.8 million from more than 294,000 donors in the second quarter of 2019," said Chris Meagher, a campaign spokesman. "We have more than \$22.6 million cash on hand. We more than doubled the amount of total individual donors to the campaign between Q1 and Q2. We had more than 230,000 new donors in Q2, bringing our total number of donors to more than 400,000. Our average contribution size for the cycle is \$47.42. We have donors from all 57 states and territories." Campaign manager Mike Schmuhl said, "We officially launched our campaign just a couple of months ago, and since then, time and time again, Pete has proved why he is a top-tier candidate for the nomination. From town halls on MSNBC, CNN, and FOX News to last week's debate, he's shown the country what I've known for a long time: Pete is the best person to bring a new generation of leadership to Washington."

FREEMAN-WILSON COMMENTS ON BUTTIGIEG, SOUTH BEND PD: Gary Mayor Karen Freeman-Wilson said that every mayor must know their community so that they are prepared to handle a crisis, like a police shooting, before it happens. Freeman-Wilson leads the Criminal and Social Justice Committee of the U.S. Conference of Mayors, which met this weekend in Honolulu (Davis, [WIBC](#)). "We talked about the importance of how a mayor and police chief not only address the public when a crisis occurs, but prevent those crises," she said. Wilson said she believes Mayor Pete Buttigieg is doing his best after the incident in South Bend, where a black man, Eric Logan, was killed last week by a white police officer, but said in general that a mayor must be prepared. Buttigieg has taken criticism for how the situation was handled. He said in last week's presidential debate that his community is hurting and that "it's a mess". He also addressed the community at a town hall, where his relationship with the black community was called into question. "What are those things that we can do to train police officers?" asked Freeman-Wilson. "What are those things that we can do to strengthen the relationship between police and the community long before a crisis occurs?"

MYERS OPEN TO MEDICINAL MARIJUANA: When it comes to legalizing marijuana, one possible Democratic candidate for Governor says while he can support medicinal marijuana as well as decriminalization, he's not sold on recreational use (Abdul, [WIBC](#)). Former state health commissioner Dr. Woody Myers stated his position following an inquiry from Indy Politics. Myers is exploring a run for Governor. Two possible challengers for the Democratic nomination, State Sen. Eddie Melton and State Rep. Karlee Macer have come out and supported some form of legalization. Meanwhile, Governor Eric Holcomb supports studying the medical benefits of marijuana if it is ever legalized at the federal level. "While I favor appropriate medical use of products containing a known dosage of Tetrahydrocannabinol (THC), our medical community, legislature and policy makers should be thoughtful and should examine the experience of other states when considering new legislation and rulemaking," Myers said. "I do favor the decriminalization of the possession of THC containing products for personal use- our law-enforcement officials have higher priorities and there is great evidence nationally of disproportionate sentencing in disenfranchised populations. I am not convinced that full recreational legalization of THC containing products is a wise move in and for Indiana."

TRUMP BRINGS SHUNNED DICTATORS IN FROM THE COLD: It was a good few days to be an authoritarian leader. At the Group of 20 gathering in Japan, leaders who can find themselves shunned at such multilateral summits were the focus of U.S. President Donald Trump's attention, humor and respect across Friday and Saturday. Turkey's leader was a "tough cookie" and Saudi Arabia's crown prince a "friend" who has done a "spectacular job" ([Bloomberg News](#)). Trump said he had a "tremendous discussion" with Russia's Vladimir Putin. China's President Xi Jinping was "one of the great leaders in 200 years." Then on Sunday Trump became the first sitting president to set foot in North Korea, a day after he issued a surprise invite via Twitter for Kim Jong Un to meet him at the Demilitarized Zone, the heavily fortified border between the North and South. What was intended as a handshake and brief chat turned into an unscheduled summit of more than an hour. The encounters marked a welcome and long-sought return from the cold for the likes of Putin and Saudi Arabia's Mohammed bin Salman, who have otherwise been the target of sanctions, isolation and opprobrium from the U.S. government. All came away having gained from the exchange, whether something concrete like trade concessions or more nebulous, such as legitimacy and respect. "This G-20 meeting has been less about the largest economies of the world, and more about a few illiberal political economies that have influence on the largest economy of the world -- the U.S.," said Karen Young, a resident scholar at the American Enterprise Institute. "Both Russia and Saudi Arabia have used the conference to demonstrate their ability to capture Trump's attention and praise."

BIDEN SAYS TRUMP 'CODDLING DICTATORS': Former Vice President Joe Biden's campaign accused President Trump of "coddling" dictators in his meetings with North Korea's Kim Jong Un, Russian President Vladimir Putin and Turkish President Recep Tayyip Erdogan while overseas ([CBS News](#)). "President Trump's coddling of dictators at the expense of American national security and interests is one of the most dangerous ways he's diminishing us on the world stage and subverting our values as a nation," Biden campaign spokesman Andrew Bates said in a statement to CBS News. The president held a last-minute meeting with Kim in the Demilitarized Zone separating North and South Korea on Sunday, becoming the first sitting

president to set foot on North Korean soil. His meeting with Kim came after the G20 summit in Japan, where he met with Putin and Erdogan.

HARRIS ATTACK ON BIDEN COULD BACKFIRE: Kamala Harris might be reveling in her sudden burst of attention after roasting Joe Biden over racial issues on the debate stage last week, but a backlash is already brewing ([Politico](#)). Biden supporters and Democrats who have attended the former vice president's events in the days after the first nationally televised debate, are describing Harris' assault on Biden as an all-too-calculated overreach after she knocked him on his heels in a grilling over busing and his remarks on segregationist senators. "She played low ball, which was out of character. And he didn't expect it, nor did I," said Lee White, a Biden supporter who attended his remarks at the Jesse Jackson Rainbow PUSH Coalition. "She should not have gone that route. She's much too intelligent, she's been able to be successful thus far, why do you have to do that. One major Biden supporter from California who declined to be named for publication said Harris' direct attack on Biden was a mistake that would haunt her. "It's going to bite her in the ass," the supporter noted. "Very early on there was buzz ... Biden-Kamala is the dream ticket, the best of both worlds."

TRUMP APPEARS TO BE ACCEPTING DE FACTO NORTH KOREA NUKES: From a seemingly fanciful tweet to a historic step into North Korean territory, President Trump's largely improvised third meeting on Sunday with Kim Jong-un, the North Korean leader, was a masterpiece of drama, the kind of made-for-TV spectacle that Mr. Trump treasures ([New York Times](#)). But for weeks before the meeting, which started as a Twitter offer by the president for Mr. Kim to drop by at the Demilitarized Zone and "say hello," a real idea has been taking shape inside the Trump administration that officials hope might create a foundation for a new round of negotiations. The concept would amount to a nuclear freeze, one that essentially enshrines the status quo, and tacitly accepts the North as a nuclear power, something administration officials have often said they would never stand for. It falls far short of Mr. Trump's initial vow 30 months ago to solve the North Korea nuclear problem, but it might provide him with a retort to campaign-season critics who say the North Korean dictator has been playing the American president brilliantly by giving him the visuals he craves while holding back on real concessions.

MORE ON U.S./NORTH KOREA SCUFFLE: President Trump escorted Kim back to the South as a scuffle broke out between reporters and North Korean security guards, with officials shoving and trying to block the press from capturing the moment ([AP](#)). The jostling intensified as the leaders moved to the Freedom House on the southern side of Panmunjom, where they made brief remarks to reporters and then met for roughly 50 minutes. A photographer was knocked to the ground and one reporter was seen in tears. At one point, incoming White House press secretary Stephanie Grisham side-checked a North Korean guard who was blocking reporters from the room while others security officials frantically tried to cordon off the area with yellow rope. Grisham ended up with bruises from the fracas. The U.S. Secret Service intervened in the pushing and shoving match

PENCE SAYS NOTHING 'COMPASSIONATE' WITH OPEN BORDERS: Vice President Mike Pence told a gathering of conservative Christian activists Saturday night that the Democratic policy goals relating to border security are "morally wrong" and would only enable the abuse and assault of migrants being trafficked to the southern border ([Christian Post](#)). Speaking at the Faith & Freedom Coalition's annual gala dinner at the Omni Shoreham Hotel in Washington D.C., Pence didn't hold back in responding to a week filled with criticism of the Trump administration following unfavorable mainstream media reports of conditions facing migrant children at the southern border. As conservative evangelicals continue to be chastised by Democrats for their support of the Trump administration and immigration agenda, Pence suggested to donors of the leading national conservative evangelical grassroots organization that securing the southern border and building a wall is the morally appropriate response. "After spending the last six months denying there was a crisis at our southern border and doing nothing while our courageous and compassionate Customs and Border Protection personnel were overwhelmed by that crisis, now some Democrats want to lecture us about their moral concern," Pence griped. "There's nothing compassionate about refusing to change the laws that human traffickers use to take advantage of poor families," he continued.

HPI DAILY ANALYSIS: When it comes to legalized marijuana, Gov. Eric Holcomb and legislative leaders would be wise to set up a task force and explore what has occurred in medicinal and recreational states. Short of legalization, the state should explore decriminalization. As HPI reported last week, marijuana arrests are increasing here at a time when it is legal in some form in more than 30 states. - *Brian A. Howey*

Campaigns

MACER MAKES A PITCH TO THE CORNFIELD CONFERENCE: State Rep. Karlee Macer (D-Speedway) addressed a crowd of Democrat activists and community leaders Saturday at the Tri-State Cornfield Conference ([Howey Politics Indiana](#)). "Being here with you all today, and seeing the tremendous leadership showcased across our state by activists like yourselves,

reassures me that it won't be this way much longer. I've never been more confident in our candidates, our policies, and the future of our state than I am today," said Macer. Macer of Indianapolis has formed a gubernatorial exploratory committee, but has not decided on whether to seek the nomination to challenge Gov. Eric Holcomb. State Sen. Eddie Melton of Gary also addressed the conference. Dr. Woody Myers is expected to enter the Democratic race in early July.

Presidential 2020

A WIDE OPEN DEMOCRATIC RACE: For months, the Democratic presidential primary has been dictated by Joe Biden and Bernie Sanders. That primary is now over ([Politico](#)). After an eventful month and the conclusion of the first round of Democratic debates, there is a new top tier — and a sense among many campaigns and Democratic operatives that Biden and Sanders are suddenly within reach in a race that has broken wide open. "Bernie and Biden were largely living off of inertia," said Colin Strother, a veteran Democratic strategist. Now, he said, voters are becoming aware that "other [candidates], they have a lot of other things to offer." The campaign's evolution came gradually at first — then violently amid the debates. Biden, already damaged by his shifting views on abortion and his one-time work with segregationists, withered under Sen. Kamala Harris' filleting of his record on busing for school desegregation. Sanders committed no such error. Yet he was weakened by contrast — his forgettable debate performance versus the proficiency of Sen. Elizabeth Warren, a fellow leftist previously untested in a presidential campaign. She is slowly rising in the polls, just as Sanders — a rival for the progressive vote — is seeing his numbers tick downward. By the weekend, Warren was rallying thousands of supporters in Chicago, while Harris was raising record sums of money for her campaign.

HARRIS PICKS UP BLACK CAUCUS ENDORSEMENTS: Two more members of the Congressional Black Caucus are backing Kamala Harris's bid for the presidency: Reps. Bobby Rush of Illinois and Frederica Wilson of Florida. ... With these two new supporters, Harris now has six endorsements from the CBC.

Sunday Talk

GRAHAM HOPES FOR IRAN TALKS: Republican Sen. Lindsey Graham of South Carolina urged President Trump to prepare to send the "strongest signal possible" to Iran if the government in Tehran fulfills its threat to breach the limits on uranium supply established by the 2015 nuclear agreement next week. "I hope the president understands that if they begin enrichment on July the 7, that he needs to get ready to send the strongest signal possible that this cannot be tolerated," Graham said on ["Face the Nation"](#) Sunday. The South Carolina Republican, considered a hawk on foreign policy, did not elaborate on what kind of "signal" he would support if the Iranian government passes the uranium supply cap.

KLOBACHAR SEES UNITY: Minnesota Sen. Amy Klobuchar downplayed concerns that many of the other 24 Democrats vying for the presidential nomination are embracing progressive policy proposals that may alienate some voters and push moderates like herself away from the party in 2020. "I think there's room in our party for a legitimate debate," she said on ["Face the Nation"](#) Sunday. "I just think it's important to realize there's a lot more that unifies us than separates [us], that there's a lot more that unifies us than there is that divides us."

Congress

DONNELLY NAMED UNIVERSITY OF CHICAGO FELLOW: The University of Chicago Institute of Politics' six new fall fellows: Univision's Enrique Acevedo; Jane Coaston, senior politics reporter at Vox; former Sen. Joe Donnelly (D-Ind.); Heather McGhee, senior fellow at Demos; former Rep. Tom Rooney (R-Fla.), who is also an NBC News analyst; and Navtej Sarna, former Indian ambassador ([Politico Playbook](#)).

GOP LOOKING TO BRUISE MUELLER: Democrats have been dying to hear directly from special counsel Robert Mueller for months, but they're not alone. President Donald Trump's GOP allies in Congress are salivating at the chance to bruise Mueller's reputation and cast doubt on the integrity of his work ([POLITICO](#)). "Mueller's intensely anticipated July 17 testimony will bring him face to face with the Republican lawmakers who have savaged his reputation and called him the ringleader of a 'coup' against Trump. While Democrats attempt to squeeze morsels of new information out of the notoriously tight-lipped investigator, these Trump defenders are signaling that they'll use the historic moment to try to undercut his credibility and paint him as a political pawn in Democrats' efforts to undermine the president."

GOVERNOR: HOLCOMB LAUDS CATALENT - Bio-manufacturing company Catalent is expanding its Bloomington facility. The company announced Friday a new warehouse will be built that will produce vials, syringes and cartridges. CEO John Chaminski says the facility will create 200 new jobs. "What we try to do from a Catalent perspective, is we provide on boarding services for those new employees to get them familiar with Catalent," he says ([Indiana Public Media](#)). Governor Eric Holcomb says his administration is working with universities and colleges to make sure their graduates are turning out workers qualified for jobs at Catalent. "These aren't just jobs, these are careers, these are life changing opportunities, and they're right here," he says. Bloomington city officials say Catalent received a tax break in exchange for promising to invest \$100 million into its Monroe County operations. This is the company's second major investment in the area, following the completion of a \$14 million enhancement to its Bloomington Biologics packaging capabilities.

COURTS: APPEALS COURT OVERTURNS MURDER SENTENCING - The Indiana Court of Appeals has ordered a new sentencing hearing for a Gary man serving 183 years in prison for two gang-related murders he committed when he was 16 years old ([NWI Times](#)). In a 3-0 decision, the appellate court said a 2012 U.S. Supreme Court ruling, all but prohibiting life sentences without the possibility of parole for juvenile offenders, similarly applies to de facto juvenile life without parole sentences, such as the one issued to Donnell Wilson. Wilson, now 22, was 16 years old in 2013 when he shot and killed two brothers, Shaqwone Ham, 19, and Charles Wood, 18, in a gang territory dispute in Gary's Glen Park neighborhood. He also committed an armed robbery shortly before the murders, according to court records.

HEALTH: HIP RECIPIENTS WILL START LOGGING WORK HOURS - Hoosiers who receive health insurance through the Healthy Indiana Plan, or HIP, may have to start logging work hours ([Indiana Public Media](#)). An estimated 70,000 to 80,000 people on HIP, Indiana's Medicaid expansion program, may have to comply with work requirements if they don't meet certain exemptions. Indiana's Family and Social Services Administration, FSSA, has been reaching out to people through mail and email to let them know about the new Gateway to Work program. Covering Kids and Families of Indiana helps organizations and consumers navigate health insurance. Policy director Mark Fairchild says they've heard little from people on HIP. "Some maybe are getting a letter from the state, they want clarification of what it means, whether they should report or not, the numbers are nowhere near what we would have expected," says Fairchild. Starting July 1, people who aren't exempt need to report 20 hours a week of work, volunteer, school and other activities. The reporting can be done by phone, computer or in person.

AGRICULTURE: SOYBEAN PLANTING DOWN 10% - The USDA issued its June 1 Acreage and Stocks Report last week. USDA is estimating that U.S. farmers planted 80 million acres of soybeans, down 10 percent from last year ([Hoosier Ag Today](#)). That number represents the lowest soybean planted acreage in the United States since 2013. Compared to last year, acres planted to soybeans are down in all 29 reporting states. Corn planted area came in at 91.7 million acres, three percent higher than last year. The all-wheat planted area for 2019 is estimated at 45.6 million acres, five percent lower than 2018.

WHITE HOUSE: TRUMP TO ADDRESS NATION ON JULY 4TH - Trump's splashy makeover of D.C.'s traditional Fourth of July festivities will include a secured area in front of the Lincoln Memorial for VIPs, friends and family, the WashPost reports (*Axios*). The White House will distribute free tickets. The Secret Service says the VIP section "will stretch roughly from the steps of the memorial to the midpoint of the reflecting pool," according to The Post. "It is in front of the spot from which Trump plans to address the nation as part of his rebranding" of the celebration into a "Salute to America." The Navy's Blue Angels will fly over, per AP: Participants will also include the Old Guard Fife and Drum Corps, U.S. Army Band, Armed Forces Chorus, U.S. Marine Corps Silent Drill Team and others. Interior Secretary David Bernhardt says Trump will use his speech to honor the military.

WHITE HOUSE: TRUMP SCHEDULE - President Trump's schedule for the week: Monday: Trump will have lunch with Vice President Pence. Thursday: Trump will deliver Fourth of July remarks at a Salute to America celebration at the Lincoln Memorial. Friday: Trump will spend the weekend in Bedminster, New Jersey.

OPIOIDS: PURDUE PHARMA STRUGGLING - OxyContin maker Purdue Pharma LP is struggling with slumping sales, a shrinking workforce and restructuring challenges as it battles lawsuits related to the opioid crisis, according to people familiar with the company ([Wall Street Journal](#)). Purdue's revenue is expected to drop below \$1 billion this year for the first time in more than a decade, as employees leave and a potential bankruptcy filing looms, people familiar with the matter say. Controlled by members of the billionaire Sackler family, Purdue has also been reviewing the corporate structure of at least two dozen entities affiliated with the company that are under government scrutiny for possible fraud, according to some of the people familiar with the company. Purdue has previously said that it may file for bankruptcy but hasn't made a decision.

OHIO: YOUNGSTOWN NEWSPAPER CLOSES - The only daily newspaper in Ohio's ninth largest city has announced plans to permanently cease publication in August after 150 years ([AP](#)). The Vindicator in Youngstown announced the decision in a

letter to readers published Saturday. Publisher Betty J.H. Brown Jagnow and General Manager Mark Brown wrote the move stems from financial struggles and the inability to find a buyer. They called the decision "gut wrenching." The announcement comes just days after the paper marked its 150th anniversary.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 7/6-7/8
Date: Monday, July 8, 2019 11:15:04 AM
Attachments: [LegInsight July 8.PDF](#);
[Howey 7-8-19.pdf](#)

Pillar 1- Diversify our economy

Inside IN Business- [PERQ Closes Funding Round](#)
Journal Gazette- [Electric Works creating optimism](#)
SB Tribune- [Hemp is sprouting in South Bend region](#)
USA Today- [The states with the best and worst economies](#)
Inside IN Business- [Work to Begin on Yamaha Greenfield Facility](#)
Indy Star- [Corteva's still in Indy, but company cagey about future](#)
News and Tribune- [Hotel tax rate hike sought to bolster Southern Indiana tourism](#)
USA Today- [Indiana Dunes, America's newest national park, is a world of contrasts](#)

Pillar 2- Upgrade our infrastructure

US News- [Full Closures Planned for I-65, I-70](#)
Fox59- [INDOT to hold open house on I-465 project](#)
News Dispatch- ['Booming' business at Port of Indiana](#)
SB Tribune- [Will electric customers save when city switches to new provider](#)

Pillar 3- Strengthen our workforce

NWI Times- [Northwest Indiana unemployment hits lowest point since 2017](#)
NWI Times- [WGU Indiana creates alternative higher education opportunities for working adults](#)

Pillar 4- Attack the drug epidemic

SB Tribune- [Howey: Indiana trailing on legalizing marijuana](#)
Crusader- [Community HealthNet Health Centers opens sixth site](#)
NWI Times- [Opinion: No embarrassment necessary for Indiana, only prudence](#)

2019 Legislative Session

Tribune Star- [Danville claims lead in casino effort, but Terre Haute officials downplay any race](#)
NWI Times- [With extended deadline, Griffith continues effort to leave Calumet Township](#)
Kokomo Perspective- [New law provides additional financial tool for local governments](#)
IN Public Media- [2 New Laws Take Aim At Those Accused Of Posting 'Revenge Porn'](#)
SB Tribune- [New Indiana tourism department more business focused](#)
Journal Gazette- [Opinion: In budget pie, public schools given crumbs](#)
WTHI- [Mandatory citizenship test is harder than you might think](#)
Journal Gazette- [Area lawmakers score well by business group](#)

Misc.

Kokomo Perspective- [Legislature can divert civil forfeiture proceeds away from school fund](#)
Rushville Republican- [Hydros readying for Gold Cup trophy race on Ohio River](#)
NWI Times- [AG: Extended stop arms OK to use on Indiana school buses](#)
IN Lawyer- [11 counties testing Indiana's bail bond relief pilot program](#)

Republic- [Nearly \\$18B on the line for Indiana in 2020 census count](#)
Inside IN Business- [Tuition Increases Included in New VU Budget](#)
Tribune Star- [Editorial: Eva's message brought 'light into darkness'](#)
Lebanon Reporter- [Child support formula not equal nationwide](#)
Indy Star- [State adopts disability task force recommendations](#)

Sincerely,

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INDIANA LEGISLATIVE INSIGHT

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Forfeiting the high ground?

Supremes hear Timbs on remand; rule on forfeitures and school fund

In a pair of cases decided at the end of June, the Indiana Supreme Court takes another shot at deciding issues related to asset forfeiture, a facet of the law which has proven remarkably difficult for the court to fully resolve over the past few decades – and year.

In *Horner, et al., v. Curry, et al.*, No. 18S-PL-333, the Court finally determines – apparently definitively – that the state civil forfeiture statute (and Indiana Constitution) properly allows some diversion from the Common School Fund (CSF) and recovery of costs to law enforcement agencies and county prosecutors. As the Indiana Prosecuting Attorneys Council (IPAC) explains to county prosecutors, before July 2018, Indiana's forfeiture statutes allowed for case-specific reimbursement of "law enforcement costs," with any excess directed to CSF. Effective July 1, 2018, a specific formula calculates law enforcement costs, including but not limited to, reimbursement of attorney fees for private counsel hired by prosecutors. Any funds remaining after the reimbursement of these costs is directed to the Fund. A group of taxpayers challenged the old version of the statute, then amended their challenge to include the new version, claiming both violated Art. 8, § 2 of the Indiana Constitution, which says the CSF "shall consist of [among other things] all forfeitures which may accrue" The group did not believe the Constitution allowed any diversion of forfeiture proceeds into anything but the Fund.

The Supreme Court upheld both statutory versions of reimbursing law enforcement and prosecutor costs following forfeiture, but, just like in the past, it is not neat and tidy. "There are three different opinions and four different voting alignments, and complex discussion regarding standing and constitutional history," as IPAC notes. You need a scorecard to untangle the alignments. Justice Mark Massa authors the opinion, and Justice Christopher Goff concurs. Justice Geoffrey Slaughter concurs in the judgment with separate opinion. Chief Justice Loretta Rush concurs, concurs in result and dissents with separate opinion. Justice Steven David concurs and concurs in result and partially joins the CJ's opinion.

The Court finds Art. 8, § 2 of the Indiana Constitution applies to civil forfeitures, and "that the General Assembly may decide how and when forfeiture proceeds accrue to the Common School Fund." Thus Indiana's civil forfeiture statute is not unconstitutional. The bottom line is that the Court holds – as one former veteran prosecutor boils it down for colleagues – "Keep Calm and Forfeit On" . . . as long as they reimburse forfeiture costs for both the prosecutor and law enforcement agencies involved.

With that overarching issue resolved, the Supremes turn to *Hodges v. State*, No. 19S-MI-117. We've told you about this case as it moved from the Marion County Superior Court through the Court of Appeals. "Here," the Chief Justice writes for a unanimous Court, "a shipped box raised the suspicion of an interdiction officer: it displayed hallmarks of parcels containing drugs and drug money, and the officer's canine partner indicated the package bore the scent of narcotics. The officer successfully sought a warrant authorizing a search of the package and seizure of, among other items, proceeds of drug trafficking. When officers opened the box, they found U.S. currency wrapped in multiple layers of sealed packaging. After a canine alerted that the money itself—not just the packaging – contained the odor of narcotics, officers seized the cash and obtained a court order to turn it over to federal authorities."

For more, please see the following page . . .

What a drag it is . . .

INPRS return rate dips; commodities key

As of May 31, the Indiana Public Retirement System defined benefit portfolio has returned 4.05% net of fees on a fiscal year-to-date basis. That puts INPRS on track for the lowest rate of return since Fiscal Year 2016.

Private equity has been the top performing asset class, returning 20.01% for the fiscal year-to-date, representing the strongest performance in the private equity portfolio since FY 2006.

Stock holdings, which comprise 20% of portfolio investments, are down 1.19% as of May 31. Domestic stocks are up by 1.04%, while international stocks have tumbled by 3.48 percent.

But by far, the biggest drag on portfolio performance has been commodities, which are off by 11.85% for the first 11 months of the 2019 fiscal year.

During FY 2018, commodities were the best-performing asset class with returns of 21.96 percent.

Over the past five years, commodity holdings have generated negative returns of 10.51% . . . even as the INPRS portfolio overall has posted a 4.67% return over the five-year period.



We told you months ago that Michael Hodges, the person who shipped the parcel, was an attorney and sports agent, and asserted that he was sending \$60,990 “to a World Series ticket holder in a lawful exchange for expensive tickets.” Hodges “argues that the seizure was unlawful because it exceeded the warrant’s scope – making the turnover of the cash improper. We disagree,” writes the CJ for the Court. “The totality of the circumstances established the necessary probable cause to believe the money was proceeds of drug trafficking.”

But the CJ acknowledges that the ruling only seeks to “address a narrow question: did probable cause support the seizure of property that a court later ordered state police officers to turn over to federal authorities?” While the justices unanimously answered this question affirmatively, “we cannot – and do not – speculate about whether civil forfeiture of the property would be appropriate,” leaving the appropriateness of that to be decided in future federal proceedings.

There’s still another rub.

The Court effectively adopts a “totality of circumstances” test here: “The totality of the circumstances established the necessary probable cause to believe the money was proceeds of drug trafficking.” But in doing so, they seem to largely overrule their own decision from just last year, one which we followed closely for you in these pages, and one in which the Supreme Court of the United States declined to review, despite strong urging from Attorney General Curtis Hill (R). In a footnote – not even the body of the ruling – the Chief Justice acknowledges that “Hodges relies heavily on *Bowman v. State*, 81 N.E.3d 1127 (Ind. Ct. App.), *modified on denial of reh’g* (Ind. Ct. App. 2017), *trans. denied sub nom. Murphy v. State*, 96 N.E.3d 578 (Ind. 2018) (table), *cert. denied*, 139 S. Ct. 68 (2018). To the extent *Bowman* conflicts with our decision here, we disapprove it.” But the Court here failed to explain just how *Bowman* – a case which involved the same transfer facility, same police officer, and same canine officer, and which was decided unanimously at the intermediate appellate level with a tight opinion from the court’s most experienced panel of former trial court judges – may conflict with *Hodges*, and which aspects of *Bowman* the Supremes might now take issue with after fairly recently denying transfer (on probable cause, the actual search and seizure, or forfeiture and return of the cash). That means a lot of questions remain to be answered about the practical aspects of the process . . . even as we seem to have a better understanding of the Common School Fund’s status in civil forfeiture matters.

In case that didn’t satisfy your appetite for forfeiture fodder, the Indiana Supreme Court heard oral argument June 28 in *State v. Timbs*, No. 27S04-1702-MI-00070. This was the case remanded back to the Indiana Supreme Court by the Supreme Court of the United States, which wants the Indiana courts to determine if the 2013 seizure of Tyson Timbs’ \$40,000 Land Rover – purchased with proceeds from an insurance policy from his late father and used in a small drug transaction – was excessive. In February 2019, the nation’s high court unanimously ruled that the Eighth Amendment’s prohibition of excessive fines is an incorporated protection applicable to the states under the Fourteenth Amendment, *Timbs v. Indiana*, 586 U.S. ____ (2019), clearing up confusion.

The big national battle over how to measure when fines are excessive shifted back to Indiana, and the Indiana Supreme Court was flooded with *amicus* briefs from a passel of states and entities ranging from the American Civil Liberties Union to the Cato Institute.

Even after the nation’s high court affirmatively confirmed that the Eighth Amendment applies to civil forfeiture, during oral argument, the Office of the Attorney General contends the test used to determine whether a seizure is excessive is not one of proportionality, but rather whether the government can prove a nexus between the asset sought for forfeiture and the alleged illegal activity . . . effectively making it open season for law enforcement seizure if a straight-faced argument could be made about a connection.

But if you recall us telling you about the oral argument on *Timbs* before the nation’s high court, Justice Stephen Breyer asked Indiana Solicitor General Tom Fisher if it would then be constitutional to seize any vehicle exceeding the speed limit – Bugatti, Ferrari, or Mercedes, in his hypothetical – regardless of the nature of the infraction or the value of the asset.

Indiana Chief Justice Loretta Rush took up the same line of questioning Back Home with Solicitor General Fisher, pressing him over “where’s the limits? If the State decides you’re going over ‘X’ miles per hour so we’re going to take your car, is there any limit to that government power?”

“No,” Fisher responded. “Look, I’ve gone out on a limb on the Bugatti, and I don’t think I’m going back. This is the position that we already staked out in the Supreme Court when I was asked by Justice Breyer whether a Bugatti can be forfeited for going over five miles over the speed limit,” he elaborated. “Historically the answer to that question is ‘yes,’ and we’re sticking with that position here.”

IN Politics

Federal Office Races . . .

- In CD 03, Dr. Chris Magiera (R) announces his primary challenge from the right (yes, the right) to U.S. Rep. Jim Banks (R). The Warsaw gastroenterologist is the husband of Dr. Pamela Galloway (R), a former Wisconsin state senator who ran against Banks for the then-open CD 03 bid in 2014. She finished fourth in the six-candidate field, garnering 7.0% of the vote (less than 25% of the top two candidates) with significant local tea party support.

- Dr. Magiera blasts the 39-year-old Rep. Banks, who was elected to his first local office in 2008 – and who is serving his second term in Congress, as a “career politician.”

State Office Races . . .

- We’ve tried to emphasize for you just how off-message Superintendent of Public Instruction Jennifer McCormick (R) has been with Republican legislative leaders and the Governor, and now it looks like the “marriage” can’t be saved as Sen. Eddie Melton (D) announced that Dr. McCormick will be joining him at several stops along his “statewide listening tour” and participating in his “Hoosier Community Conversations” town halls to discuss the state of education in Indiana.

- Of course, Sen. Melton, a former member of the State Board of Education, announced just a few weeks ago that he was establishing a gubernatorial exploratory committee, and would embark upon a series of town hall-style events “to listen to the priorities of Hoosiers as he discusses the need to invest in education, create economic opportunity, raise the minimum wage, and restore faith in the Department of Veterans Affairs.”



□ Because Sen. Melton is so openly exploring a gubernatorial candidacy and using his listening tour to advance his political goals, this is not a simple matter of bipartisan cooperation among officials who are simply looking (and looking out) for what's best for Hoosier students. This is not akin to, for example, Dr. McCormick joining the Indiana Legislative Black Caucus in its own statewide listening tour in recent weeks (events in which she did not participate). Despite how anyone might choose to position it, Sen. Melton is riding the political circuit, and Superintendent McCormick seems to be continuing to relish her role in poking the tiger through the cage . . . even though she claims not to be attending the events in her official capacity (which raises as many questions as potential problems it forecloses).

□ "I am excited that Dr. McCormick will be joining our Hoosier Community Conversations and sharing her expertise and passion about education across the state with me," said Sen. Melton in revealing the most interesting road tour of the Summer outside of Billy Ray Cyrus teaming with Lil Nas X. "It is an honor to share this platform with Dr. McCormick, who has been an advocate for Indiana's students and families."

□ For her part, the outgoing superintendent – in what can only be interpreted as a slap in the face to the GOPowers that be – said "Indiana needs more statewide leaders who value the voices of practitioners and community stakeholders, as demonstrated by Sen. Eddie Melton," said Dr. J. "As State Superintendent of Public Instruction, I am optimistic that a potential 2020 gubernatorial candidate has the foresight and the willingness to elevate educational issues and work collaboratively. This next election will direct the future of our state for generations to come. Decisions regarding the education of our children must be at the very heart of that future."

□ The Melton campaign release, in turn, praised the lame duck super as "[a] nationally-recognized educator and innovator," and "an advocate for children, dedicated to using her experience to improve educational outcomes for Hoosier students." Melton's missive also notes that the office McCormick holds "was abolished as a democratically elected position this year by Governor Eric Holcomb and the Republican supermajority in the state legislature. The resulting effect is that politicians, not Hoosier parents, now decide who develops Indiana's education policies."

□ Recall as well that after HEA 1005-2019 passed, making her post appointed after the 2020 election (on which she had already taken a pass, making it "safe" for lawmakers to move up the abolition date by four years), Superintendent McCormick had pointedly told Hoosiers, "The 2020 gubernatorial race will deserve greater attention as our students' futures are dependent upon it."

□ After holding fire for 3½ years, the genteel Holcomb Administration clearly had enough with the McCormick shenanigans. Indiana Republican Party Chair Kyle Hupfer – who would not fly solo on something of this import – issued a formal statement after the tour announcement without being asked, saying that the "announcement seems to confirm the rumors of the last few weeks: that Jennifer McCormick is auditioning for a new job – including as the lieutenant governor nominee on the Democrat ticket in 2020. After being on stage at our Republican Conventions in 2016 and 2018, running on GOP ideals in 2016 and accepting campaign aid from thousands of Republican Party supporters across the state, it begs the question whether Jennifer McCormick is still a Republican. I'm sure someone will ask her that soon." "It doesn't deserve a response from me," Dr. McCormick told Chris Sikich of IndyStar.com. "They've been nonexistent in support for me. I'm not sure I owe them anything."

□ After the respective appearances of Sen. Melton and Rep. Karlee Macer (D) – another Democrat exploring the possibility of a gubernatorial bid – out of their respective neighborhoods and comfort zones at the Tri-State Cornfield Conference in Kendallville, a picture hit the media of Melton and Macer that looked a good bit like a campaign ticket portrait . . . and it seemed to excite some Democrats. The ticket would be the most youthful in generations at just the right time in history – Melton is not yet 40, Macer under 50 – and the racial, gender, and geographic balance would be epic for Demos. But when you swap out McCormick for Macer as a potential candidate for lieutenant governor, you get virtually the same demographics and geographics – and McCormick has already been elected statewide, is a hero of sorts to public school teachers, and would bring some excitement as part of a largely unprecedented fusion ticket.

□ Does she want to run? Probably not. Would rank-and-file Democrats accede to an LG nominee coming from outside the party? If the gubernatorial nominee was popular and insisted upon it, 2020 might be the year. The national political situation might be so topsy-turvy, and the prospect of toppling a popular governor so unlikely that it would take something out of left field to change the dynamics – and having someone who ran and won statewide on the Trump-Pence ticket four years earlier certainly is a jump the shark moment. And we haven't even raised the question yet of whether Sen. Melton will ultimately decide to run (he would have to relinquish his Senate seat, after his predecessor, Earline Rogers (D), held off her retirement for as many as three terms until she felt confident she had identified a worthy successor) . . . or whether he's even the person around whom Democrats would coalesce (and remember what we told you about Lake County never having nominee for governor?). But since nothing seemed to happen this week in CD 05, the chattering class has to have something to speculate about.

● Bill Levin, a fixture in the Broad Ripple community and the founder of the First Church of Cannabis, green lights a bid for the Libertarian Party of Indiana's nomination for governor.



□ Levin, who sought the shelter of the Religious Freedom Restoration Act as a means to using marijuana as a sacrament for his “church,” lost all of his arguments in that court case.

□ Here is how LPIN gubernatorial nominees have fared in recent years (Libertarians did not run a candidate for governor in 1992 or 1988 – the years in which Evan Bayh (D) was the Democratic nominee for governor):

Year	Candidate	Vote %
2016	Rex Bell (L)	3.20%
2012	Rupert Boneham (L)	3.95%
2008	Andy Horning (L)	2.12%
2004	Kenn Gividen (L)	1.29%
2000	Andy Horning (L)	1.76%
1996	Steve Dillon (L)	1.70%
1984	Jim Ridenour (L)	0.32%

● The Governor’s Eric Holcomb for Indiana campaign committee receives some major infusions dated June 26, including a \$50,000 contribution from Alliance Coal, LLC of Tulsa, Oklahoma. In addition to \$10,000 from the American Electric Power Committee for Responsible Government, the Guv’s campaign coffers also reap contributions of \$10,000 each from engineering mogul Robert Bowen of Indianapolis; retired health care executive Dan Evans of Indianapolis; retired audio company founder Fred Klipsch, now of Orlando; and railroad heir William Elder of Indianapolis . . . Faegre Baker Daniels LLP makes a \$10,000 contribution on June 30 to the Lieutenant Governor’s Friends of Suzanne Crouch campaign committee.

IN Legislative Races . . .

● The HD 30 vacancy selection caucus will be held July 30 at the Marion Ivy Tech facility. Grant County has 40 counties in the district, followed by 12 in Blackford County, six in Wells County, and fewer in Delaware County. At least one-half-dozen Grant County hopefuls have indicated some level of interest to Grant County Republican Party Chair Darren Reese in making a bid for the seat later this month.

IN Mayoral Races . . .

● Will Republicans – without a top-tier candidate – be able to make headway in an open-seat South Bend mayoral race in which the Democratic nominee is tied closely to outgoing Mayor Pete Buttigieg (D)? And while the June police shooting and police force diversity issues are the major political and policy issues in SB, and the murder and shootings are perhaps the top issue in the Indianapolis mayoral race, the more mundane topic of trash collection seems to be top of the list in the Fort Wayne mayoral race. Hoosier mayors can at least be glad that we don’t share the early (late February) mayoral primary election date in Illinois, where incumbents pray for no snow removal problems (40 years ago in Chicago, an incumbent lost the 1979 primary because of this).

● Hammond Republicans scrounge up a challenger to Hammond Mayor Tom McDermott, Jr. (D), who seeks a record fifth term. Edward Lipkovitch, Jr., (R), a 37-year-old engineer who ran for the Hammond City Council as a write-in candidate, is the GOP standard-bearer. The Hammond native is, like Mayor McDermott, a Navy veteran. On his WJOB 1230-AM radio show, Mayor McDermott blamed the Governor and former Rep. Dan Dumezich (R) for recruiting his opponent. Mayor Tom believes that his public criticism of new casino investor Dumezich and the Governor’s political ties to casino investors led to the GOP filling the vacancy.

IN the Presidential Race . . .

● You know the fundraising numbers are top shelf when the campaign chooses to blast out emails touting the bottom line fewer than six hours after the fundraising quarter ends and 15 days ahead of the filing deadline. That’s just what the campaign of South Bend Mayor Pete Buttigieg (D) did, with Hoosier Mike Schmuhl, still the homeboy campaign manager, dominating campaign press coverage July 1 with the news that “Over 400,000 people have invested in this campaign, and in this quarter alone, Pete for America raised approximately \$24,800,000” from more than 294,000 Q2 donors. The average second quarter contribution amount was \$47.42, giving the campaign lots of room for subsequent asks that may not be the case for other, more established beltway candidates who may have maxed out among many donors. The big bottom line was the new Demo benchmark of sorts, more than triple his Q1 fundraising total, more than any Democrat raised in Q1, and establishing him as a top-tier candidate who now has cash to spend on organization. U.S. Sen. Bernie Sanders (D-VT) brought in “only” \$24 million (\$18 million of which was actually raised from March through June; \$6 million was transferred in from previous campaign accounts) from his vaulted base, and former vice president Joe Biden (D) raised only \$21.5 million during the same quarter (with an average contribution of \$49). For wonks who want to parse the numbers, only about \$832,000 of the Team Pete take to date is restricted to spending in the general election. Buttigieg opened July with \$22.6 million in cash on hand. The *Wall Street Journal’s* Julie Bykowitz puts it in perspective for Hoosiers who may have had Mayor Pete on their radar screens for more than a decade: “Pete Buttigieg had no national network of wealthy political donors when he began his long-shot presidential run. Not six months later, he is one of the strongest fundraisers among the 24 Democrats seeking the nomination” . . . the Buttigieg bucks kept him in the national conversation in spite of lukewarm post-debate critiques . . . consultants suggest his straightforward unemotional persona, while working in most formats and interactions, does not serve him work well in debates where several candidates clamor for attention . . . U.S. Sen. Kamala Harris (D-CA) attracted more tweets than any other candidate in the second debate, according to Sprout Social data provided to Axios, which says this matters because “That online velocity is likely to translate beyond social media to polls, fundraising and other engines of momentum in the crowded field Tweets mentioning Harris’ Twitter handle generated 23% more interactions – likes, comments, retweets – than those about the next closest Democrat, Pete Buttigieg. Buttigieg generated the second-most interactions and had the most interactions per tweet” . . . hizzoner will headline the evening general session on Thursday, July 18 at the 2019 Young Democrats of America Convention in Indianapolis . . . post-debate CNN polling shows a big dip in Buttigieg numbers, well back into the single-digits and the second-tier, with just four percent (the poll’s margin of error), trailing Biden (22%), Harris (17%) Warren (15%), and Sanders (14%), falling like Biden and Sanders, while Sens. Harris and Warren gain. Similar numbers are found in a national Quinnipiac poll. A poll from USA Today/Suffolk University poll in Iowa shows Buttigieg in fifth place in that caucus state at six percent . . . seeking to engage a “sense of connection to others ... that young Americans should be able to gain without having to go to war,” Mayor Pete proposes national service via “A New Call to Service, a plan to dramatically expand service opportunities across the country” and tie them to incentives. He plans to “immediately triple service opportunities from 75,000 to 250,000, targeted towards America’s high school graduates, community college, and vocational students.”

IN Political News . . .

- Marion County Republican Party Chair **Bryce Carpenter** resigns his post effective July 30 after just seven months.
- Axios takes a deep dive into the Democratic presidential post-debate numbers for both media attention and interactions (likes, comments and shares) on Facebook and Twitter, and finds something that you should keep your eye on in the next gubernatorial race and potentially also a high-profile race such as the open CD 05 seat (we have no U.S. Senate seat up for election in 2020). Axios identifies a “gulf between the coverage that is most visible with the coverage that generates the most intense interest. Coverage that emerges from a high-profile television event can be high-volume, low-engagement, while policy proposals that can be invisible until surfacing in social feeds can have an extraordinary velocity.”
- Kentucky Democrats nominated **Sheri Donahue** (D-KY) for state auditor from a field of three candidates, one of whom, **Chris Tobe** (D-KY), was a native of Floyds Knobs. Donahue earned her BS in Industrial Engineering from Purdue University and currently serves on the Purdue Engineering Alumni Association Board of Directors. She spent 20 years working for the U.S. Navy and served as program manager for security and intelligence, and has most recently spent her career working in cybersecurity for Humana’s Enterprise Information Protection Department.
- Communications consultant **Kate Snedeker** files as an independent candidate for the Westfield City Council. She is a former House Republican caucus media director and a Daniels Administration appointee to the State Lottery Commission of Indiana.
- The Governor and Lieutenant Governor and U.S. Sen. **Mike Braun** (R) will join Evansville Mayor **Lloyd Winnecke** (R) in Evansville on August 9 for an evening fundraiser benefiting GOP city council candidates in the Pocket City.
- The Indiana Green Party (INGP) will field more candidates – six – in 2019 than the three it has in total since 2002. All six are running for city council in different communities.
- U.S. Sen. **Mike Braun** (R) uses his weekly update in late June to detail media appearances nationally that included an op-ed for the Washington Examiner “urging Democrats in Congress to put aside partisan squabbles and provide funding to relieve the humanitarian and security crisis on our southern border, which has deteriorated to the point that even the *New York Times* Editorial Board is calling for action”; Breitbart (which focused on the Braun-Scott proposal to “get Washington working for the American people again” by withholding congressional pay if lawmakers fail to pass a budget); an appearance on the *Guy Benson Show* on Fox News Radio where he delivered “his take on Mayor Pete Buttigieg’s attempts to conceal his liberal positions that ‘don’t sync with most Hoosiers’”; and a sit-down with Breitbart’s **Sean Moran** to discuss the state of populism in Washington following the 2016 presidential election and like-minded business leaders from outside the establishment in 2018. “Despite President Trump’s election and his own to Congress, Braun said he believes that populism continues to fight against the more entrenched establishment forces in Washington, D.C., including many establishment Republicans. Sen. Braun contended that many members have continued to resist necessary changes in health care, government spending, leaving the Democrats to continue beating the GOP on these and other issues.”
- U.S. Rep. **Larry Bucshon** (R) and U.S. Rep. **Raul Ruiz** (D-CA) formally introduced H.R. 3502, their bipartisan measure to amend the Public Health Service Act and Title XI of the Social Security Act to protect health care consumers from surprise billing practices. The bill features 40 cosponsors, including U.S. Reps. **Jim Baird** (R) and **Jim Banks** (R).
- U.S. Rep. **Trey Hollingsworth** (R) writes to constituents, “In February, Rep. Maloney from New York introduced H.R. 1327, the Never Forget the Heroes: Permanent Authorization of the September 11th Victim Compensation Fund Act. Currently, funding for the September 11th Victim Compensation Fund, which offers compensation for any individual who suffered physical harm or was killed as a result of the September 11 attacks, will expire in December 2020. If signed into law, H.R. 1327 would authorize funding for the 9/11 Victim Compensation Fund through Fiscal Year 2090.” His “Question of the Week: Do you support authorization of the September 11th Victim Compensation Fund Act through Fiscal Year 2090 when it comes before the full House for a vote?”

IN Brief

IN Federal Circles . . .

- U.S. Sen. **Todd Young** (R) introduces the “Investing in Main Street Act” with U.S. Sens. **Tammy Duckworth** (D-IL), and **Jim Risch** (R-ID) a measure aimed at increasing investment in small businesses by permitting banks to invest up to 15% of their capital in Small Business Investment Companies (SBIC). SBICs have invested more than \$451 million dollars in 135 Hoosier small businesses over the last 10 years, and Sen. Young lauds the SBIC program as “one of the great successes of the Small Business Administration” . . . Sen. Young continues to tour the state touting his tough stance on tobacco use and vaping by young people, and relates this anecdote to hosts **Tim George** and **Ed Breen** on WBAT 1400-AM’s *Good Morning Grant County* in Marion on June 28: “I had my 12-year-old daughter come home from a recent school function indicating that all the remaining school functions at her school had been canceled for the rest of the year because there had been e-cigarettes passed around at a recent event. Somebody evidently received one from their older brother or sister.”



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● U.S. Rep. André Carson (D) continued his years-long record of advocacy on the issue by leading more than 100 members of Congress (including U.S. Rep. Pete Visclosky (D)) in a bipartisan letter to U.S. Secretary of Transportation Elaine Chao supporting the installation of secondary cockpit barriers, and urging full implementation of safety requirements authorized last year in the Federal Aviation Administration Reauthorization Act of 2018. “Installing secondary cockpit barriers provides a cost-effective, efficient, and safe solution to an issue that is dear to our hearts: protecting the flight deck,” Rep. Carson said. “It ensures the safety of the flight crew and passengers. With the addition of these barriers, the general public will have peace of mind to know that sensible precautions have been taken to ensure their safety.” While the Federal Aviation Administration has required cockpit doors to be heavily fortified since 2001, there are no barriers in place to protect the flight deck when pilots open the compartment to stretch or use the lavatory, thus leaving the flight deck vulnerable and pilots defenseless to potential attackers looking to seize control of the plane . . . Rep. Carson is an original cosponsor of the “To Offer Refugees College Help (TORCH) Act,” introduced by U.S. Rep. Jared Huffman (D-CA). As explained by the author, the legislation would support “young refugees who have legally immigrated to the United States, fleeing war and persecution in their home countries. would expand affordable access to a college education for refugees, people who have been granted political asylum, and Special Immigrant Visa (SIV) holders who assisted U.S. armed forces from Iraq and Afghanistan, by providing for in-state tuition in the states they have made their homes.” The TORCH Act would make these individuals eligible to pay in-state tuition rates in the first state in which they live after admission to the United States . . . Rep. Carson is also an original cosponsor of a measure introduced by U.S. Reps. Chuy García (D-IL) and Ro Khanna (D-CA), the “Reward Work Act,” a companion to legislation introduced by U.S. Sen. Tammy Baldwin (D-WI). This bill addresses corporate stock buybacks in the post-Tax Cut an Jobs Act era by affording workers a voice in choosing how their companies are run by requiring public companies to directly elect one-third of the company’s board of directors and banning open-market stock buybacks.

● U.S. Rep. Jackie Walorski (R) applauded the President’s signing of the bipartisan Taxpayer First Act into law. H.R. 3151, bipartisan legislation to overhaul the Internal Revenue Service, contains legislation she introduced in the 115th Congress, the “IRS Information Technology Accountability Act,” which aims to prevent delays and cost overruns by strengthening accountability measures and codifying the role and responsibilities of the IRS chief information officer. “This is great news for the American people,” Rep. Walorski said. “It overhauls the IRS so taxpayers always come first, and it includes my legislation to bring the IRS’s antiquated IT systems into the 21st century. These commonsense reforms will build on the tax cuts that have led to bigger paychecks, more opportunity, and a simpler tax code for hardworking Americans.”

IN State Circles . . .

● Sometimes we think that we may be spending too much time telling you about litigation, but it seems as though in the past few years the courts in Indiana have increasingly become a vehicle for challenging legislation . . . or used by elected officials and interest groups as a platform of sorts for political statements within the context of lawsuits (in-state or nationally). We also find that there are many cases which might not come to your attention elsewhere, or which might only be covered by trade or otherwise specialized publications or websites that we believe you would want to learn about.

□ So while it may seem that some issues of your favorite newsletter may cover an inordinate amount of court action, we have no control over who files what . . . and whatever your view of judges as “super-legislators,” they only deal with cases and controversies filed in their respective courts, and many of them these days seem to be related to the proverbial “stuff of government.”

● The constitutionality of SEA 516-2019, which legalizes the commercial production of hemp in Indiana – but specifies that a person who possesses, manufactures, finances the manufacture of, delivers, or finances the delivery of smokable hemp commits a Class A Misdemeanor – is being challenged by the Midwest Hemp Council, Inc.; The CBD Store of Fort Wayne, L.L.C.; Indiana CBD Wellness Inc.; C. Y. Wholesale Inc.; Indy E Cigs LLC; 5 Star Medicinal Products, LLP; DREEM Nutrition, Inc.; and El Anar, LLC. In *C. Y. Wholesale, Inc., et al., v. Holcomb*, No. 1:19-cv-02659, attorneys from Bose McKinney & Evans LLP (Paul Vink, Tyler Moorhead, and Midwest Hemp Council President Justin Swanson) seek declaratory and injunctive relief from the U.S. District Court for the Southern District of Indiana.

□ The plaintiffs tell the court “This is a lawsuit challenging the constitutionality of a recent state statute that conflicts with federal law by impermissibly narrowing the federal definition of hemp and criminalizing the manufacture, financing, delivery, or possession of smokable hemp despite federal laws declaring all hemp derivatives to be legal.” They explain that the new law, which became effective July 1, exempts “smokable hemp” (which includes derivatives hemp bud and hemp flower) from the definition of “hemp” under federal law, and renders it a crime to manufacture, finance, deliver, or possess smokable hemp “even though it is a legal hemp derivative under federal law. SEA 516 also criminalizes the transport of smokable hemp despite federal law explicitly stating that states have no power to do so.” The petitioners seek a preliminary injunction, later to be made permanent, enjoining Indiana from enforcing portions of SEA 516 that criminalize the manufacture, financing, delivery, or possession of smokable hemp.

● As the discussion of a world-class intermodal port facility at Buffington Harbor in Gary continues to lose any momentum it may have had when the legislative session opened, the Ports of Indiana issues a Request for Proposals (RFP) for professional consulting services for the partially federally-funded project at the Port of Indiana-Burns Harbor in Portage for a major project. The overall project scope includes: (A) a new bulk transload facility and expansion of the east side rail yard; (B) dock and apron improvements and new west side rail yard; and (C) new truck marshaling yard, at the Port (which, unlike Gary, does not have an adjacent international airport).

● Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana issued a 53-page order in *Bernard, M.D., et al., v. Indiv. Members of the Indiana Medical Licensing Bd., et al.*, No. 1:19-cv-01660-SEB-DML, enjoining HEA 1211 from becoming effective on July 1. Judge Barker grants a preliminary injunction (without bond) sought by an Indiana University School of Medicine Clinical Obstetrics & Gynecology professor affiliated with Indiana University Health University Hospital in an action brought by the American Civil Liberties Union of Indiana, which has now been successful in nine of its past 11 lawsuits against assorted anti-abortion legislation enacted by the General Assembly (appellate courts gave the State a partial victory on to different parts of the 2016 anti-abortion law).

□ Judge Barker, a Reagan appointee, opened her ruling by observing that “In recent years, several states have adopted statutes prohibiting an abortion procedure known to medicine as ‘dilation and evacuation’ (‘D&E’) and referred to by its political opponents as ‘dismemberment abortion.’ Among these statutes is Indiana’s House Enrolled Act 1211 (‘HEA 1211’), enacted on April 24, 2019. We begin by noting that every federal court to consider these prohibitions have preliminarily or permanently enjoined them as violations of the Due Process Clause of the Fourteenth Amendment. Today, we join them,” the senior judge added. “HEA 1211 prohibits physicians from utilizing the most common, safest, often most cost effective, and best understood method of second trimester abortion, requiring instead resort to alternatives that are medically riskier, more costly, less reliable, and in some instances simply unavailable, while accomplishing little more than expressing hostility towards the constitutionally fundamental right of women to control their own reproductive lives” under *Roe v. Wade*, she explained. No more than one-dozen such procedures were performed in Indiana in 2018, according to Indiana State Department of Health data released without fanfare on June 30.

□ Attorney General Curtis Hill (R) expects to appeal the ruling to the U.S. Court of Appeals for the Seventh Circuit. “I continue to believe that Indiana has a compelling interest in protecting the value and dignity of fetal life by banning a particularly brutal and inhumane procedure,” he says.

□ Rep. Peggy Mayfield (R), who authored the measure, was equivocal in her reaction. “I’m disappointed the judge issued an injunction on a portion of the new law that would stop dismemberment abortions in the second trimester. I support the attorney general’s recent indication that the state will appeal this ruling. There are still portions of the law that do go into effect ... which includes added reporting requirements of abortion complications. This will help provide the ... most comprehensive and medically accurate data on the risks involved in these procedures. This is one more effort to protect the health and safety of Hoosier women and their unborn children” . . . Rep. Christy Stutzman (R), who “co-authored this law defending the dignity of an unborn life and providing more safety for mothers and it received bipartisan support” (three Democrats voted for it in the House; none in the Senate), said after the injunction was granted, “The federal courts’ decision to block a life-saving provision that we passed in the last legislative session is disappointing and very concerning. The brutal practice of dismemberment abortion on a living child in the womb is disturbing and has no place in Indiana Despite this ruling, I will continue to fight for those who cannot protect themselves and I am thankful that our state attorney general has challenged this ruling” . . . House Committee on Public Policy Chair Ben Smaltz (R), also a co-author and chair of the panel that vetted the measure, added on July 1, “Indiana’s unborn could have been better protected starting today. “While I am disappointed in the court’s decision and believe this is an issue of states’ rights, the remainder of the bill is intact and I am hopeful that the attorney general will vigorously appeal this ruling we now have a greater duty to continue to be the voice for those unable to speak for themselves.”

● The U.S. Court of Appeals for the Seventh Circuit schedules oral argument Thursday, July 11, in *Whole Woman’s Health v. Hill*, No. 19-2051, the case in which Attorney General Curtis Hill (R) challenges the ability of an abortion clinic to open in South Bend without a license after Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana allowed opening under a June preliminary injunction.

● The Indiana State Department of Health releases its *Terminated Pregnancy Report 2018*, and it discloses that there were 8,037 abortions in Indiana during 2018 compared to 7,778 in 2017, an increase in numbers for a second consecutive year, attributed by Indiana Right to Life to the 2016 ultrasound law “which is now before the U.S. Supreme Court, remain[ing] blocked by an activist judge.” The new ISDH data show that almost two-thirds (65%) of the increase in abortion numbers is due to non-Indiana residents.

□ The report details that “The average age of a woman who obtained a termination was 26.7 years (SD = 6.2) with a median age of 26 years. White women made up the majority of those who sought terminations. Of the women seeking terminations in 2018, 85.34% were unmarried and 36% had a high school diploma or GED. More than half (55.6%) of all terminated pregnancies occurred during weeks 7-8 gestation with most seeking termination during the 7th week of gestation. Surgical terminations were reported more frequently than non-surgical terminations. Almost one-third of women reported at least one previous terminated pregnancy. Marion County had the highest number of terminations,” followed by Lake County. Chemical abortions continue to rise. In 2017 the state recorded 2,805 such abortions (36%), a number which rose to 3,296 in 2018, comprising 41% of all abortions.

□ Indiana Right to Life observes that “from July through December 2016, while the ultrasound law was in effect, there were 3,317 abortions in Indiana. During the same period of July through December 2017, after the ultrasound provision was blocked, abortions spiked to 3,813 in Indiana, a 13 percent increase compared to 2016.”

● A new Indiana University Public Policy Institute report prepared for the Indiana Criminal Justice Institute not only finds “high” rates of fatal crashes involving drugged drivers – but that among drivers killed in fatal collisions (who had reported drug and alcohol test results), a greater percentage (45%) tested positive for one or more drugs than the percentage (38%) who were alcohol-impaired. In 2018, alcohol-impaired drivers were involved in only 1.6% of Indiana property damage crashes and 3.2% of injury crashes, but fully 8.0% of fatal crashes. There were 83 people killed in alcohol-impaired collisions, representing 10% of Indiana traffic fatalities. Approximately one-quarter of passenger car drivers and motorcyclists in Indiana’s 2018 fatal collisions were alcohol-impaired. Rates of alcohol-impaired crashes in Indiana were highest on weekends between midnight and 4:00 a.m., the same time when the rate of traffic deaths and serious injuries were highest. Vehicle drivers (and not passengers) comprised two-thirds of road users killed in alcohol-impaired crashes; some 75% of alcohol-impaired drivers in fatal crashes were male.

● A new call for projects is open in the Community Crossings grant program for shovel-ready local road construction projects, open to all local government units in the State of Indiana. Community Crossings is part of the Next Level Roads program, the State’s 20-year, fully funded plan to enhance highways and local roads. Projects eligible for Community Crossings funding include road resurfacing, bridge rehabilitation, road reconstruction, and Americans with Disabilities Act (ADA) compliance in connection with road projects. Material costs for chip-sealing and crack-filling operations are also eligible for funds. Proposals submitted to the Indiana Department of Transportation for funding will be evaluated based on need, traffic volume, local support, the impact on connectivity and mobility within the community, and regional economic significance.

- The beleaguered Indiana Department of Veterans' Affairs recalls a proposed rule that would establish qualifications and criteria to receive grants for veterans' services, a program that was the subject of numerous investigative report by the Indianapolis print and television media.

- Department of Child Services Director Terry Stigdon issues a statement responding to the federal class action lawsuit filed against her agency. From the relevant core of her video statement: "It is easy to cherry-pick our most challenging cases to support a narrative suggesting this is every child's experience, when in reality, the average number of homes a foster child lives in while in DCS care is two. And we will continue to work toward permanency for every child. While I cannot comment on the details of pending litigation, I feel it is important to assure our communities of our commitment to protecting Indiana's most vulnerable children. In that vein, there are some recent changes in our agency that are critical to highlight - and keep in mind this is hardly an all-inclusive list. Our agency has undergone a transformation since I stepped into this position 18 months ago. Put frankly, DCS is simply not the agency it used to be. And continuing to rely on an outdated inflammatory account is misleading and harmful to children and their families."

□ Stigdon adds, "The child welfare system is far from perfect, but Indiana is steadfastly moving in the right direction. As people who work tirelessly every day to protect children, we assure you we understand the frustration that change is not instantaneous. We, too, would like to see things change overnight. The complete turnaround of a 4,600-person agency currently serving more than 22,000 children takes deliberate and persistent effort. Anything less would suggest superficial change - and that's not the promise we made to Hoosier children and their families."

- In Official Opinion No. 2019-4, released last week by the Office of the Attorney General, the AG's Office answers a question presented by the chair of the Indiana State School Bus Committee and the director of transportation for the Indiana Department of Education about liability issues arising from the use of extended school bus arm signal devices.

□ The question presented: To whom does liability attach should the State School Bus Committee approve an extended stop arm or arm signal device for a school bus and a driver of a motor vehicle, in violation of Ind. Code § 9-21-12-1, hits the arm signal device? The brief answer: "Indiana law prohibits the driver of a motor vehicle from passing a school bus in either direction when a school bus arm signal device is in use. A driver of a motor vehicle who passes a school bus when an arm signal device is in use would be liable for any resulting property damage or personal injury."

- The Indiana Department of Insurance will hold a public hearing July 29 on annual privacy notices to customers. The proposed amendments clarify that a licensee of the Department subject to the annual notice requirement is not required to provide annual privacy notices when the licensee has not changed its policies and practices which were disclosed in its most recent notice to consumers.

- On August 13, the Division of Mental Health and Addiction will be hosting a provider meeting at the Indiana Government Center South Conference Center. You can expect the topics covered to include updates on Medicaid and documentation; a review of Indiana's American Society of Addiction Medicine (ASAM) expectations; and availability of tobacco resources.

- New numbers released Monday by the Indiana Department of Transportation reveal that the I-80/I-94 (Borman Expressway) in Indiana carries a prevailing annual average daily traffic (AADT) of 180,000, ranging from 170,000 to 200,000 vehicles per day. Heavy trucks generally comprise 30% of the daily traffic stream, and 20% of peak-hour traffic.

- The Indiana Supreme Court weighs in on some technical issues involving the Indiana Utility Regulatory Commission and interpretation of the controversial Transmission Distribution System Improvement Charge (TDSIC) in *NIPSCO Industrial Group v. Northern Indiana Public Service Co., et al.*, No. 18S-EX-475. The 2013 TDSIC statute allows power companies to collect upgrade costs immediately from customers in certain circumstances rather than through the regular lengthy IURC base rate increase procedures.

□ In a 3-2 ruling, the Supremes side with the Commission, reversing an intermediate appellate court opinion in favor of NIPSCO's major industrial users (recall that NIPSCO has a larger industrial base than any other state utility). The majority holds that the Commission's findings are sufficient to support the agency's ruling.

□ "Here," the majority opinion explains, "the process started off well but eventually broke down. The parties to this appeal agreed to two expansive, multi-year settlements regarding rates and infrastructure investments under the TDSIC Statute, and they asked the Commission to approve the agreements, which it did. These agreements specified how, in the utility's periodic petitions to the Commission, rate increases should be calculated and allocated among the utility's various rate classes. Despite being a party to the underlying agreements, a group of some of the utility's largest industrial customers opposed the utility's second periodic petition, arguing that the utility's rate calculation and allocation based on the underlying agreements was contrary to the TDSIC Statute. The Commission rejected this argument, and the customer group sought judicial review. This case, at its core, involves a party to and proponent of two complex administrative settlement agreements raising a challenge to specific parts of those settlements in a later proceeding. Concluding that the customer group is estopped from raising this delayed challenge and further concluding that the Commission's order contains sufficient findings, we affirm the Commission."

□ As framed by the Court, "The primary issue in this appeal is whether the Commission improperly approved of the use of customer class revenue allocation factors based on total load rather than firm load as required by the TDSIC Statute. See I.C. § 8-1-39-9(a)(1) (requiring that Section 9 petitions 'use the customer class revenue allocation factor based on firm load approved in the public utility's most recent retail base rate case order'). The Industrial Group also presents us with a secondary argument challenging whether the Commission's TDSIC-2 order contained specific findings supporting its ultimate conclusion in approving the TDSIC-2 petition."

□ Justice Geoffrey Slaughter dissents, joined by Justice Steven David. Justice Slaughter explains, "this case concerns an issue of law the court of appeals decided correctly, and not a matter of regulatory discretion warranting agency deference. On the merits, I agree with the court of appeals that the utility regulatory commission exceeded its statutory authority by approving a rate adjustment based on allocation factors computed on total load rather than firm load. I would either deny transfer or summarily affirm the court of appeals' opinion."

● Just as a new study by WalletHub ranks Indiana sixth on a list of most energy-expensive states in the nation, Duke Energy files a request to increase rates with the Indiana Utility Regulatory Commission. The proposed new rates – an overall average increase of $\approx 15\%$ averaged across all customer classes – will be directed toward a range of upgrades, improvements, and innovations. If approved, the increase will be added to bills in two steps, $\approx 13\%$ in 2020, and the remaining two percent in 2021. If approved by the Commission (action is anticipated by Summer 2020), Duke's average residential customer using 1,000 kilowatt-hours per month can expect a monthly bill increase of approximately \$23, about \$275 annually. Duke's residential customers would bear the brunt of increase according to the rate hike request:

Customer Class	Average Rate Increase
Residential	19.0%
Commercial	16.7%
Industrial Low Load Factor	16.3%
Industrial High Load Factor	11.3%

□ Duke cites as key drivers of the increase request the addition of almost 100,000 users to its 840,000 customer base since the last full-scale rate review; the expense of transitioning to cleaner energy and advancing the retirement dates for some of its coal-fired power units; investments in tree-trimming and vegetation management and replacing some wooden poles to as well as adding line sensors to increase reliability and reduce power outages; costs of managing coal ash and closing coal ash basins (even as the Trump Administration revealed last week that it will not impose an Obama era proposed rule to protect against coal ash spill costs); and continued installation of smart meters.

● In the last issue of our Hannah sister newsletter, *INDIANA GAMING INSIGHT*, we tipped that draft sports wagering regulations were likely to be released last week by the Indiana Gaming Commission. Sure enough, the Gameboys posted a 26-page draft set of regulations for retail sports wagering (mobile wagering will likely have to take a back seat to allow in-person bricks-and-mortar sports betting operations to open by the September 1 target date) for informal stakeholder review and input on Tuesday, fewer than eight weeks after the organic legislation was signed by the Governor. Public comment on the proposed framework is open until August 1.

□ Two big discretionary decisions: The Commission draft does not require use of official league or sanctioning body data to settle any type of wager ... and there seems to be a need for operators to work with an "independent integrity monitoring provider."

IN the Economy

● The May unemployment rate in Indiana remained unchanged from April at 3.6%, stagnant for the third month in a row after March's one-tenth of a percentage point increase from February's 3.5% - marking the only change in the unemployment rate since May 2018. The Indiana unemployment rate has not improved for 17 months, since November to December 2017 - the longest stretch of no improvement we have endured on record. May sees a marginally higher unemployment rate than the 3.5% unemployment rate one year earlier (up by 0.1 percentage point).

□ By contrast, the national unemployment rate has seen a decrease by two-tenths of a percentage point since May 2018, and has now been tied with Indiana since April 2019 at 3.6 percent. Before April, with the exception of one month (October 2014, at a hefty 5.7%), Indiana's rate had held below the national rate for a remarkable 66 months.

□ Indiana is tied for 25th nationally among all the states And Washington, D.C. in lowest unemployment rates – down from 23rd in April – and down five places from our 2019 best ranking, posted in January (when we were tied for the 20th lowest rate). There were 25 states (including Washington D.C.) with higher May unemployment rates than Indiana. There were 24 states with a lower unemployment rate than the national rate in May; Indiana and three other states tied the 3.6% U.S. unemployment rate (which also remained steady from April).

Monthly Unemployment Rates, Indiana vs. Neighbors

	05/19	05/18	04/19	03/19	02/19	01/19	Monthly	Annual
Indiana	3.6%	3.5%	3.6%	3.6%	3.5%	3.5%	0.0%	0.1%
Illinois	4.4%	4.3%	4.4%	4.4%	4.3%	4.3%	0.0%	0.1%
Kentucky	4.0%	4.4%	4.0%	4.0%	4.1%	4.2%	0.0%	(- 0.4%)
Michigan	4.1%	4.2%	4.1%	4.0%	4.0%	4.0%	0.0%	(- 0.1%)
Ohio	4.2%	4.6%	4.3%	4.4%	4.6%	4.7%	(- 0.1%)	(- 0.4%)
National	3.6%	3.8%	3.6%	3.8%	3.8%	4.0%	0.0%	(- 0.2%)

□ None of our surrounding states sustained increases in the unemployment rate from April to May. Indiana, Illinois, Kentucky, and Michigan saw rates stay unchanged, while Ohio enjoyed a decrease for the fourth straight month. Indiana remains at the top of the pack for lowest unemployment rates compared to our neighbors for a 33rd consecutive month.

□ Indiana has now experienced over-the-year growth in the unemployment rate for a seventh consecutive month, up by 0.1 percentage points from May 2018 benchmarked data. Indiana is joined only by Illinois in experiencing an increase from prior-year rates, while Kentucky, Michigan, and Ohio all enjoyed over-the-year decreases for the month of May. The Indiana unemployment rate is, however, still 7.0 percentage points lower than the 10.6% rate in July 2009, the high point of unemployment experienced in the state during the national financial crisis.

□ While our neighboring states have seen their respective unemployment rates decline (with the exception of Illinois remaining stagnant) since the beginning of 2018, Indiana has seen a growth of 0.3 percentage points. Since the new administrations respectively took office in Indiana and nationally, our unemployment rate is down by 0.2 percentage points, which continues to be a less impressive decrease than that which any of our neighbors recorded ... and while we can no longer claim that our rate is at the lowest it had been since 3.1% in December 2000, it does remain lower than that of any of our neighbors for a period quickly approaching three full years. The gap between Indiana's May unemployment rate and that of our closest neighbor-state remains at 0.4 percentage points for the third consecutive month.

Rate of Change in Unemployment Rate

	05/19	01/18	01/17	vs. 01/18	vs. 01/17
Indiana	3.6%	3.3%	3.9%	0.3%	(- 0.3%)
Illinois	4.4%	4.4%	5.2%	0.0%	(- 0.8%)
Kentucky	4.0%	4.3%	5.2%	(- 0.3%)	(- 1.2%)
Michigan	4.1%	4.5%	5.0%	(- 0.4%)	(- 1.1%)
Ohio	4.2%	4.5%	5.2%	(- 0.3%)	(- 1.0%)
National	3.6%	4.1%	4.8%	(- 0.5%)	(- 1.2%)

□ The number of May unemployment claims (14,296) fell by 20% from April claims (17,914), sliding down to the lowest level to date in 2019, likely because of the impact of seasonal hiring. Unemployment claims have decreased by 40% since they hit a high this year in February (23,992).

□ Indiana's total labor force – the number of people who have a job or are actively looking for one – fell for the first time in 14 months, experiencing a net decrease of 10,677 individuals. The Department of Workforce Development attributes the loss to a decrease of 2,312 unemployed residents and 8,365 additional employed residents in the state.

□ Indiana's seasonally adjusted total labor force now stands at 3,404,900, down from the record high of 3,415,523 set in April – and the first decline we have seen in more than two years (27 months) . . . potentially a sign of concern about the direction of the economy. This follows Indiana's overall April-to-May decrease in the total labor force. An estimated 98,798 Hoosiers are currently unemployed and seeking employment, down by 5,155 from 103,958 in April (and a decrease of 9,797 from a benchmarked 108,595 in May 2018).

□ The state's 65.0% labor force participation rate decreased slightly from April's 65.08%, but remains above the national rate of 62.8% (which was unchanged). Indiana's labor force participation rate has now outperformed the national average for five full years – 60 consecutive months.

□ After nine successive months of expansion from June 2018 to March 2019, private sector employment in the Hoosier state finally declined in April and continued downward in May. Total private employment saw an over-the-month decrease of 1,200 – a second straight month of decline; however, private sector employment has increased by 32,900 over the year. The over-the-month decrease brings total private employment down to 2,742,100, which is still 10,000 above the December 2018 peak. The Department of Workforce Development attributes the monthly decrease principally to losses in the Leisure and Hospitality (- 1,000, while Kentucky's leisure and hospitality sector added 1,800 positions from April to May) and Financial Activities (- 900) sectors, but cites gains in the Manufacturing (900) and Private Educational and Health Care Services (900) sectors as offsetting factors. There were 3,269,725 Hoosiers employed overall during May, down from 3,303,027 in April and 3,295,784 in benchmarked May 2018 numbers.

□ Vermillion County led the state in May unemployment rates, at 4.5% unemployment, down from 5.1% in April, and down by 2.5 percentage points from its 2019 high of 7.0% in February. Lake County rises back up to the second highest unemployment rate in the state at 4.1%, with Howard and Miami Counties' falling back from their respective top two spots in April, down to 16th and 19th respectively for May (Howard County continues its trend of leading the state in a given month and then falling well back on the ladder in the next month). Fayette and Sullivan counties take the third and fourth place spots for May with 3.9% and 3.8% unemployment respectively. In January, 50 counties were above the 4.0% threshold. Rates for the highest unemployed counties dipped drastically from April to May, with only two counties above 4.0%, compared to nine counties in April (of which, four were over 4.5% and three were over 5.0%).

□ Fifty-five Hoosier counties enjoyed an unemployment rate below 3.0% for May, up by five from April. Dubois County takes the honors for lowest unemployment at 2.1%, with Gibson and Bartholomew counties tied for second best at 2.2%, after Bartholomew gained one-tenth of a percentage point from April. Recall that no counties were below 3.0% unemployment in January, with only two hitting 3.0 exactly. Besides the April 2019 showing, the last time a majority of counties (52.17%, or 48 counties) were below 3.0% was one year earlier, in April 2018.

● In accordance with HEA 1001-2019, marketplace facilitators must register and collect Indiana sales, county innkeeper's and food and beverage taxes (if applicable) effective July 1, 2019.

□ Marketplace facilitators are businesses or people who: (1) own, operate, or otherwise control a "marketplace;" and (2) facilitate a retail transaction. Marketplaces can be either physical or electronic. The seller's products may include tangible personal property, specified digital products, rooms, lodgings, or accommodations, or enumerated services. A "marketplace" means a business that is: (1) Listing, making available, or advertising products; (2) Transmitting or otherwise communicating an offer or acceptance of a retail transaction of products between a seller and a purchaser; (3) Providing or offering fulfillment or storage services for a seller; (4) Setting prices for the seller's products; (5) Providing or offering customer service to a seller or a seller's customers, or accepting or assisting with collecting and taking orders, returns, or exchanges of products sold by a seller; or (6) Branding sales as those of the marketplace facilitator.

□ Marketplaces facilitate transactions when they do any of the following on behalf of a seller: (1) Collect the sales price or purchase price of the seller's products; (2) Provide access to payment processing services, either directly or indirectly; or (3) Charging, collecting, or otherwise receiving fees or other consideration for transactions made on its electronic marketplaces.

● A state government sector profile released by Moody's Investors Service at mid-year finds that 30 out of the 50 states reduced their net tax-supported debt (NTSD) in the past year. Indiana ranked as the 14th-lowest state for net tax-supported debt at \$1,804,332,000, while ranking 21st for lowest gross tax-supported debt at \$4,216,187,000 (net to gross ratio of 2.34). The mean NTSD was \$10,461,320,000 (net to gross ratio of 2.05), while the median was \$4,146,966,000 (ratio of 1.30). Median NTSD as a share of personal income fell to 2.2%, a 16-year low. Indiana has the sixth lowest debt per capita, with NTSD as a percentage of 2017 personal income at 0.6 percent. Continued decline of this ratio is thought to indicate expanded economic capacity to service long-term obligations,

□ State median debt service ratios – the revenue flow available to pay current debt obligations – has increased slightly from 2017, up one-tenth of a percentage point in 2018, now sitting at 4.1 percent. This ratio peaked in 2014 at 4.4%, with the average debt service ratio for states at 4.3% in 2018. The range of debt service ratios for states expands from 0.1% (Wyoming) to 13.5% (Connecticut). Indiana has the fifth-lowest debt service ratio among the 50 states, sitting at 1.1% in FY 2018 – down one-tenth of a percentage point from FY 2017 and FY 2016. Moody's analysts observe that continued low debt service ratios over time can free up resources to address pension liabilities, which are generally much larger than net tax-supported debt.

- Compound annual per capita income growth in Indiana has increased at a faster pace during the first nine quarters of the Trump Administration (3.3%) than in the last term of the Obama Administration (2.6%).
- The Indiana Field Office for the U.S. Department of Agriculture National Agricultural Statistics Service estimates Indiana's total hog and pig inventory on June 1 at 4.25 million head, up 300,000 head from one year ago.
- A U.S. Department of Agriculture projection suggests that 91.7 million acres of corn have been planted this year, higher than the 89.1 million acres planted at the same point in 2018. Indiana is estimated to have actually planted more corn this year than last year according to the report, despite the incessant rains and flooding. The outsized estimates roiled the commodity futures markets, and USDA says it will take another stab at the corn acreage forecast in several states, - including Indiana - which seemed to defy credulity.
- Lieutenant Governor Suzanne Crouch (R), in collaboration with the Indiana State Department of Agriculture, Indiana Office of Tourism Development and Indiana Economic Development Corporation, follows up a trade mission to Canada by leading a delegation of Indiana agriculture and tourism leaders to Mexico to develop economic partnerships, strengthen agricultural ties, and showcase Indiana as a tourism destination. The delegation was scheduled to depart Indiana on Sunday, July 7, and return on Thursday, July 11.
- Agricultural producer sentiment rebounded in June as farmers' expressed a more optimistic outlook toward the future of the ag economy, according to the Purdue University/CME Group Ag Economy Barometer, based on a mid-month survey of 400 agricultural producers across the nation. The increased Purdue index rose to a reading of 126 in June, up 25 points from a record plunge from April to May. Regardless, the past three months have produced the lowest combined index levels since July -September 2018.

□ Both of the barometer's sub-indices, the Index of Current Conditions and the Index of Future Expectations, improved in June compared to the prior month. The largest increase was in the Future Expectations Index, which rose 33 points compared to a 13-point improvement in the Current Conditions Index.

□ The rise in the Index of Future Expectations effectively wiped out the two-month decline in future expectations during April and May, pushing the index back up to the level observed in March. This, however, stands in contrast to agricultural producers' sentiment regarding current economic conditions which, although improved from May, remained well below that of earlier this Spring. The June reading of the Index of Current Conditions stood at 97, which was still 23 points lower (- 20%) than in March.

● The State's contract economic consulting firm, IHS Markit, told members of the State Budget Committee as part of the revenue collection forecast in April to keep an eye on new car sales and general manufacturing statistics as the canary in the Hoosier coal mine that could indicate an economic downturn.

□ IHS Markit's principal automotive analyst reviewed June's new car sales and found a "modestly declining market," and according to the seasonally adjusted IHS Markit final U.S. Manufacturing Purchasing Managers' Index, "June data signaled a further near-stagnation of operating conditions across the U.S. manufacturing sector. The rate of overall growth held close to May's near-decade low."

● TASUS, a supplier of plastic molded components, decals and nameplates, and distributed products to the global automotive market, announces that it plans to renovate its 30-year-old manufacturing plant and North American headquarters in Bloomington. TASUS, a subsidiary of the Japan-based Tsuchiya Group, explains that "with the investment and focus on this renovation, we find it necessary to delay our plans to build our Design and Development Center and Headquarters in the Trades District. And while we still hope for this in the future, it did not seem the right decision to hold onto valuable land that might benefit another employer and creator of jobs in the Trades District, and thereby benefiting our City" - which does not sound like the company plans to follow through on the build-out of the \$9.2 million project at the former Showers Furniture Company complex that was scheduled to commence more than one year ago. The Indiana Economic Development Corporation offered TASUS Corporation up to \$300,000 in conditional tax credits and up to \$43,750 in training grants back in 2016, when the project, which was expected make TASUS the first private investor in the city's downtown technology park and create almost 20 new jobs, was announced, and the City of Bloomington sold almost an acre in the complex to TASUS for \$1. TASUS top exec **Melanie Walker**, who announced the decision to reverse course, was appointed to the IEDC Board of Directors and the Indiana University Board of Trustees during the Pence Administration (she was just reappointed to the IU board at the end of June).

● Universal Dedicated of Fort Wayne, a full-service provider of customized transportation and logistics solutions and a wholly owned subsidiary of Universal Logistics, plans to invest \$25 million to expand its Indiana footprint, building out approximately 10 acres in Roanoke to serve as a holding yard and house transportation assets and dispatch operations offices. Universal Dedicated expects to create up to 130 new jobs in Allen County by the end of 2020. The Indiana Economic Development Corporation offers Universal Dedicated up to \$1.35 million in performance-based tax credits. Northeast Indiana Works will provide hiring and training assistance. The Allen County Board of Commissioners offers other support.

IN Transition

● Dr. Katie Jenner will succeed Dr. Lee Ann Kwiatkowski as the Governor's senior education advisor Dr. Kwiatkowski leaves state service to become the director of public education and CEO of Muncie Community Schools. The Governor also recommends State Board of Education Chief of Staff **Brian Murphy** replace Dr. K as SBOE's executive director.

□ Dr. Jenner began her career in K-12 public education in 2005 as a career and technical education teacher in Kentucky. From 2009 to 2018, she worked for Madison Consolidated Schools as an assistant principal and assistant superintendent. Since then, she has served as vice president of K-12 initiatives and statewide partnerships for Ivy Tech Community College, leading statewide college strategies toward partnerships between K-12, Career Centers, and Ivy Tech. Dr. Jenner also serves on the Next Level Teacher Compensation Commission.

● Erin Lahr, who has worked for the Department of Child Services for almost 10 years in several different roles, is the new DCS deputy general counsel. In this position, Lahr will provide legal advice and ensure the agency remains in compliance with state and federal laws and regulations. Her promotion comes at a time when DCS is working to strengthen and reorganize its legal division. Lahr previously served as an administrative law judge for DCS and as a local office staff attorney.

● **Adarsh Mantravadi** recently departed the Office of the Governor after several years of public service across multiple administrations, most recently as senior director of policy and research. He joins TechPoint as an expert in residence.

● The Governor makes a series of new appointments and reappointments to various state boards, commissions, and task forces: Board of Registration for Soil Scientists - four new appointments including: **Robert Jones** of Carlisle, project manager with the Indiana Department of Natural Resources; **Jessique Haeft** of Huntington, assistant professor of natural resources at Ball State University; **Rebecca Langford-Willis** of Evansville, owner of Rebecca Langford LLC; and **Linda Mauller** of South Bend, former environmental director with the St. Joseph County Health Department; and one reappointment to the board, **Thomas Eickholtz** of Kendallville, soil consultant with Eickholtz, Inc., all of whom will serve until June 30, 2023 . . . Environmental Rules Board - one new appointment, **Michael Schuler** of Sellersburg, president of Schuler Homes, Inc., who will serve until June 30, 2023 . . . Indiana Election Commission - one new appointee, **Paul Okeson** of Fishers, executive vice president of Garmon Construction Services, who will serve until July 1, 2021 and also chair the commission. **S. Anthony Long** of Boonville, founder of the Long & Mathies Law Firm, was reappointed, and will serve as vice chair, also through July 1, 2021 . . . Indiana Public Retirement System Board of Trustees - two reappointments, **State Auditor Tera Klutz (R)** and **State Treasurer Kelly Mitchell (R)**, who will serve until June 30, 2023 . . . Indiana State Board of Education - three new appointments, including **William Durham** of Indianapolis, director of The Excel Center-Meadows (June 30, 2021); former Sen. **Pete Miller (R)** of Avon, director of business intelligence for IU Health Revenue Cycle Services (June 30, 2023); and **Kristin Rentschler** of Columbia City, teacher at Columbia City High School (June 30, 2023) . . . Indiana Housing & Community Development Authority Board of Directors - one new appointment, **G. Michael Schopmeyer** of Evansville, partner with Kahn, Dees, Donovan & Kahn, LLP, who will serve until June 30, 2022 . . . Land Resources Council - one new appointment, **Shelbyville Mayor Tom DeBaun (R)**, who will serve until June 30, 2023 . . . Nonemergency Medical Transportation Commission - 12 appointments to the new commission, including: **Lorraine Bigsbee** of Indianapolis, representing fee-for-service recipients; **Sarah Chestnut** of Indianapolis, director of public policy and technical assistance with INARF; **Dr. Michael Kaufmann** of Brownsburg, EMS Medical Director for the State of Indiana; **Gary Miller** of Highland, former owner of PROMPT Medical Transportation; **Andrew VanZee** of Indianapolis, vice president of operational improvement and technology at the Indiana Hospital Association; and **Rob Zachrich** of Atlanta, GA, COO of Southeastrans, all for terms expiring June 30, 2021, and **Kim Dodson** of Westfield, executive director of The Arc of Indiana; **James Fry** of Clay City, CEO of Steadfast Transportation, LLC; **Sherri Hampton** of Morgantown, vice president of field accounting with American Senior Communities; **Kristen LaEace** of Indianapolis, CEO of the Indiana Association of Area Agencies on Aging; **Amanda McClure** of Carmel, Indiana regional lead social worker with Fresenius Kidney Care; and **Dr. Jennifer Walthall**, director of the Family and Social Services Administration, all for terms expiring June 30, 2023. The Governor has also designated **Dr. Walthall** as chair of the commission . . . Probate Code Study Commission - nine appointments to the new commission, all for terms to expire June 30, 2021, including: **James Carlberg** of Carmel, partner with Bose McKinney & Evans LLP; **Judge J. Terrence Cody** of New Albany, of the Floyd County Circuit Court; **Barry Cushman** of Notre Dame, John P. Murphy Foundation Professor of Law, University of Notre Dame Law School; **Donald Hopper** of Indianapolis, partner with Harrison & Moberly, LLP; **Jeffrey Kolb** of Vincennes, senior partner with Kolb Roellgen & Kirchoff LLP; **James Martin** of Merrillville, attorney with Martin & Martin; **Sara Shade** of Muncie, attorney with Beasley & Gilkison, LLP; **Kip White** of Covington, attorney with Fountain Trust Company; and **Cindy**

Wolfer of Fort Wayne, an associate with Rothberg Logan & Warsco . . . School Accountability Panel - two appointments to the new panel, **Jody French** of Leopold, principal of Perry Central Jr./Sr. High School; and **State Board of Education Chair B.J. Watts** of Evansville, a teacher and coach with the Evansville Vanderburgh School Corporation, both of whom will serve until December 31, 2021 . . . Women's Suffrage Centennial Commission - seven appointments to the new commission, each of who will serve until June 30, 2021, including: **Keira Amstutz** of Indianapolis, president and CEO of Indiana Humanities; **Elaine Bedel** of Indianapolis, president of the Indiana Economic Development Corporation; **Kathy Cabello** of Indianapolis, owner of Cabello Associates; **Joyce Rogers** of Indianapolis, vice president for development and external relations for the Office of the Vice President for Diversity, Equity, and Multicultural Affairs at Indiana University; **Danielle Shockey** of Carmel, CEO of Girl Scouts of Central Indiana; **Judy Singleton** of Indianapolis, co-founder of Singleton Associates, LLC; and **Rose Wernicke** of Indianapolis, president of the Indianapolis Propylaeum. The Governor also designated Lieutenant Governor **Suzanne Crouch (R)** to chair the commission.

● **First Lady Janet Holcomb** will serve as chair of the Indiana Conference for Women which convenes Thursday, November 7 at the Indiana Convention Center in Indianapolis for what it bills as "the largest Midwest one-day professional development event for women, by women."

IN the Lobby

● **Jeffrey O'Connor**, vice president of Alex N. Sill Company, LLC, is elected president of the National Association of Public Insurance Adjusters (NAPIA) for its 2019-2020 term. NAPIA, based in Potomac Fall, Virginia, is the professional association for public adjusters representing businesses and individuals with property insurance claims.

● **Faegre Baker Daniels Consulting** files a new federal lobby registration on behalf of the Vero City, Florida-based **George E. Warren Corporation**, involved in the "Fuel manufacturing" business, to lobby Congress on "FUE."

● The Washington, D.C. government relations firm **Invariant LLC** files a federal lobby registration on behalf of the "Business processing solutions and federal student loan servicer" **Navient Solutions, LLC**, based in Fishers. **Nicole Venable**, a one-time staffer to former U.S. Rep. **Lee Hamilton (D)** is one of three lobbyists on the Navient account.

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CENSUS COULD MEAN \$18B FOR INDIANA: Nearly \$18 billion is on the line for Indiana — roughly \$2,710 per person. That's how much in annual federal funding the state receives based on population data from the U.S. Census Bureau ([Columbus Republic](#)). And those population numbers are about to change. The Census is preparing to launch its 2020 count, and the data collected will determine how much the state could receive for the next 10 years. The fewer people counted, the less money allocated to Indiana's 6.7 million residents. The dollars fund giant programs like Medicaid, food stamps, federal student loans and highway projects, but also things like low-income housing, school lunches, foster care and adoption support, and unemployment insurance administration. The census affects political redistricting, congressional apportionment and even where businesses might decide to locate. That's why — even though the first census mailings are still months from landing in mailboxes — some local and state leaders have been busy helping the Census Bureau update addresses and brainstorming ways to encourage participation. "The challenge is, if we don't get everybody counted in Indiana, that's never good for us," said Carol Rogers, deputy director of the Indiana Business Research Center and the governor's liaison to the census. "Let's get our fair share back from Washington. Let's make sure we get our fair share of congressional seats."

TRUMP JOB APPROVAL AT ITS HIGH IN ABC/WAPO POLL: Bolstered by a strong economy, Donald Trump reached the highest job approval rating of his career in the latest [ABC News/Washington Post](#) poll and runs competitively for re-election against four of five possible Democratic contenders. Yet he remains broadly unpopular across personal and professional measures, marking his vulnerabilities in the 2020 election. Forty-four percent of Americans approve of Trump's overall job performance, up a slight 5 percentage points from April and 2 points better than his peak early in his presidency. Among registered voters, his approval is 47%. Still, 53% disapprove, keeping him at majority disapproval continuously for his first two and a half years in office, a record for any president in modern polling.

BIDEN LEADS TRUMP BY 10%: Even while it's up, President Trump's historically low approval rating makes him vulnerable in the 2020 elections — but hardly a pushover, according to the [ABC/Washington Post Poll](#). Among all adults (there's plenty of time to register to vote), Joe Biden leads Trump by 14 points. But that narrows among the other four Democrats tested against Trump in this poll — an 8-point lead for Kamala Harris, a slight 7 points for Elizabeth Warren, 6 for Bernie Sanders and 4 for Pete Buttigieg. The latter two don't reach statistical significance. Among registered voters, moreover, Biden still leads, by 10 points, but the other races all tighten to virtual or actual dead heats — Trump a non-significant -2 points against Harris, -1 against Sanders and exactly tied with Warren and Buttigieg.

BUTTIGIEG RAMPS UP HIS STAFF: Before the first Democratic presidential debates kicked off last week, close to 100 Pete Buttigieg supporters and donors sheltered from the Miami heat in a Hilton hotel conference room, where Buttigieg's senior staff briefed them on the campaign's transformation from shoe-string operation to \$25 million enterprise (*Politico*). The officials didn't reveal Buttigieg's field-leading second-quarter fundraising total then, but what they did discuss is more important in the long run: how Buttigieg plans to spend the money. For months, the South Bend, Ind., mayor has run one of the more frugal 2020 campaigns, eschewing on-the-ground organizers in early caucus and primary states and instead focusing on fundraising, media appearances and the candidate's travel. But Buttigieg is now rapidly expanding his campaign's footprint to try and build on his gains in the first half of the year. In Iowa, Buttigieg's campaign added 30 organizers at the end of June, filling out what had previously been a four-person skeleton crew. A dozen staffers are now on board in New Hampshire. And by the end of the summer, there will be many more: The campaign plans to swell its staff to 300 people by Labor Day, according to multiple people briefed on its plans. "The whole point of all that fundraising is making sure we have the organization we need to win," Buttigieg continued. "Obviously, we've got great news on that front. Now we've got to get to work."

BUTTIGIEG'S BLACK SUPPORT FELL IN 2015 REELECT: As Mayor Pete Buttigieg contends with the fallout from the shooting of a black man by a white police officer in his city, a POLITICO analysis of data from his earlier mayoral elections shows he struggled to win the confidence of the city's black voters following a series of controversies in his first term (*Politico*). Detailed precinct results from South Bend's 2011 and 2015 mayoral races show Buttigieg repeatedly lagging behind black primary challengers in many of western South Bend's predominantly black neighborhoods. And while Buttigieg still managed to win those precincts in two general elections against white Republican opponents, his support in these areas fell after his first term. In the 2011 general election, Buttigieg had some of his highest margins of victory in these neighborhoods — a typical result for a Democrat facing a Republican opponent in South Bend. But by 2015, western South Bend gave him his weakest results after his support plunged by more than 20 points in some precincts.

QUESTIONS RAISED ABOUT SGT. O'NEILL'S FUNDRAISING: An online Fraternal Order of Police fundraiser has now collected more than \$75,000 for South Bend police Sgt. Ryan O'Neill — ostensibly to help defend the officer in court after his fatal shooting of Eric Logan last month (Sheckler, [South Bend Tribune](#)). But whether O'Neill will be on the hook for any out-

of-pocket legal fees is in dispute, with some lawyers arguing the city will almost certainly pay for his defense. The questions about the purpose of the fundraiser come after three tense weeks in which the reaction to Logan's shooting has created a racially and politically charged atmosphere. Mayor Pete Buttigieg, running for the Democratic presidential nomination, has faced criticism over the police department's relationship with minorities, as well as accusations by the FOP that he is demonizing the police to score political points. During an interview with Fox News' Tucker Carlson, local FOP president Harvey Mills slammed Buttigieg and accused the online fundraising site GoFundMe of being anti-police, after the company removed the union's account for an apparent violation of the site's policies. A GoFundMe spokesman has said the company prohibits fundraisers for legal defense in cases that involve a person's death. The FOP moved its page to the site Fundly, where the fundraiser for O'Neill had collected \$77,085 as of Saturday afternoon. "He may be responsible for hundreds of thousands of dollars in fees and costs," the police union said in a news release announcing the fundraiser, adding that O'Neill and his family "don't have the means to cover such fees and costs."

23% OF AMERICANS WON'T RETIRE: Nearly one-quarter of Americans say they never plan to retire, according to a poll that suggests a disconnection between individuals' retirement plans and the realities of aging in the workforce ([AP](#)). Experts say illness, injury, layoffs and caregiving responsibilities often force older workers to leave their jobs sooner than they'd like. According to the poll from The Associated Press-NORC Center for Public Affairs Research, 23% of workers, including nearly 2 in 10 of those over 50, don't expect to stop working. Roughly another quarter of Americans say they will continue working beyond their 65th birthday. According to government data, about 1 in 5 people 65 and older was working or actively looking for a job in June. For many, money has a lot to do with the decision to keep working. "The average retirement age that we see in the data has gone up a little bit, but it hasn't gone up that much," says Anqi Chen, assistant director of savings research at the Center for Retirement Research at Boston College. "So people have to live in retirement much longer, and they may not have enough assets to support themselves in retirement."

EVA KOR DIES IN POLAND: Independence Day has brought us another historical irony with the passing of Eva Mozes Kor at age 85 in Poland. She died not far from the Auschwitz concentration camp that dramatically altered the life of her and her family. But she rose from the most searing atrocity in the history of mankind and defined her life with forgiveness, humility and education ([Howey Politics Indiana](#)). She had been tweeting on her last trip to Poland on July 3, saying, "Can you believe that today I can get chicken McNuggets near Auschwitz? That would have been wonderful 75 years ago. They taste the same in every country and were delicious." She had big plans for the future as she prepared to observe the 75th anniversary of her liberation, tweeting on June 22, "If any of you want to go with me, you have a great opportunity in January 27 2020 - 75 years to the liberation of the camp. We will see you next year!" Gov. Eric Holcomb, who honored Kor with the Sachem Award in 2017, said, "The world just lost a giant with Eva Kor's passing. Janet and I loved and adored her. Everywhere she went, Eva brought light into darkness and provided comfort to those in pain unlike anyone we've ever met. From her against all odds survival as a young girl in Auschwitz to her peace spreading message based from home in Terre Haute, Indiana, her relentless and optimistic example inspired the world. Holcomb added, "Her angelic spirit will live on in the countless souls she saved from ongoing confusion and torment. Janet and I are reminded just how blessed we are to have her as a friend. We will miss her laughter, her wisdom and her passion. We call on every Hoosier to look above on this Independence Day and say a prayer for Eva and the family and nation she leaves behind."

HPI DAILY ANALYSIS: That Eva Mozes Kor would die so close to her birth home and the Auschwitz camp that changed her life but would not define it was another historic irony. Her Candles Center observed, "Rather than allowing the darkest moments of her life to define her, she moved forward headfirst into a life of purpose." Rest In Peace, Eva. - *Brian A. Howey*

Campaigns

JENSEN ANNOUNCES NOBLESVILLE TRANSITION COMMITTEE: Noblesville Republican mayoral nominee Chris Jensen announced the organizing committee for the transition of Noblesville city government ([Howey Politics Indiana](#)). Chaired by former Hamilton County Superior Court Judge Steve Nation, the committee will gather community input to help ensure a successful and prosperous next chapter for Noblesville. "I'm ready to work with this group of Noblesville leaders who are willing to give their time and expertise to our city. My door is open to anyone who has positive ideas to make our city a better place to live, work, and play," Chris Jensen said. "This is a strong first step in a process to ensure a transparent and effective city government for every Noblesville resident."

PELOSI TO KEYNOTE YOUNG DEMS IN INDY: The Young Democrats of America (YDA) and Indiana Young Democrats (IYD) announced Sunday that Speaker of the United States House of Representatives Nancy Pelosi will headline the 2019 Young Democrats of America Convention here in Indianapolis ([WIBC](#)). Speaker Pelosi is the 52nd Speaker of the House of Representatives and was first elected Speaker of the House in 2007, making history as the first woman to serve with the

title. Pelosi is now in her third term as Speaker. She is set to join the National Convention on Friday, July 19th for the General Session at 7pm. This will be the first time Indy hosts the National Convention and the first time the YDA has come to Indiana in over 25 years. "After a period of record growth, IYD has worked for nearly two years to bring the largest gathering of young Democrats in the country to Indiana and we are incredibly honored to have a groundbreaking leader like Speaker Pelosi join us," says Katherin Chi, member of the YDA National Planning Committee and Vice-President of the Marion County Young Democrats.

COLUMBUS CANDIDATE TO ADDRESS YOUNG DEMS: One of Columbus' own young professionals will address a room full of young Democrats later this month ([Columbus Republic](#)). Grace Kestler, 29, was named a panelist at the Young Democrats of America National Convention in Indianapolis July 17 through 20. The Columbus City Council at-large candidate will speak about Run for Something's "How Indiana Changed What a 2019 Candidate Looks Like" discussion panel. "I realized as a young person that I have a lot of years left to enjoy my community," Kestler said. "I want to be a part of shaping my generation's future and supporting those who have lived in Columbus as well as considering how we can attract new people to live in our city."

4TH ANDERSON MAYORAL CANDIDATE EMERGES: A fourth candidate has entered the race to be elected the next mayor of Anderson, but Thomas Dubrick is not associated with a political party (de la Bastide, *Anderson Herald-Bulletin*). Dubrick filed the necessary paperwork with the Madison County Clerk's Office on Monday to run as a write-in candidate in the Nov. 5 general election. Dubrick's name will not appear on the municipal ballot.

Presidential 2020

BUTTIGIEG HAS THE MONEY. CAN HE WIN? Pete Buttigieg stunned the Democratic presidential field with a nearly \$25 million second-quarter fundraising haul. Now he needs to figure out how to use that money to build a campaign that can go the distance against nearly two dozen rivals—many of them better known—and ensure that enthusiasm from donors is matched by support from voters ([AP](#)). That poses big challenges for the 37-year-old mayor of South Bend, Indiana, who lags several of his top opponents in the number of staff on the ground in early states. He also has significant work to do to earn support of African American voters, a crucial constituency in the Democratic presidential primary. Buttigieg said much of his emphasis will be on retail politics—more days like Thursday, when he blitzed across Iowa for a parade and picnics and one-on-one interactions with voters. The campaign also says it plans in coming months to add 100 people to a staff that started with six employees and now has about 200, as well as enlist a larger number of volunteers. "The whole point of all that fundraising was to make sure that we have the organization we need to win," Buttigieg told reporters after a town hall meeting in a sweltering Sioux City, Iowa high school gymnasium. "Obviously we got great news on that front, now we've got to put it to work."

BUTTIEIG ADDRESSES ESSENCE FEST: Black women have been "at the tip of the spear experiencing" the consequences of systemic racism in America, according to Mayor Pete Buttigieg, one of several Democratic candidates to address the crowds on the Power Stage during the 25th anniversary of [Essence](#) Festival. "I stand here aware that Black women are not just the backbone of the Democratic party, but the bone and sinew that is making our democracy whole," Buttigieg said. "We have seen time and time again, especially in the last couple elections, that when Black women mobilize, outcomes change, and we need some new outcomes in a time like this." Rising incarceration rates amongst Black women, gerrymandering and disenfranchisement, the wage gap, White Nationalism and the American healthcare system all work to maintain institutional racism, Buttigieg said in his opening remarks. "There's been too much talk about Black problems, and not nearly enough about Black solutions," Buttigieg said. "Empowerment leads to greater empowerment."

BIDEN ADDRESSES RACE: On Tuesday, Joe Biden told his advisers he wanted to give a speech in South Carolina to address, and preempt, the mounting attacks on his record concerning race and civil rights. Sources close to Biden told Axios he was still rewriting the draft on Saturday in the car en route to Sumter, South Carolina, where he gave the speech to a mostly black audience. "Given the coverage we got coming out of the debate ... we could die by death by a thousand cuts here," said a source familiar with the thinking in Biden's camp. "So it was either you wrap it all up in a bow and you say, 'Look, this is who I am. Barack Obama picked me, so if it was good enough for Barack Obama it's good enough for me' ... or we could have fought each one of these battles individually."

HICKENLOOPER VOWS TO STAY IN RACE: Former Colorado Governor John Hickenlooper returned to Iowa Sunday night pledging to continue his presidential campaign after a major shakeup of his campaign staff last week. Hickenlooper, who has had trouble polling above 1 percent, acknowledged his struggles as a candidate and explained why he is continuing his bid for the Democratic nomination when there is a Senate race in his home state that pundits say he would have a good shot at winning ([Politico](#)). "I don't think that's my calling," Hickenlooper told reporters about running for the Senate after a "meet and greet" event in Perry. Hickenlooper admitted he has discussed it with his staffers, saying they have told him he would be a "lock" to defeat Republican Sen. Cory Gardner.

STEYER TO ENTER DEMOCRATIC RACE: Tom Steyer, the billionaire environmental activist who toyed with a 2020 presidential run before deciding against it, has told people he plans to announce that he's entering the race for the Democratic nomination, according to three people familiar with his plans (Politico). Steyer held a private conference call last week to announce to people who work for Need to Impeach, NextGen America and Steyer's Sacramento office that he was planning to run, according to one of the people.

Sunday Talk

AMASH WON'T RULE OUT PRESIDENTIAL RUN: Rep. Justin Amash (Mich.) doubled down on both his support for impeaching President Trump and his decision to leave the Republican party on CNN's ["State of the Union"](#) Sunday. Amash, who had previously been the only Republican member of Congress to support impeachment proceedings, told CNN's Jake Tapper Sunday that senior officials have privately thanked him for his public stance. "When I was discussing impeachment, I had fellow colleagues and other Republicans, high-level officials, contacting me, saying, 'Thank you for what you're doing,'" Amash said. "So there are lots of Republicans out there who are saying these things privately, but they're not saying it publicly, and I think that's a problem for our country." Amash also declined again to rule out a third-party presidential run. "I still wouldn't rule anything like that out. I believe I have to use my skills, my public influence, where it serves the country best. And I believe I have to defend the Constitution in whichever way works best," he said.

AMASH SAYS GOP WAS BROKEN BEFORE TRUMP: Rep. Justin Amash, just days after he announced his departure from the Republican Party, said Sunday he would have left even if Donald Trump weren't the president but insisted that this term in Congress was what "really broke it for me." "Over the years, I've seen that people are just falling in line behind the leaders, including people in my own caucus, which I left," the five-term Michigan lawmaker told host Jake Tapper on CNN's ["State of the Union."](#) "So it has gotten worse and worse and I think this was the term that really broke it for me." Amash said he has been bothered by the way Trump expects Republicans to be first and foremost loyal to him, not the party itself. "I think he's really identified what I talked about in my op-ed, which is, he thinks that people owe loyalty to him," Amash said. "But people are elected to Congress with an oath to support and defend the Constitution, not an oath to support and defend one person, the president, who happens to be from your own party."

KLOBACHAR WON'T MAKE PROMISES JUST TO GET ELECTED: Sen. Amy Klobuchar (D-Minn.) defended her policy proposals, which some progressives have criticized for being too centrist when compared to many of her fellow 2020 Democratic presidential candidates. "I look people in the eye and I tell them the truth, that I'm honest about how we think we can move forward," Klobuchar said Sunday on NBC's ["Meet the Press."](#) "I think there's a lot of people making promises and I'm not going to make promises just to get elected. I am not running for chair of the Democratic National Convention, I am running for president of the United States and that means you bring people together and find that common ground in our own party," she said.

MERKLEY, HURD WARN ABOUT BORDER CONDITIONS: The congressional stalemate about how to handle the influx of migrants along the southern border, amid a spate of new reports detailing the harrowing conditions there, was on full display on *"Meet the Press"* this morning. Sen. Jeff Merkley, D-Ore., decried the conditions as "horrific," and Rep. Will Hurd, R-Texas, warned that America needs to handle people "with care and humanity when they are in our custody." But there's far from a consensus on the root cause, which makes it even more difficult to fix it. Merkley claimed there's an ethical problem within the Trump administration, accusing officials of abiding by a "philosophy that says, 'Let's discourage immigration by mistreating refugees.'"

DELANEY SAYS MEDICARE BEING 'HIJACKED': Former Rep. John Delaney (D-Md.) on Sunday blasted his fellow Democratic presidential candidates' support of Medicare for All proposals, saying the voters "will reject" them. "This is [Sen.] Bernie Sanders's [I-Vt.] plan, it will take private insurance away from half the people in this country," Delaney said on CBS's ["Face the Nation,"](#) adding that Democrats who support such proposals have "outsourced" health care policy to the Vermont senator. "They've hijacked the good name of Medicare and applied it to a law that will cause upheaval in our health care system," he added. "Now we're seeing the debate change on this issue as people start to realize."

COONS SAYS BIDEN SHOULD BE JUDGED ON CAREER: Sen. Chris Coons (D-Del.) on Sunday defended former Vice President Joe Biden's record on civil rights after Biden said last week that he was "wrong" for speaking fondly of his working relationship with segregationists in the Senate. "His lifelong record of standing up and fighting for civil rights is what he should be judged on," Coons said of Biden, who caused controversy in recent weeks after speaking of the "civility" of his work in the Senate with Sens. James Eastland (D-Miss.) and Herman Talmadge (D-Ga.). Coons also defended Biden's failure to apologize when confronted on the issue in the first June Democratic primary debate, saying "one of the challenges of the

debate stage is everybody's got 60 seconds to address very complex issues." "It's important that he gave a speech in which he acknowledged" the harm caused by the remarks, Coons added.

BENNET SAYS ECONOMY MAY NOT HELP TRUMP: Democratic presidential candidate Michael Bennet said Sunday that Donald Trump will not be able to coast to re-election on the strength of the U.S. economy alone, and will have to answer for his "war with American tradition" while in office. "I don't think it's been much better, Dana. I think it's been what it was: It's been fine, it's been good," the Colorado senator said of the economy during an interview with Dana Perino on ["Fox News Sunday."](#) "So it has improved, just as it's improved from 2009 when Barack Obama took over," Bennet continued. "What we don't need — in my view, I think — is a president who's so at war with American tradition.

Congress

HOUSE PREVIEW: The House will take up the 2020 National Defense Authorization Act — must-pass legislation that outlines defense budgets and policies, per a senior Democratic aide (*4x/05*). This legislation will take up most of the week given there are roughly 300 amendments to the bill. What to watch: The Iran-related amendments, as tensions rise with Tehran.

SENATE PREVIEW: The Senate plans to consider four tax treaties that were reported out of the Foreign Relations committee in late June, per a Republican leadership aide. The aide said the Senate will also confirm the following nominees in this order: Daniel Aaron Bress as a judge for the Court of Appeals for the 9th Circuit. T. Kent Wetherell II as a judge for the Northern District of Florida. Damon Ray Leichty as a judge for the Northern District of Indiana. J. Nicholas Ranjan as a judge for the Western District of Pennsylvania. Robert L. King as an Assistant Secretary for Postsecondary Education in the Department of Education. John P. Pallasch as an Assistant Secretary of Labor. Peter C. Wright as Assistant Administrator in the EPA's Office of Solid Waste.

General Assembly

CHAMBER RELEASES GRADE REPORT: The Indiana Chamber of Commerce released its annual report scoring state legislators on how they voted on key business legislation in the recent General Assembly. For 2019, lawmakers' scores ranged from 27% to 100% (Kelly, *Fort Wayne Journal Gazette*). "The Legislative Vote Analysis is how we hold lawmakers accountable for their voting records and is an important source of information for employers and citizens across our state," Indiana Chamber President Kevin Brinegar said. "The report's purpose is to keep Hoosiers informed about what's going on at the Indiana Statehouse and how their legislators are voting on issues vital to Indiana's economic future. This report makes it clear which legislators support pro-job growth and pro-economy issues and which legislators do not."

State

AGRICULTURE: HOOSIER FARMERS FACE MARKET, CROP VOLATILITY - A week after the controversial USDA acreage report, the market is turning to crop conditions. New numbers on just how much corn and soybeans have been planted this year will not be available until August. In the meantime, the weekly crop conditions ratings which are released every Monday afternoon will be the guiding force for market prices, says Bob Utterback, with Utterback Marketing (Truitt, [Hoosier Ag Today](#)). "We had a historically high amount of corn emerging the last week of June," he stated. "This means we have about 20 million acres of this corn that is very late, and we will need almost perfect weather from now on to get any kind of respectable yield." He added that the good to excellent ratings, which have been at very low levels, will have to start showing consistent improvement. But emergence and crop development are only part of the story. Mike Silver, with Kokomo Grain, told HAT a host of agronomic problems will continue to plague crops this summer, stating, "All kinds of agronomic issues are beginning to manifest themselves in the field, from nitrogen deficiency to shallow rooted corn to compaction issues." He said, for many growers, this is the worst year they have ever experienced. As a result, extreme market volatility is like to continue. Utterback said, "There is a lot more market volatility ahead of us. Farmers must position themselves to be able to handle this volatility and, yet, still be able to take advantage of rallies."

INDOT: I-65 CLOSURES IN INDY - he Indiana Department of Transportation will be continuing their roadwork on the city's south side next week, starting with lane closures on southbound I-65 ([WIBC](#)). July 12 @ 9 p.m. - July 22 @ 6 a.m.: All lanes of SB I-65 from the South Split to I-465 will be closed. July 26 @ 9 p.m. - Aug. 5 @ 6 a.m.: All lanes of EB and WB I-70 from I-465 to the South Split will be closed. Additional closures will be added on the weekends, according to INDOT. INDOT says the closures are in response to rain delays crews experienced in May and June.

Nation

WHITE HOUSE: TRUMP MAY USE EXECUTIVE ORDER ON CENSUS - Senior administration officials told me on Saturday afternoon that they expected the president to take executive action early this week to force the citizenship question onto the 2020 Census (*Axios*). Sunday afternoon, Trump spoke briefly to reporters as he was about to board Air Force One to leave New Jersey after spending the weekend at his Bedminster golf club. On the Census, he said: "We are moving forward. We have a couple of avenues." Trump also said Attorney General William Barr is exploring several options. "We can do a memorandum. We can do an executive order."

WHITE HOUSE: FACEBOOK, TWITTER EXCLUDED FROM SOCIAL MEDIA SUMMIT - The White House has not extended invitations to Facebook and Twitter to attend its social media summit on Thursday, people familiar with the matter said ([CNN](#)). The people, who spoke to CNN Business on the condition of anonymity, suggested it was not surprising. They said they believe the summit would amount to a right-wing grievance session and was not aimed at seriously discussing some of the issues facing large technology companies. A spokesperson for the White House declined to comment.

WHITE HOUSE: TRUMP SCHEDULE - Monday: President Trump will have lunch with VP Mike Pence and give a speech about "America's Environmental Leadership." He will also attend a dinner hosted by Treasury Secretary Steven Mnuchin in honor of the Emir of Qatar, Sheikh Tamim bin Hamad Al Thani. **Tuesday:** Trump will meet with Al Thani. **Wednesday:** Trump will speak about kidney health. **Thursday:** Trump will speak at the Presidential Social Media Summit.

PENTAGON: ADMIRAL POISED TO BE NAVY SEC RETIRES - The four-star admiral set to become the Navy's top officer on Aug. 1 will instead retire, an extraordinary downfall prompted by what Navy Secretary Richard Spencer on Sunday called poor judgment regarding a professional relationship (*AP*). Spencer provided no details about the unnamed individual, but other officials said Spencer was referring to [Adm. William] Moran having recently taken public affairs counsel from Chris Servello, who was removed from his position as public affairs adviser to Richardson in 2017 and given a non-punitive letter of reprimand for drinking and fraternizing with junior officers during and after a December 2016 Navy Christmas party.

JUSTICE: JEFF EPSTEIN ARRESTED IN NEW YORK - Federal prosecutors appear to have resurrected a federal sex crimes case against the billionaire financier Jeffrey Epstein by focusing on accusations that he sexually assaulted girls at his mansion in Manhattan — more than a decade after a widely criticized plea deal shielded him from similar charges in Florida ([New York Times](#)). Federal prosecutors are expected to unseal the new charges on Monday accusing Mr. Epstein, 66, of running a sex-trafficking operation that lured dozens of underage girls, some as young as 14, to his Upper East Side home, according to three law enforcement officials. He was arrested on Saturday at Teterboro Airport in New Jersey, after arriving on a private flight from France, two law enforcement officials said. The sex trafficking charges carry a combined maximum sentence of up to 45 years in prison.

OHIO: BILLS WOULD DECRIMINALIZE MARIJUANA - Bills working their way through the Ohio Legislature would reduce punishment for some drug crimes while favoring treatment over automatic prosecution ([AP](#)). The measures are part of a national debate over reducing prison populations while responding to the nation's opioid addiction epidemic. A proposal passed by the House last month expands the use of a program allowing judges to order treatment instead of prosecution for defendants facing low-level drug charges. Judges could deny treatment requests but would have to list reasons why they feel jail, fines or both are a better option. The legislation would also make it easier for Ohioans to seal records involving low-level nonviolent and non-sexual offenses to help them move forward with their lives. A pending Senate bill would reduce low-level drug possession crimes from felonies to misdemeanors, and also allow treatment instead of prosecution. The court could put the misdemeanor cases on hold until offenders undergo treatment. "And if they complete that treatment, then the case is never prosecuted, never part of that person's record," said state Sen. John Eklund, a Republican from Portage County and Judiciary Committee Chairman and co-author of the bill. "If they screw up, they'll be convicted or prosecuted on a unclassified misdemeanor."

SPORTS: U.S. WOMEN WIN WORLD CUP - The United States women's soccer team was as good as American players promised — maybe even better ([AP](#)). Especially Megan Rapinoe, the pink-haired captain who emerged with the Golden Ball as top player, the Golden Boot as top scorer and a world-wide stature as a champion for gender equity. The U.S. won its record fourth Women's World Cup title and second in a row, beating the Netherlands 2-0 Sunday night when Rapinoe converted a tiebreaking penalty kick in the second half and Rose Lavelle added a goal. Rapinoe scored in the 61st minute after a video review determined Stefanie van der Gragt had fouled Alex Morgan with a kick to the shoulder in the penalty area.

World

IRAN SURPASSES URANIUM LEVELS: Iran has surpassed the cap on uranium enrichment set by a 2015 nuclear deal with world powers, a spokesman for Iran's Atomic Energy Organization said Monday, warning that Tehran would take further steps to reduce its commitments under the accord ([Washington Post](#)). Speaking to local news agencies, Behrouz Kamalvandi said Iran has exceeded the 3.67 percent limit and was now enriching uranium at 4.5 percent, a rate far below the 90 percent

needed to produce a nuclear weapon. He said, however, that there were no obstacles to Tehran enriching at even higher levels.

Local

CITIES: PERU PD TO WEAR BODY CAMS - A northern Indiana city has become the latest community in the state to require police officers to wear body cameras. The Peru Police Department implemented its body-camera program last week after its Board of Works approved policies detailing the cameras' use. The [Kokomo Tribune](#) reports that officers must now wear a camera at all times and record every encounter they have with a citizen in the city of about 11,000 residents. Officials say the cameras will decrease resident complaints, use-of-force incidents by police and help the city avoid costly lawsuits. Peru Police Chief Mike Meeks says the department began considering using body cameras a few years ago, but pressed ahead after Indiana lawmakers passed new guidelines on their usage.

CITIES: ST. JOHN PAYS \$200K TO SETTLE HARASSMENT SUITS - The town has paid \$202,000 to two women to settle sexual harassment lawsuits, while a third woman's lawsuit remains pending in federal court, records show ([NWI Times](#)). The two settled cases led to former Cmdr. Michael Fryzel's retirement from the St. John Police Department in March 2015, days before the sexual harassment allegations the lawsuits detailed became public.

CITIES: TERRE HAUTE'S CASINO 'RACE' WITH DANVILLE, ILL - If there is a race between Terre Haute and Danville, Illinois, to see which city will be first with a casino, Danville is in the lead, a member of that city's casino steering committee said (Taylor, [Terre Haute Tribune-Star](#)). "As far as the timing perspective, I think so," said Vicki Haugen, president and chief executive officer of Vermilion Advantage, a business and economic development organization. Haugen cited the requirement for Vigo County voters to approve a Nov. 5 referendum before any casino plans can move forward. Illinois has no such requirement. But Terre Haute officials downplay the idea of a "race." Mayor Duke Bennett said the city is in a good position for a casino and industry observer Ed Feigenbaum, publisher of Indiana Gaming Insight, agreed. Solicitations of interest to prospective operators of a Danville casino went out Wednesday and responses are expected in about a month. An operator selected by the city must then apply for a state gaming license by Oct. 28.

CITIES: MICHIGAN CITY PD WANTS PLATE SCANNERS - The Michigan City Police Department is seeking permission from the city to purchase license plate reader technology as an additional means of combating crime ([Michigan City News-Dispatch](#)). Police Chief Mark Swistek asked the Common Council on Tuesday for just shy of \$32,000 to purchase three Vigilant Solutions cameras to be mounted outside an unmarked police car. As that car travels, the chief said, the specially designed cameras would engage in a constant collection of data – from license plate numbers to vehicle makes and models, and more. The cameras also possess facial recognition abilities, but Swistek said the MCPD would not use them for that purpose. "As the vehicle travels throughout the city, the vehicle is recording data from every single vehicle that it passes on a roadway," he said. "If it is a four-lane highway, it will capture the majority of those vehicles as well. If the officer comes to a stop at a traffic light, anything that is nearby, it will record.

CITIES: KILROY'S TRIED TO REMOVE ALCOHOL CHIEF - Kilroy's on Kirkwood tried and failed to convince state officials that the Monroe County Alcoholic Beverage Board's president had been biased in her review of the popular college bar's liquor license, and that she should be removed from future proceedings (Christian, [Bloomington Herald-Times](#)). In April 2018, the local alcohol license review board responded to residents' concerns that Kilroy's promotes binge drinking and the objectification of women by renewing the bar's alcohol permit for one year instead of the standard two. Indiana Excise Police Officer Lonnie Gibson and Board Member Karen Howe Fernandez voted in favor of the probationary renewal, while Board President Kitty Liell voted to cut Kilroy's off from selling alcohol altogether. At the end of the hours-long meeting, Liell cited the hundreds of police calls to that bar as evidence of the establishment being a public nuisance.

CITIES: NASHVILLE HIRES CONSULTANT OVER TOWN MANAGER - The City of Nashville will not have a town manager for the foreseeable future (Turner, [Indiana Public Media](#)). Instead, the town council is hiring a consulting firm to handle the duties of previous town manager Scott Rudd. Rudd accepted a position with Lt. Governor Suzanne Crouch's office last year. Under the agreement, the town will pay MS Consultants \$3,250 per month. Nashville Town Council President Jane Gore says the city is temporarily testing the agreement before signing a long-term contract. "We're kind of testing the waters and so far I think we're pretty comfortable with the results that we're getting," she says. "It's early on." Dax Norton is one of the consultants working with the city. He believes there are numerous communities across the state that are in need of strategic leadership. "How long have we been trying to answer the question of rural Indiana? I think upwards of 60 of the 92 counties lost population," he says. "Are we getting these communities prepared for a different economic future?"

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 7/13-7/15
Date: Monday, July 15, 2019 11:12:53 AM
Attachments: [GamInsight July 15.pdf](#)
[Cheat Sheet 7-15-19.pdf](#)
[Howey 7-14-19.pdf](#)
[Howey 7-15-19.pdf](#)

Pillar 1- Diversify our economy

Inside IN Business- [Crouch: Trade Mission Strengthens Mexico Relationship](#)
Times Union- [Electric vehicle company puts Indiana factory plans on hold](#)
Inside IN Business- [SF Motors Puts the Brakes on Mishawaka Plans](#)
Inside IN Business- [Indy Airport Among 'World's Best Domestic Airports'](#)
Inside IN Business- [Whiteland to Host Groundbreaking for Business Park](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [Energy Companies Reach Deal on Indiana Wind Farm](#)

Pillar 3- Strengthen our workforce

Journal Gazette- [On-time graduations on rise](#)
Fox59- [College graduation rates are on the rise](#)

Pillar 4- Attack the drug epidemic

NWI Times- [Nonprofit forms to expand drug treatment in Northwest Indiana](#)
IN Public Media- [Marion County Runs Felon-Focused Addiction Treatment](#)
ABC57- [Mobile Recovery Unit coming to Michiana to fight opioid epidemic](#)

2019 Legislative Session

NWI Times- [Zoning documents identify site of new land-based Gary casino](#)
NWI Times- [Indiana finalizing sports wagering regulations ahead of possible Sept. 1 start](#)
CBS4- [Dealers being hired, trained for live table games in central Indiana before new law takes effect](#)

Agricultural Disaster Designation

Indy Star- [Gov. Holcomb seeks federal aid for Indiana farmers hurt by flooding](#)
Hoosier Ag Today- [Holcomb Requests Agricultural Disaster Designation for 88 Counties](#)
WIBC- [Gov. Holcomb Requests Agricultural Disaster Designation to Help Hoosier Farmers](#)
WTHR- [Gov. Holcomb seeks federal agricultural disaster designation for most of state](#)
Inside IN Business- [State Requests Agricultural Disaster Designation for 88 Counties](#)
Journal Gazette- [Indiana seeks federal aid for 88 counties after wet weather](#)
Tribune- [Governor requests agricultural disaster designation for 88 counties](#)
Fox59- [Gov. Holcomb requests federal aid for 88 counties after crop losses](#)

Misc.

IN Public Media- [No Automatic Taxpayer Refund For Hoosiers Despite Record Budget Reserves](#)
DC Free Press- [Opinion: Economic research points the way for different education policy](#)
Chalkbeat- [State cuts off funding to virtual school. But will Indiana get its money back?](#)

Indy Star- [Indiana was a 'leader' in tobacco prevention. Now it's falling behind.](#)
Journal Gazette- [Editorial: Suit highlights ongoing issues in child welfare](#)
Tribune Star- [Family, close friends celebrate life, memory of Eva Kor](#)
NWI Times- [Hoosier redistricting reform advocates not giving up](#)
Times Herald- [New invasive fish threatening southern Indiana](#)

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INDIANA GAMING INSIGHT

Gary casino ready to Rock (Hard)?

Spectacle secures I-80/I-94 site; big name casino partner as well?

A bit of poking a round has revealed some interesting potential details about the off-footprint inland casino move within Gary by Spectacle Entertainment, LLC. Some of what we've learned can be gleaned from public records, but much remains speculative . . . though there is lots of loud local whispering.

Spectacle has formally filed an application for zoning with the City of Gary, seeking a resolution of support for a planned unit development, and seeking to get things tied down in advance of what will be a very busy meeting of the Indiana Gaming Commission on August 28 (that's where the draft sports wagering regulations are expected to be up for approval).

Back in 2011, when then-mayor Rudy Clay (D) was honchoing the push to move one Gary license inland – four years before land-based casino gaming was ultimately legalized – SB 41 was the vehicle, and it was authored by then-Sen. Earline Rogers (D) of Gary, with then-Sen. Luke Kenley (R) of Noblesville as second author, and Sen. Ed Charbonneau (R) of Valparaiso as third author. The bill was heard in the Senate Committee on Public Policy, and Gary city officials and their construction and financial advisors made a detailed presentation that outlined a new land-based casino located on the southeast quadrant of the I-80/I-94 (Borman Expressway) interchange at Broadway and 30th Avenue, a site that most have continued to assume was the City-preferred plot.

However, we've learned, the application for zoning calls for the new casino to be sited on privately owned land on the southwest quadrant of the Borman interchange at Burr Street, about 1½ miles closer to Chicago than the Broadway proposal. The site is also about 1½ miles south of the Indiana Toll Road and the Gary/Chicago International Airport.

The brownfield site (partially forested and partially a pair of cleared former industrial sites) is heavily traveled and highly visible from the Borman. New numbers released July 1 by the Indiana Department of Transportation reveal that the Borman Expressway in Indiana carries a prevailing annual average daily traffic (AADT) of 180,000, ranging from 170,000 to 200,000 vehicles per day. Passenger vehicles generally comprise 70% of the daily traffic stream, and 80% of peak-hour traffic.

The preliminary casino complex proposal sketched out for senators eight years ago included a pavilion, restaurant, parking facilities, and a performing arts theater. In its legislative presentations earlier this year, Spectacle had outlined a somewhat more extensive and detailed vision that also included a major hotel.

Word in the Steel City is that Spectacle has signed a letter of intent with Hard Rock International USA Inc. to have Hard Rock develop, brand, and manage the Gary inland casino. As we understand it – but cannot confirm – while Hard Rock would also brand a Vigo County casino if Spectacle is successful in landing the license, Spectacle would actually retain responsibility for developing and managing that West Central Indiana property.

Hard Rock could well be the value-added needed in Vigo County to discourage a high-profile operator from making a play in nearby Danville, Illinois – which is already setting its sights low, largely resigned to a small regional operator at best.

For more, please see the following page . . .

Cheap gas, cigs, and fireworks!

Could IL gas tax hike boost Lottery sales?

Expect Lake County sales for the Hoosier Lottery to take a jump in July as Illinois' 19¢ per gallon gas tax increase became effective July 1, and early anecdotal information suggested that lots of Illini drivers were headed east across the Indiana border to fill up.

The ubiquitous gasoline stations and attendant convenience stores just across the border have traditionally done strong gas and lottery business, and large stations along Indianapolis Boulevard in Hammond in particular have been major lottery retailers, initially as Indiana sold Powerball tickets when Illinois did not, and then more recently as gas prices and taxes in Illinois have edged up.

Since lottery purchases are associated with gas fill-ups, look for Indiana to pull in a portion of multistate draw game sales from Illinois.

The reopening in early July of 134th Street (also known as Boy Scout Road or State Line Road), a popular shortcut between Hammond and Chicago's southeast side (Hegewisch) may also boost sales; many on the Chicago side had used the pothole-pocked route to take a quick trip to Indiana to purchase gas and cigarettes.

Keep an eye on K&D Marathon in Hammond as the canary in the coal mine; while lottery sales there have lagged over the past three months, it could now be poised for growth.



Hard Rock operates venues in 75 countries, including more than 180 cafes, 24 hotels, and 11 casinos. Of those casinos, nine are in the United States, scattered across seven states from coast to coast (Iowa is closest to Indiana).

Having a big name like Hard Rock – which has not publicly kicked any tires to date in Indiana – on its side will allow the Gary property to better compete against (if not scare off) potential competition from the City of Chicago and its south suburbs.

Don't expect Hard Rock to be involved, however, in the operation of the current Majestic Star Casino boats (nor, apparently in a Vigo County casino); the former Centaur Gaming core team will continue to manage the two casinos at Buffington Harbor until the license is relocated (and then again if a new license is granted to Spectacle for Vigo County). Several key Centaur execs and managers had substantial full casino management experience, and the company ran a full-fledged casino (with a hotel) in Colorado in addition to the racinos . . . and the responsibility of operating a pair of parimutuel horse-racing tracks and satellite wagering facilities posed its own set of complicated management and operational challenges.

Assuming that Hard Rock does become formally involved, however, the company will brand and build the new Gary property to its specifications.

One of the specs, we hear, will seemingly not include the initially proposed hotel tower. The intervening Illinois gaming mega-expansion measure has created considerable uncertainty, and a hotel has apparently been deferred until a second phase. The picture should become clearer by year's end as to what casino operators will pursue a Chicago casino in what location, and who may also site a pair of smaller casinos in what communities close to the Indiana line – intelligence that is a condition precedent to a larger investment.

Speaking of the investment, despite the hotel tower apparently not being part of the initial project, the number being touted locally is still \$300 million thanks to new expenses, additions, and features not initially contemplated. The hotel would boost the cost of the project significantly down the line, and this is in keeping not only with what we have seen in Indiana with initial casino complex investment projections always falling well below the final cost, but also what we have seen recently from the former Centaur team and their willingness to invest in upgrades at the two racinos.

We hear that the complex will include an entertainment venue (as originally envisioned in the 2011 plans, but not an item discussed in any detail in the 2019 legislative conversations).

This facility becomes more practical for and attractive to Hard Rock – which is identified with musical acts, exhibits, and live concerts – with the demolition of the Star Plaza Theatre in Merrillville, even though The Venue at Horseshoe Casino Hammond is being upgraded before Labor Day, and the City of Hammond continues to pump dollars into an increasingly popular outdoor facility at nearby Wolf Lake, which straddles the Illinois border.

The new facility would also include a sports book . . . and you should also expect the current Majestic Star Casino complex to add retail sports wagering once it becomes legal in Indiana.

What does surprise us is the seeming dearth of discussion between Spectacle and the Gary mayor-apparent, Lake County Assessor Jerome Prince (D) . . . though those involved in assorted local efforts suggest that he has not been brought into many pending projects.

That should not be a problem in the long-run, however, and though Prince did not weigh in on casino-related matters during his successful mayoral primary campaign (or since), no one suggests he will be an obstacle to a project of extreme importance and value to his city (and as county assessor, he knows how much value would be added to the tax rolls from a new inland casino complex in his city!).

Prince also had a private sit-down at Gamba Ristorante in Merrillville with several area mayors organized by Hammond Mayor Tom McDermott, Jr. (D) to discuss issues, process, and relationships . . . and gaming was part of the discussions among The Region chief execs.

In a perfect world, you might expect the new Hard Rock NWI (Da Region Hard Rock?!) to open by the beginning of 2021, but this is Lake County – and Gary – and things are complicated by the state of flux a few miles west in Illinois, so don't write the date down on your calendar with a Sharpie quite yet.

IN General

- On the day of the Indiana Derby at Indiana Grand Racing & Casino (for which former Indianapolis Colts Ring of Honor inductee Jeff Saturday will serve as the official chairperson), the Indianapolis Colts bring their new Colts In Motion traveling experience to Ellis Park, the Thoroughbred race track in Henderson, Kentucky, but north of the Ohio River, and a chip's throw from Evansville's Tropicana Casino. The high-tech 40-foot mobile unit debuted this month, and this will be only the fifth stop for the mobile exhibit that features experiences, history, and memorabilia. Colts In Motion includes state-of-the-art virtual reality, an interactive gaming center, and exclusive photo opportunities for visitors. By the way, Caesars Entertainment Corporation, the parent of Indiana Grand, is the first-ever Official Casino Sponsor of the National Football League.

IN Illegal Gambling

- Marion police report that they were called to a robbery on Monday, July 8, at approximately 12:27 a.m. in which a 52-year-old man in the 700 Block of West 1st Street reported that he had been running an illegal dice game out of his garage when he was robbed of more than \$1,000 by three men. The alleged victim claimed that "a man known as 'Tre' grabbed a rifle from a shelf in the garage and pointed it at him," while another member of the trio "pulled out two handguns." He alleged that the three men "demanded the money bag," which he turned over to them, and then they fled. Marion Police Department Capt. Stephen Dorsey reports that the victim told police "the three men were regulars to the gambling in his garage."

● Looks like we finally have closure in **Operation Grand Champion**, a multi-jurisdictional federal dog fighting investigation which commenced in 2015. The last of 12 defendants convicted for their roles in multi-state dog fighting conspiracies were sentenced July 3 in federal court in **Trenton, New Jersey**. Among the final three (although sentenced at the end of May) was **Dajwan Ware**, 46, of **Fort Wayne**, sentenced to serve 24 months in prison. A federal court jury had convicted Ware last Fall of one felony count of conspiracy to violate the animal fighting prohibitions of the federal Animal Welfare Act after a three-week trial.

□ Operation Grand Champion resulted in the convictions of 12 defendants in four federal districts sentenced to a total of 315 months in prison. As a result of the investigation, 113 dogs were rescued and either surrendered or forfeited to the government. According to trial evidence and court documents filed in connection with the cases, the defendants and their associates regularly fought dogs – including regularly to the death – and repeatedly trafficked in dogs with other dog fighters across several states, including Indiana, so that those dogs could be used in dog fights. They also maintained significant numbers of fighting dogs and substantial dog fighting equipment. The case was investigated by the U.S. Department of Agriculture – Office of Inspector General, the U.S. Department of Homeland Security – Homeland Security Investigations, and the Federal Bureau of Investigation.

IN Sports Wagering

● The draft sports wagering regulations that we told you to expect in our last issue were soon thereafter posted on the Indiana Gaming Commission website with the expectation that stakeholders – who had already participated in roundtables with Commission staff – would offer any additional input by August 1, before the Gameboys consider the formal promulgation of the package at the August 28 Commission meeting.

□ This tentative timeline (and recall that sports age wri ng applications are already being accepted by the Commission) would allow sports wagering to be implemented – at least at the retail level – in time to meet the September 1 start date authorized by lawmakers. This means that Hoosiers could begin laying down bets locally on the opening weekend of the National Football League season, and key early collegiate football games . . . and be another feather in the cap for the Commission and its staff – given the extremely tight timetable.

□ As we told you to expect, the draft regs, which would be promulgated as emergency rules, benefit from two decisions: (1) Borrowing as much as possible from successful regulatory schemes in other states and not reinventing the wheel; and (2) Affirmatively postponing implementation of potentially more complicated mobile gaming rules to allow brick-and-mortar sports wagering to get underway on the authorized start date.

□ There are a few items of interest – both inclusions and omissions – that some have noted which could prove important going forward. While lawmakers punted on the use of official league or sanctioning body data and reserved the issue for the Commission – and some other states have required official league or sanctioning body data to be used for in-play and certain other types of wagering, the IGC package does not include requirement for the use of any official data to settle any type of wager . . . through there is also, of course, no ban on any such voluntary agreements being reached. The Commission reserves the right, however, “to disapprove of the source of data for any reason, including but not limited to, the type of wager and method of data collection.”

□ The aspirational emphasis on integrity becomes tangible with requirements for internal system integrity audits and the directive that each operator partner with an “independent integrity monitoring provider” – an independent individual or entity approved by the Commission “to receive reports of unusual betting activity from a sports wagering operator for the purpose of assisting in identifying suspicious wagering activity.”

□ Since there is a requirement that “All independent integrity monitoring providers shall share information with each member and shall disseminate all reports of unusual activity to all member sports wagering operators,” you should look for the Sports Wagering Integrity Monitoring Association (SWIMA), a collective organized late last year by a diverse coalition of industry stakeholders, to be responsible for that function.

□ The draft regs also provide that “a sports governing body may request” that the Commission “prohibit a particular event or

making wagers of a particular type upon a demonstration of good cause.” The rules as drafted say “To demonstrate good cause, the sports governing body should provide, in writing, information that indicates a specific and credible threat to the integrity of sports wagering which is beyond the control of the sports governing body to preemptively remedy or mitigate,” and such requests “should” be submitted at least 72 hours before the event. Some suggest that this provision could be used by, for example, the Indianapolis-based National Collegiate Athletic Association to seek such a ban when Indianapolis hosts the NCAA men’s basketball Final Four in (next scheduled locally for an eighth time in 2021 and again in 2026) – or even the 2020 Midwest Regional. However, the Commission would be empowered to evaluate whether other remedies exist that would mitigate the potential threat.

□ In terms of financial integrity, a sports wagering operator will be required to “maintain a cash reserve of not less than the greater of \$500,000 or the amount necessary to ensure the ability to cover the outstanding sports wagering liability.”



□ There will also be a self-restriction program for potential problem gamblers (for one year or five years) similar to the current casino system, and operators will be required to prominently feature responsible gambling information, including a direct link to the Indianagamblinghelp.com website and other internet resources dedicated to helping people with potential gambling problems as directed by the Commission; a link to the self-restriction program; and “A clear statement of the online sports wagering operator’s policy and commitment to responsible gaming along with a link to the sports wagering operator’s specific self-exclusion program.”

● Some intelligence for you on early plans by Caesars Entertainment Corporation for sports wagering at its two casinos, two racinos, and three satellite wagering facilities:

□ **Horseshoe Casino Hammond** is already in the process of moving slot machines on the casino floor and will begin constructing walls this week for a 5,300 square-foot sportsbook on the casino floor. Seeking to capitalize on the foot traffic, the facility will be sited in a highly visible location at the base of the escalator to **The Venue**, where the promotions desk had been situated.

□ **Horseshoe Casino Southern Indiana**, as we told you, is planning for and starting the build-out of a sportsbook in its new Caesars Southern Indiana land-based facility, but until that venue opens, short-term plans all for a facility on the casino vessel in the gaming area.

□ **Indiana Grand Racing & Casino** will be expanding its **Winner’s Circle Brewpub & OTB** in the heart of the casino to include a sports book . . . while **Harrah’s Hoosier Park Racing & Casino** will incorporate a sports book into the grandstand.

□ The trio of Caesars satellite wagering facilities in **New Haven**, **Clarksville**, and **Indianapolis** will all be configured to feature sports books. While Caesars officials acknowledge that it is “a heavy lift” to even get seven such facilities up and running by the anticipated September 1 start date of legal sports wagering in Indiana, “We would love to get the two unused OTBs up and running,” says **Dan Nita**, the Caesars regional president. We had told you during both the sale process from **Centaur Gaming** and the legislative debate on the sports wagering bill that there was significant interest on the part of Caesars in revisiting the OTB licenses gathering dust. Nita says that while Northwest Indiana remains attractive to the company (**Hoosier Park** once operated a **Merrillville** OTB, while **Indiana Grand’s** predecessor owner ran one in **Evansville**), decisions will be made on supply and demand and legislative efforts (local legislative bodies must approve such facilities). He hints that a new OTB could be located in a community which has not previously been home to such a facility, but confirms that no legislative bodies in any such community has yet been contacted.

● Don’t be surprised to learn that **Chicago-based Rush Street Interactive (RSI)** is applying for an Indiana sports wagering license. RSI is an affiliate of **Neil Bluhm’s Rush Street Gaming**, which has developed and operates **Rivers Casino** in **Des Plaines, Illinois** – the biggest current competitor to **Horseshoe Casino Hammond** – as well as casinos in **Pittsburgh** and **Philadelphia**, and in **Schenectady, New York**.

IN Casinos

Northern Market News . . .

● **Majestic Star Casino** is now offering high-limit blackjack 24 hours per day.

● **Spectacle Entertainment, LLC** quietly closed the \$17 million hotel at **Majestic Star Casino** effective July 1. Despite its lakefront location, the hotel never was a particularly valuable asset for the casino (there was never any serious talk about branding it as a **Trump** property when **Trump Entertainment, Inc.** operated one of the two casinos at **Buffington Harbor**), and as the 300-room lodging facility, which opened in September 1998, physically deteriorated in recent years, the feedback from patrons and online reviews also fell precipitously.

● Expect **Majestic Star Casino** to soon complete some upgrades to what used to be its “front door,” and begin to encourage patrons to park on the surface lot and enter the pavilion via the porte-cochère.

● More “casino cafes” could be popping up just across the border in **Illinois**. In 2015, **Will County** (read: **Joliet**) enacted a freeze on the expansion of video gaming terminals in unincorporated areas. At the time, a small number of establishments that already had the devices were grandfathered in. On July 18, the **Will County Board** is scheduled to vote to lift the ban on new video slot machines in the unincorporated regions . . . which happen to adjoin south **Lake County** in **Indiana** (from about the latitude of **Schererville** to the north to **Lowell** to the south).

● **Hammond** Republicans scrounge up a challenger to **Hammond Mayor Tom McDermott, Jr. (D)**, who seeks a record fifth term. **Edward Lipkovitch, Jr., (R)**, a 37-year-old engineer who ran for the **Hammond City Council** as a write-in candidate, is the GOP standard-bearer. The **Hammond** native is, like **Mayor McDermott**, a Navy veteran. On his **WJOB 1230-AM** radio show, **Mayor McDermott** blamed Governor **Eric Holcomb (R)** and former Rep. **Dan Dumezich (R)**, now of **Schererville**, for recruiting his opponent. **Mayor Tom** believes that his public criticism of new casino investor **Dumezich (Spectacle Entertainment, LLC)** and the Governor’s political ties to casino investors led to the GOP filling the vacancy.

● **Illinois** has already missed the first legal deadline in its new gaming law. The **Illinois Gaming Board** was to have selected an independent consulting firm by July 10 to examine “the feasibility of, and the ability to finance, a casino in the City of **Chicago**” . . . but the state contracting procedures had not yet been completed by press time, and the process was already behind schedule, a positive for **Indiana** (the firm selected for the study has only until mid-August to complete its work under the terms of the organic law).

Southern Market News . . .

● Prosecutors in **Hamilton County, Ohio (Cincinnati)** indict five people involved in an alleged check fraud ring, charging them with theft of more than \$1 million dollars from **Fifth Third Bank**, as well as money laundering, telecommunications fraud, and forgery.

□ Between May 17, 2018 and June 28, 2019, the four men and one woman are alleged to have deposited bad checks into various Fifth Third Bank accounts. Before the checks cleared, the suspects would withdraw the funds from Fifth Third Bank ATMs, Hollywood Casino Lawrenceburg, Belterra Park in Cincinnati, JACK Cincinnati Casino, and check-cashing establishments.

□ The Ohio Casino Control Commission took credit for uncovering and investigating the activity, assisted by Fifth Third Bank and the Cincinnati Police Department.

● In *Blevins v. Gaming Entertainment (Indiana) LLC, et al.*, No. 4:17-cv-00083-TWP-DML, Judge Tanya Walton Pratt of the U.S. District Court for the Southern District of Indiana rules on three motions in limine (legal motions which seek to limit or prevent certain evidence from being presented by the other side at trial) filed by Rising Star Casino • Resort in a lawsuit brought by Tammy Blevins who alleged that she fell from a stool while gambling at Rising Star and suffered an injury. She claims Rising Star was negligent in failing to take steps to protect her, as an invitee, from being injured due to a dangerous stool.

□ At the time of the incident, Blevins's daughter, Stephanie Blevins, was with her at the casino, but Stephanie testified that she did not see what caused her mother to fall as it was happening. Rising Star filed motions to "Exclude Lay Opinion Testimony of Stephanie Blevins," to "Limit Plaintiff's Testimony," and to "Prevent Introduction of Incident Reports for Prior Accidents." Blevins did not respond to the motions in limine.

□ With respect to excluding testimony of Blevins's daughter, "Stephanie testified in deposition that she did not see what caused her mother to fall as it was happening. Rising Star seeks to exclude the unsupported and uncorroborated lay opinions of Stephanie, regarding the issue of causation. Since federal rules of evidence only permit a witness to testify to a matter of which she has personal knowledge, 'she is not qualified to give lay testimony,' and 'The Court will exclude Stephanie's testimony at trial as it relates to alleged design or style defects to the stool Blevins was sitting on.'"

□ The Rising Star legal team also "anticipates that Blevins will offer testimony or argument that the stool she was seated on was 'wobbly' or 'unstable'," and "seeks to limit and/or preclude testimony or argument regarding the condition of the stool at the time of the incident because no evidence has been presented demonstrating the stool was in fact, 'wobbly' or 'unstable' at any time prior to the fall. When asked if she noticed the stool to be 'wobbly' before sitting on it, Blevins admits she did not There may be inconsistencies in how Blevins described the stool, however those inconsistencies go toward the weight and not admissibility of this evidence. Court finds that Blevins possessed the personal knowledge required" to comply with the rules of evidence. "Blevins' testimony that the stool was wobbly is based on how the stool felt when she sat on it and when she fell off of it. The Rules of Evidence allow Blevins to testify about her experiences as she perceived them."

□ Finally (and we've omitted some internal citations here), Blevins' exhibit list includes 14 incident reports "associated with other injuries incurred at Rising Star's casino which detail accidents in which other guests of the Defendants' casino fell while using stools provided by the casino," while "Rising Star argues the prior incident reports and associated summaries and statements (1) constitute inadmissible hearsay, (2) are not relevant, and (3) are inadmissible under Federal Rule of Evidence 403." Judge Pratt finds that "The incident reports here were compiled by emergency medical technicians employed by Rising Star, who spoke with the guests at the scene of an incident to determine if they needed medical assistance, and to inquire as to the cause of their accident. However, Rising Star is not in the business of security, nor does it provide investigatory services. Rising Star is not in the business of providing medical treatment for people who sustain injuries on its premises. Rising Star is a casino, whose incident reports are made ... only when an unusual accident occurs. Because they were made in anticipation of litigation by an employee of the defendant business, and they are not made regularly the incident reports appear to be inadmissible hearsay and as such are not admissible at trial." As to relevance, "Rising Star argues that any purported evidence that guests fell from a stool other than the stool upon which Blevins was sitting should be excluded because it is not relevant Blevins does not allege that all stools at the casino were defectively designed, nor does it specify that all stools that appear similar to the stool at issue are dangerous," but "that her particular stool presented an unreasonably dangerous condition which caused her injury, and Rising Star negligently maintained the premises by failing to remove it The prior incident reports are probative of the fact that Rising Star negligently maintained the premises of the casino. Within a ten month period from July 11, 2014 to April 25, 2015, Rising Star had a reported 14 instances in which an individual fell from a chair on the premises. Although in some instances the chairs were deemed adequate, other chairs were pulled from the floor after the staff determined they might be defective. These incidents might alert Rising Star that some of its chairs may be dangerous. Because the evidence may be probative of the fact that Rising Star knew it had defective chairs on its casino floor, the Court will not exclude the prior incident reports" Rising Star argues that if the incident reports are not inadmissible hearsay and are deemed relevant, they must still be excluded from evidence because their probative value is substantially outweighed by the danger of unfair prejudice to Rising Star. According to Rule 403 of the Federal Rules of Evidence, the court may exclude relevant evidence if its probative value is substantially outweighed by the danger of one of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, or needlessly presenting cumulative evidence. Rising Star argues that Blevins has not asserted that Rising Star was on notice that each and every one of the stools was dangerous based on the incident reports she intends to introduce as evidence. And it argues that admission of such evidence would prejudice a jury because the similarity between stools described in the incident report and the stool at issue in this case is so great. It appears that the reports are inadmissible hearsay as they consist of employee-generated reports made with the knowledge that the incident may result in litigation. Although the prior incident reports are relevant, and the prejudice associated with them does not clearly outweigh their relevance, the incident reports are inadmissible hearsay"

THERE'S A NEW PLAYER IN GAMING
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Spectacle

ENTERTAINMENT

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IN Vigo County Casino News . . .

● The Vigo County Election Board approved the inclusion of a casino referendum on the Fall ballot in Vigo County, which means that not only city and town voters, but also those in jurisdictions without any municipal elections, will have a reason to vote on November 5 (the Vigo County School Corporation also decided last week to add a property tax hike referendum of its own to the ballot, which could complicate turnout patterns). To facilitate voting, the board also added four more additional vote centers (to the regular 10) outside the limits of the City of Terre Haute – one at each point of the compass – including one in Seelyville and one in West Terre Haute to accommodate more exterior county residents, and ensuring that no voter will be more than a 15-minute drive from a regular polling place or vote center.

□ Two centers will open 28 days prior to the election, six more will open one week prior to election day, and all will be open on November 5.

● Backers of a casino in Vigo County are anxiously watching developments in Danville, Illinois – their big competition of sorts – as Danville seeks to be first to the gate in all aspects of the process. While Danville has chosen a casino process facilitator and solicited expressions of interest from potential operators, that facilitator is a local entity with no significant gaming industry background, and even though the timetable there seems accelerated, you should anticipate a problem finding a top-tier operator (unlike Indiana) as other more attractive opportunities are open to operators in Illinois, and the process will get stalled at the state gaming board level while umpteen new applicants are reviewed statewide . . . and Danville also will not be first in line. And did we mention that the Illinois Gaming board chair resigned earlier this month and the governor there must also appoint other new board members? Terre Haute should not be overly concerned if the Indiana process proceeds apace as we expect.

● Expect Spectacle Entertainment, LLC to contribute to the newly formed Advance West Central Indiana (AWCI) political action committee in Vigo County, which will be active in the pro-casino referendum campaign . . . and you should also keep an eye on the PAC's coffers for an indication as to whether any other casino operators – particularly Full House Resorts, Inc. – choose to make any similar investments. Bear in mind that the proverbial movers and shakers of the Terre Haute community are behind Advance West Central Indiana, and as casino operators and key officers and investors are barred from directly contributing to candidate campaigns, this is a good alternative way to cash in some political capital.

□ On Tuesday, the entity launched a CasinoTerreHaute.com website as well as a fundraising effort for the referendum campaign. The site also seeks volunteers for phone banking, yard signs, door-to-door campaigning, writing letters to the editor of local papers, and working on election day.

□ The AWCI website claims that a new local casino will generate 150 construction-related jobs and 300-400 new jobs; create “millions of dollars in economic growth”; offer “nearly \$500,000 per year in new money for Vigo County schools”; and be responsible for “increased tourism which supports local businesses and generates tax revenue.” The group envisions a “\$100-\$150 million construction project” and expects “nearly \$500,000 per year for the West Central 2025 initiative,” a regional economic development program.

● Is Caesars Entertainment Corporation now interested in extending its Indiana empire to include Vigo County? “We can’t comment on that,” Dan Nita, the Caesars regional president, told us Thursday.

IN Other Casino News . . .

● Here are your June casino numbers:

<u>CASINO</u>	<u>TABLE WIN</u>	<u>SLOT WIN</u>	<u>TOTAL WIN</u>
Ameristar	\$ 4,654,325	\$ 13,391,019	\$ 18,045,344
Belterra	\$ 1,316,555	\$ 7,604,465	\$ 8,921,020
Blue Chip	\$ 1,530,199	\$ 11,428,161	\$ 12,958,360
French Lick	\$ 1,299,402	\$ 6,918,202	\$ 8,217,604
Hollywood	\$ 1,887,745	\$ 11,710,827	\$ 13,598,572
Hoosier Park	N/A	\$ 17,558,503	\$ 17,558,503
Horseshoe HD	\$ 8,630,584	\$ 23,794,360	\$ 32,424,944
Horseshoe SI	\$ 4,305,263	\$ 13,266,988	\$ 17,572,251
Indiana Grand	N/A	\$ 24,138,867	\$ 24,138,867
Majestic Star I	\$ 1,551,842	\$ 5,439,892	\$ 6,991,734
Majestic Star II	\$ 117,363	\$ 4,942,923	\$ 5,060,286
Rising Star	\$ 378,779	\$ 3,572,598	\$ 3,951,377
Tropicana	\$ 2,175,781	\$ 9,807,997	\$ 11,983,778
STATEWIDE	\$ 27,847,838	\$ 153,574,802	\$ 181,422,640

CASINO WIN, past six months (\$ in millions)

<u>CASINO</u>	<u>06/2019</u>	<u>05/2019</u>	<u>04/2019</u>	<u>03/2019</u>	<u>02/2019</u>	<u>01/2019</u>
Horseshoe HD	\$ 32.42	\$ 31.33	\$ 33.20	\$ 38.29	\$ 30.58	\$ 28.56
Indiana Grand	\$ 24.14	\$ 25.79	\$ 24.86	\$ 29.65	\$ 24.23	\$ 20.68
Ameristar	\$ 18.05	\$ 21.08	\$ 18.41	\$ 23.05	\$ 17.01	\$ 16.16
Horseshoe SI	\$ 17.57	\$ 19.73	\$ 16.74	\$ 20.25	\$ 13.98	\$ 16.47
Hoosier Park	\$ 17.56	\$ 18.73	\$ 18.14	\$ 20.75	\$ 16.94	\$ 14.68
Hollywood	\$ 13.60	\$ 14.65	\$ 13.73	\$ 15.84	\$ 14.37	\$ 12.32
Blue Chip	\$ 12.96	\$ 13.20	\$ 12.61	\$ 15.35	\$ 11.90	\$ 10.30
Tropicana	\$ 11.98	\$ 12.68	\$ 11.42	\$ 15.27	\$ 11.97	\$ 11.34
Belterra	\$ 8.92	\$ 9.16	\$ 8.46	\$ 10.70	\$ 6.84	\$ 7.43
French Lick	\$ 8.22	\$ 8.06	\$ 7.83	\$ 9.02	\$ 7.97	\$ 6.84
Majestic Star I	\$ 6.99	\$ 7.90	\$ 8.50	\$ 8.48	\$ 7.42	\$ 6.54
Majestic Star II	\$ 5.06	\$ 5.23	\$ 5.43	\$ 6.25	\$ 5.23	\$ 4.29
Rising Star	\$ 3.95	\$ 4.39	\$ 3.55	\$ 4.50	\$ 3.71	\$ 3.25
STATEWIDE	\$181.42	\$191.93	\$182.88	\$217.40	\$172.16	\$158.87

CASINO WIN, vs. prior month, past five months

<u>CASINO</u>	<u>06/2019</u>	<u>05/2019</u>	<u>04/2019</u>	<u>03/2019</u>	<u>02/2019</u>
Horseshoe HD	3.51%	- 5.64%	- 13.30%	25.20%	7.07%
French Lick	1.94%	2.98%	- 13.22%	13.16%	16.55%
Blue Chip	- 1.83%	4.67%	- 17.84%	29.04%	15.48%
Belterra	- 2.59%	8.23%	- 20.93%	56.51%	- 7.96%
Majestic Star II	- 3.17%	- 3.84%	- 13.02%	19.36%	21.93%
Tropicana	- 5.48%	11.03%	- 25.24%	27.63%	5.55%
Hoosier Park	- 6.28%	3.28%	- 12.58%	22.51%	15.37%
Indiana Grand	- 6.40%	3.75%	- 16.18%	22.36%	17.20%
Hollywood	- 7.20%	6.69%	- 13.26%	10.16%	16.65%
Rising Star	- 10.06%	23.68%	- 21.02%	21.24%	14.15%
Horseshoe SI	- 10.93%	17.87%	- 17.35%	44.83%	- 15.13%
Majestic Star I	- 11.54%	- 6.98%	0.19%	14.26%	13.53%
Ameristar	- 14.39%	14.52%	- 20.14%	35.50%	5.26%
STATEWIDE	- 5.48%	4.95%	- 15.88%	26.28%	8.37%

CASINO WIN, past six years (\$ in millions)

CASINO	06/2019	06/2018	06/2017	06/2016	06/2015	06/2014
Horseshoe HD	\$ 32.42	\$ 32.01	\$ 32.33	\$ 29.18	\$ 32.69	\$ 35.18
Indiana Grand	\$ 24.14	\$ 23.31	\$ 21.51	\$ 20.83	\$ 19.75	\$ 20.33
Ameristar	\$ 18.05	\$ 18.95	\$ 17.81	\$ 16.38	\$ 18.03	\$ 17.62
Horseshoe SI	\$ 17.57	\$ 20.12	\$ 20.49	\$ 19.16	\$ 20.06	\$ 20.81
Hoosier Park	\$ 17.56	\$ 17.96	\$ 16.74	\$ 15.58	\$ 16.89	\$ 15.99
Hollywood	\$ 13.60	\$ 14.32	\$ 13.75	\$ 14.25	\$ 13.29	\$ 15.52
Blue Chip	\$ 12.96	\$ 12.66	\$ 13.05	\$ 12.49	\$ 12.59	\$ 13.14
Tropicana	\$ 11.98	\$ 12.09	\$ 10.32	\$ 10.06	\$ 9.48	\$ 9.36
Belterra	\$ 8.92	\$ 9.76	\$ 9.35	\$ 8.60	\$ 9.44	\$ 8.85
French Lick	\$ 8.22	\$ 8.60	\$ 7.50	\$ 6.89	\$ 6.10	\$ 5.48
Majestic Star I	\$ 6.99	\$ 7.42	\$ 7.31	\$ 7.50	\$ 7.33	\$ 7.77
Majestic Star II	\$ 5.06	\$ 5.01	\$ 4.68	\$ 5.41	\$ 5.57	\$ 5.36
Rising Star	\$ 3.95	\$ 4.58	\$ 3.93	\$ 4.04	\$ 4.01	\$ 4.33
STATEWIDE	\$ 181.42	\$ 186.79	\$ 178.77	\$ 170.38	\$ 175.23	\$ 179.73

CASINO WIN, vs. prior year, past five years

CASINO	06/2019	06/2018	06/2017	06/2016	06/2015
Indiana Grand	3.55%	8.39%	3.23%	5.47%	- 0.87%
Blue Chip	2.34%	- 3.01%	4.54%	- 0.77%	1.50%
Horseshoe HD	1.30%	- 1.01%	10.81%	- 10.75%	- 2.10%
Majestic Star II	0.98%	7.06%	- 13.41%	- 2.90%	6.12%
Tropicana	- 0.92%	17.20%	2.58%	6.11%	1.16%
Hoosier Park	- 2.21%	7.27%	7.41%	- 7.71%	1.71%
French Lick	- 4.50%	14.79%	8.75%	13.01%	11.91%
Ameristar	- 4.76%	6.40%	8.72%	- 9.15%	6.47%
Hollywood	- 5.03%	4.13%	- 3.51%	7.24%	- 6.63%
Majestic Star I	- 5.77%	1.46%	- 2.50%	2.35%	- 4.57%
Belterra	- 8.60%	4.40%	8.67%	- 8.86%	8.48%
Horseshoe SI	- 12.67%	- 1.78%	6.92%	- 4.48%	- 0.28%
Rising Star	- 13.66%	16.30%	- 2.59%	0.66%	- 8.29%
STATEWIDE	- 2.87%	4.49%	4.93%	- 2.77%	0.45%

STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856
03/19	\$ 217,397,977	- 1.66%	(\$ 3,659,436)
04/19	\$ 182,877,702	- 6.38%	(\$ 12,471,796)
05/19	\$ 191,933,434	0.45%	\$ 867,550
06/19	\$ 181,422,640	- 2.87%	(\$ 5,369,549)

STATEWIDE WIN, past years

	Total Win	% Change Prior Year	Actual Change Prior Year
06/00	\$ 135,458,091	10.90%	\$ 13,412,843
06/01	\$ 150,234,332	10.91%	\$ 14,776,241
06/02	\$ 160,745,543	7.00%	\$ 10,511,211
06/03	\$ 176,862,631	10.03%	\$ 16,117,088
06/04	\$ 178,110,348	0.71%	\$ 1,247,717
06/05	\$ 190,353,574	6.87%	\$ 12,243,226
06/06	\$ 202,965,729	6.63%	\$ 12,612,155
06/07	\$ 220,991,828	8.88%	\$ 18,026,099
06/08	\$ 221,190,285	0.09%	\$ 198,457
06/09	\$ 219,468,722	- 0.78%	(\$ 1,721,563)
06/10	\$ 222,179,409	1.24%	\$ 2,710,687
06/11	\$ 221,445,587	- 0.33%	(\$ 733,822)
06/12	\$ 221,438,158	- 0.003%	(\$ 7,429)
06/13	\$ 197,775,026	- 10.69%	(\$ 23,663,132)
06/14	\$ 179,731,956	- 9.12%	(\$ 18,043,070)
06/15	\$ 175,226,090	- 2.51%	(\$ 4,505,866)
06/16	\$ 170,379,751	- 2.77%	(\$ 4,846,339)
06/17	\$ 178,772,616	4.93%	\$ 8,392,865
06/18	\$ 186,792,189	4.49%	\$ 8,019,573
06/19	\$ 181,422,640	- 2.87%	(\$ 5,369,549)

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 194,382,302	\$ 206,393,314	(\$ 12,011,012)	- 5.82%
Indiana Grand	\$ 149,353,354	\$ 140,670,626	\$ 8,682,728	6.17%
Ameristar	\$ 113,750,847	\$ 118,611,142	(\$ 4,860,295)	- 4.10%
Hoosier Park	\$ 106,801,301	\$ 106,939,346	(\$ 138,045)	- 0.13%
Horseshoe SI	\$ 104,747,764	\$ 116,474,798	(\$ 11,727,034)	- 10.07%
Hollywood	\$ 84,519,358	\$ 86,180,081	(\$ 1,660,723)	- 1.93%
Blue Chip	\$ 76,314,002	\$ 75,159,211	\$ 1,154,791	1.54%
Tropicana	\$ 74,654,966	\$ 77,884,947	(\$ 3,229,981)	- 4.15%
Belterra	\$ 51,510,594	\$ 54,775,630	(\$ 3,265,036)	- 5.96%
French Lick	\$ 47,937,953	\$ 46,605,249	\$ 1,332,704	2.86%
Majestic Star I	\$ 45,833,921	\$ 47,510,328	(\$ 1,676,407)	- 3.53%
Majestic Star II	\$ 31,496,284	\$ 30,818,977	\$ 677,307	2.20%
Rising Star	\$ 23,354,056	\$ 24,952,408	(\$ 1,598,352)	- 6.41%
STATEWIDE	\$ 1,104,656,702	\$ 1,132,976,057	(\$ 28,319,355)	- 2.50%

REGIONAL WIN (\$ in millions), past six months

REGION	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Lake	\$ 75.48	\$ 78.74	\$ 78.15	\$ 91.41	\$ 72.14	\$ 65.86
Southern	\$ 64.24	\$ 68.67	\$ 61.73	\$ 75.58	\$ 58.84	\$ 57.65
Racinos	\$ 41.70	\$ 44.52	\$ 43.00	\$ 50.41	\$ 41.17	\$ 35.36

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Caesars	\$ 91.69	\$ 95.58	\$ 92.93	\$ 108.94	\$ 85.74	\$ 80.40
Penn National	\$ 31.64	\$ 35.73	\$ 32.14	\$ 38.88	\$ 31.38	\$ 28.48
Boyd Gaming	\$ 21.88	\$ 22.36	\$ 21.07	\$ 26.05	\$ 18.73	\$ 17.73
Spectacle	\$ 12.05	\$ 13.13	\$ 13.93	\$ 14.73	\$ 12.66	\$ 10.83

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN	TABLE WIN
French Lick	- 1.57% (\$ 110,342)	25.85% \$ 266,906
Horseshoe HD	- 1.60% (\$ 387,275)	20.80% \$ 1,486,145
Belterra	- 1.71% (\$ 132,160)	- 7.39% (\$ 105,041)
Blue Chip	- 2.46% (\$ 288,315)	3.18% \$ 47,187
Rising Star	- 2.53% (\$ 92,852)	- 47.97% (\$ 349,160)
Majestic Star II	- 3.06% (\$ 156,114)	- 7.50% (\$ 9,512)
Tropicana	- 4.59% (\$ 472,032)	- 9.28% (\$ 222,530)
Ameristar	- 6.12% (\$ 872,772)	- 31.71% (\$ 2,161,463)
Hollywood	- 6.15% (\$ 766,982)	- 13.26% (\$ 288,634)
Hoosier Park	- 6.28% (\$ 1,176,029)	N/A N/A
Indiana Grand	- 6.40% (\$ 1,650,343)	N/A N/A
Majestic Star I	- 7.76% (\$ 457,620)	- 22.66% (\$ 454,670)
Horseshoe SI	- 10.52% (\$ 1,559,321)	- 12.19% (\$ 597,865)
STATEWIDE	- 5.02% (\$ 8,122,157)	- 7.90% (\$ 2,388,637)

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN	TABLE WIN
Indiana Grand	3.55% \$ 828,361	N/A N/A
Blue Chip	2.66% \$ 295,936	0.05% \$ 808
Horseshoe HD	1.70% \$ 396,925	0.24% \$ 20,616
Majestic Star II	1.16% \$ 56,578	- 6.05% (\$ 7,559)
Hoosier Park	- 2.21% (\$ 397,706)	N/A N/A
Hollywood	- 2.96% (\$ 357,272)	- 16.15% (\$ 363,645)
Tropicana	- 3.64% (\$ 371,010)	13.57% \$ 259,927
Majestic Star I	- 4.62% (\$ 263,241)	- 9.59% (\$ 164,647)
French Lick	- 6.56% (\$ 485,716)	8.22% \$ 98,688
Ameristar	- 7.56% (\$ 1,095,548)	4.33% \$ 192,987
Rising Star	- 8.84% (\$ 346,596)	- 42.35% (\$ 278,295)
Belterra	- 9.08% (\$ 759,384)	- 5.72% (\$ 79,808)
Horseshoe SI	- 17.78% (\$ 2,868,264)	7.98% \$ 318,316
STATEWIDE	- 3.38% (\$ 5,366,937)	- 0.01% (\$ 2,612)

COIN-IN, past five months (\$ in millions)

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019
Indiana Grand	\$ 254.33	\$ 272.97	\$ 266.57	\$ 313.49	\$ 257.10
Horseshoe HD	\$ 238.89	\$ 244.75	\$ 243.14	\$ 286.85	\$ 225.14
Hoosier Park	\$ 187.96	\$ 203.95	\$ 197.23	\$ 220.47	\$ 186.15
Horseshoe SI	\$ 138.19	\$ 147.94	\$ 134.56	\$ 159.52	\$ 105.13
Ameristar	\$ 135.88	\$ 143.60	\$ 135.59	\$ 167.69	\$ 132.90
Blue Chip	\$ 131.83	\$ 137.40	\$ 130.44	\$ 155.64	\$ 120.56
Hollywood	\$ 121.59	\$ 122.67	\$ 118.31	\$ 140.04	\$ 117.63
Tropicana	\$ 95.97	\$ 101.07	\$ 96.32	\$ 121.92	\$ 98.68
French Lick	\$ 79.71	\$ 85.09	\$ 77.13	\$ 96.25	\$ 77.03
Belterra	\$ 78.50	\$ 81.42	\$ 78.53	\$ 94.00	\$ 67.11
Majestic Star I	\$ 56.13	\$ 59.85	\$ 60.24	\$ 69.55	\$ 56.70
Majestic Star II	\$ 47.94	\$ 59.17	\$ 52.42	\$ 59.01	\$ 49.08
Rising Star	\$ 41.13	\$ 40.86	\$ 38.37	\$ 45.67	\$ 39.05
STATEWIDE	\$ 1.608B	\$ 1.701B	\$ 1.629B	\$ 1.930B	\$ 1.532B

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 39,905,525	\$ 8,630,584 21.63%
Ameristar	\$ 23,817,673	\$ 4,654,325 19.54%
Horseshoe SI	\$ 16,183,930	\$ 4,305,263 26.60%
Hollywood	\$ 9,487,499	\$ 1,887,745 29.19%
Majestic Star I	\$ 8,985,645	\$ 1,551,842 17.27%
Tropicana	\$ 8,480,666	\$ 2,175,781 25.66%
Blue Chip	\$ 6,466,344	\$ 1,530,199 23.66%
Belterra	\$ 6,385,675	\$ 1,316,555 20.62%
French Lick	\$ 5,414,676	\$ 1,299,402 24.00%
Rising Star	\$ 2,310,524	\$ 378,779 16.39%
Majestic Star II	\$ 100,770	\$ 117,363 116.47%
STATEWIDE	\$127,538,927	\$ 27,847,838 21.83%

SLOT PAYBACK, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Blue Chip	91.33%	91.47%	91.38%	91.14%	91.26%	91.42%
French Lick	91.32%	91.74%	91.26%	91.80%	91.40%	91.39%
Rising Star	91.31%	91.03%	91.38%	91.33%	91.43%	91.43%
Hoosier Park	90.66%	90.81%	90.80%	90.59%	90.90%	90.97%
Indiana Grand	90.51%	90.55%	90.68%	90.54%	90.57%	90.85%
Horseshoe SI	90.40%	89.98%	90.04%	89.90%	90.05%	90.21%
Hollywood	90.37%	89.83%	90.16%	90.10%	89.54%	89.91%
Belterra	90.31%	90.50%	90.48%	90.51%	90.87%	90.73%
Majestic Star I	90.31%	90.15%	90.08%	90.23%	90.03%	90.00%
Ameristar	90.15%	90.07%	89.90%	89.88%	90.13%	90.32%
Horseshoe HD	90.04%	90.12%	90.21%	90.00%	89.78%	90.21%
Tropicana	89.78%	89.83%	89.92%	89.26%	89.80%	89.44%
Majestic Star II	89.69%	91.38%	89.88%	89.68%	89.57%	89.92%
STATEWIDE	90.45%	90.49%	90.47%	90.33%	90.37%	90.53%

TABLE HOLD, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Majestic Star II	116.47%	114.79%	116.46%	117.65%	112.18%	152.29%
Hollywood	29.19%	32.17%	31.53%	27.04%	34.41%	34.17%
Horseshoe SI	26.60%	25.50%	20.42%	21.37%	26.53%	20.61%
Tropicana	25.66%	27.00%	19.84%	19.71%	20.83%	23.43%
French Lick	24.00%	20.44%	23.24%	19.14%	23.87%	22.04%
Blue Chip	23.66%	21.29%	20.64%	21.34%	22.52%	21.86%
Horseshoe HD	21.63%	16.97%	22.19%	21.07%	19.84%	22.41%
Belterra	20.62%	23.15%	17.19%	24.55%	14.81%	25.14%
Ameristar	19.54%	26.97%	16.58%	20.40%	16.06%	16.55%
Majestic Star I	17.27%	23.29%	24.39%	15.37%	22.90%	17.45%
Rising Star	16.39%	24.46%	10.20%	17.23%	14.00%	21.07%
STATEWIDE	21.83%	22.38%	20.40%	20.28%	20.36%	20.85%

SLOT MACHINES, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Horseshoe HD	2,173	2,170	2,197	2,199	2,217	2,217
Indiana Grand	2,072	2,064	2,072	2,073	2,074	2,069
Ameristar	1,748	1,748	1,748	1,738	1,738	1,749
Blue Chip	1,669	1,668	1,668	1,676	1,676	1,678
Hoosier Park	1,582	1,581	1,570	1,543	1,542	1,599
Horseshoe SI	1,579	1,580	1,580	1,577	1,580	1,580
Hollywood	1,550	1,566	1,566	1,574	1,543	1,541
Belterra	1,165	1,178	1,176	1,176	1,167	1,180
Tropicana	1,118	1,121	1,118	1,127	1,124	1,125
Rising Star	879	885	887	898	896	897
French Lick	855	913	913	915	915	915
Majestic Star II	830	830	831	829	832	838
Majestic Star I	790	790	789	788	789	700
STATEWIDE	18,010	18,094	18,115	18,133	18,093	18,088

TABLE GAMES, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Horseshoe HD	150	150	150	150	157	155
Horseshoe SI	103	103	103	103	103	103
Ameristar	79	79	78	79	79	89
Hollywood	77	77	78	78	78	78
Majestic Star I	49	49	49	49	49	49
Blue Chip	48	48	48	48	48	48
Belterra	42	42	43	43	43	43
Tropicana	41	49	41	41	41	41
French Lick	37	37	37	37	37	37
Rising Star	24	24	24	27	29	29
Majestic Star II	14	14	14	14	14	14
STATEWIDE	664	672	665	669	678	676

WIN PER SLOT PER DAY

CASINO	06/2019	06/2018	05/2019
Indiana Grand	\$ 388	\$ 372	\$ 403
Hoosier Park	\$ 370	\$ 328	\$ 382
Horseshoe HD	\$ 365	\$ 341	\$ 359
Tropicana	\$ 292	\$ 298	\$ 296
Horseshoe SI	\$ 280	\$ 340	\$ 303
French Lick	\$ 270	\$ 267	\$ 248
Ameristar	\$ 255	\$ 324	\$ 263
Hollywood	\$ 252	\$ 289	\$ 257
Majestic Star I	\$ 230	\$ 226	\$ 241
Blue Chip	\$ 228	\$ 221	\$ 227
Belterra	\$ 218	\$ 235	\$ 212
Majestic Star II	\$ 199	\$ 196	\$ 198
Rising Star	\$ 135	\$ 140	\$ 134
STATEWIDE	\$ 284	\$ 289	\$ 288

WIN PER TABLE PER DAY

CASINO	06/2019	06/2018	05/2019
Ameristar	\$ 1,964	\$ 2,010	\$ 2,783
Horseshoe HD	\$ 1,918	\$ 1,876	\$ 1,536
Tropicana	\$ 1,769	\$ 1,558	\$ 1,579
Horseshoe SI	\$ 1,393	\$ 1,290	\$ 1,536
French Lick	\$ 1,171	\$ 1,082	\$ 900
Blue Chip	\$ 1,063	\$ 1,062	\$ 997
Majestic Star I	\$ 1,056	\$ 1,122	\$ 1,321
Belterra	\$ 1,045	\$ 1,108	\$ 1,092
Hollywood	\$ 817	\$ 962	\$ 912
Rising Star	\$ 526	\$ 684	\$ 978
Majestic Star II	\$ 279	\$ 219	\$ 292
STATEWIDE	\$ 1,398	\$ 1,369	\$ 1,451

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	06/2019	05/2019	04/2019	03/2019
Majestic Star II	97.7/02.3%	97.6/02.4%	97.6/02.4%	97.4/02.6%
Rising Star	90.4/09.6%	83.4/16.6%	93.1/06.9%	88.1/11.9%
Blue Chip	88.2/11.8%	88.8/11.2%	89.1/10.9%	89.8/10.2%
Hollywood	86.1/13.9%	85.1/14.9%	84.8/15.2%	87.5/12.5%
Belterra	85.2/14.8%	84.5/15.5%	88.3/11.7%	83.4/16.6%
French Lick	84.2/15.8%	87.2/12.8%	86.1/13.9%	87.6/12.4%
Tropicana	81.8/18.2%	81.1/18.9%	85.1/14.9%	85.7/14.3%
Majestic Star I	77.8/22.2%	74.6/25.4%	70.3/29.7%	80.1/19.9%
Horseshoe SI	75.5/24.5%	75.1/24.9%	80.1/19.9%	79.6/20.4%
Ameristar	74.2/25.8%	67.7/32.3%	74.4/25.6%	73.7/26.3%
Horseshoe HD	73.4/26.6%	77.2/22.8%	71.7/28.3%	74.9/25.1%
STATEWIDE	84.7/15.3%	84.2/15.8%	84.9/15.1%	85.8/14.2%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Ameristar	Horseshoe HD	Indiana Grand
(3)	Horseshoe SI	Hoosier Park	Ameristar
(4)	Tropicana	Ameristar	Horseshoe SI
(5)	Hollywood	Horseshoe SI	Hoosier Park
(6)	Majestic Star I	Hollywood	Hollywood
(7)	Blue Chip	Blue Chip	Blue Chip
(8)	Belterra	Tropicana	Tropicana
(9)	French Lick	Belterra	Belterra
(10)	Rising Star	French Lick	French Lick
(11)	Majestic Star II	Majestic Star I	Majestic Star I
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

STATE MARKET SHARE BY CORPORATE PARENT, past six months

PARENT	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Caesars	50.54%	49.80%	50.82%	50.11%	49.80%	50.61%
Penn National	17.44%	18.62%	17.58%	17.89%	18.23%	17.93%
Boyd Gaming	12.06%	11.65%	11.52%	11.98%	10.88%	11.16%
Spectacle	6.64%	6.84%	7.62%	6.77%	7.35%	6.82%

STATE MARKET SHARE, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Horseshoe HD	17.87%	16.32%	18.15%	17.61%	17.76%	17.98%
Indiana Grand	13.31%	13.44%	13.59%	13.64%	14.08%	13.02%
Ameristar	9.95%	10.98%	10.07%	10.60%	9.88%	10.17%
Horseshoe SI	9.69%	10.28%	9.15%	9.31%	8.12%	10.37%
Hoosier Park	9.68%	9.76%	9.92%	9.55%	9.84%	9.24%
Hollywood	7.50%	7.64%	7.51%	7.28%	8.35%	7.76%
Blue Chip	7.14%	6.88%	6.90%	7.06%	6.91%	6.48%
Tropicana	6.61%	6.61%	6.24%	7.03%	6.95%	7.14%
Belterra	4.92%	4.77%	4.63%	4.92%	3.97%	4.68%
French Lick	4.53%	4.20%	4.28%	4.15%	4.63%	4.31%
Majestic Star I	3.85%	4.12%	4.65%	3.90%	4.31%	4.12%
Majestic Star II	2.79%	2.72%	2.97%	2.87%	3.04%	2.70%
Rising Star	2.18%	2.29%	1.94%	2.07%	2.15%	2.05%

STATE MARKET SHARE BY REGION, past six months

REGION	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Lake	41.60%	41.02%	42.73%	42.05%	41.91%	41.45%
Southern	35.41%	35.78%	33.76%	34.76%	34.18%	36.29%
Racinos	22.98%	23.20%	23.51%	23.19%	23.92%	22.26%

LAKE REGION MARKET SHARE, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Horseshoe HD	42.96%	39.79%	42.48%	41.88%	42.39%	43.37%
Ameristar	23.91%	26.77%	23.55%	25.21%	23.58%	24.54%
Blue Chip	17.17%	16.76%	16.14%	16.79%	16.49%	15.64%
Majestic Star I	9.26%	10.04%	10.87%	9.28%	10.29%	9.93%
Majestic Star II	6.70%	6.64%	6.95%	6.83%	7.26%	6.52%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Horseshoe SI	27.35%	28.73%	27.11%	26.79%	23.76%	28.58%
Hollywood	21.17%	21.34%	22.25%	20.95%	24.43%	21.37%
Tropicana	18.65%	18.46%	18.50%	20.21%	20.34%	19.66%
Belterra	13.89%	13.34%	13.71%	14.16%	11.62%	12.89%
French Lick	12.79%	11.74%	12.68%	11.94%	13.55%	11.86%
Rising Star	6.15%	6.40%	5.75%	5.95%	6.30%	5.64%

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Indiana	\$ 181.42	\$ 191.93	\$ 182.88	\$ 217.40	\$ 172.16	\$ 158.87
IL Casinos	\$ 110.85	\$ 118.20	\$ 114.76	\$ 126.20	\$ 97.55	\$ 94.71
SPREAD	\$ 70.57	\$ 73.73	\$ 68.11	\$ 91.20	\$ 74.60	\$ 64.16
IL VGTs	N/A	\$ 147.74	\$ 144.71	\$ 158.71	\$ 129.06	\$ 120.47
IL Total	N/A	\$ 265.94	\$ 259.47	\$ 284.91	\$ 226.61	\$ 215.18
SPREAD	N/A	(\$ 74.11)	(\$ 76.59)	(\$ 67.51)	(\$ 54.45)	(\$ 56.32)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	06/2019	05/2019	04/2019	03/2019	02/2019	01/2019
Indiana	\$ 181.42	\$ 191.33	\$ 182.88	\$ 217.40	\$ 172.16	\$ 158.87
OH Casinos	\$ 70.28	\$ 73.50	\$ 70.58	\$ 81.08	\$ 69.99	\$ 62.45
OH Racinos	\$ 91.13	\$ 95.91	\$ 89.64	\$ 103.11	\$ 84.96	\$ 78.29
OH Total	\$ 161.41	\$ 169.41	\$ 160.22	\$ 184.19	\$ 154.95	\$ 140.74
SPREAD	\$ 20.01	\$ 22.53	\$ 22.66	\$ 33.21	\$ 17.21	\$ 18.13

Hoosier Lottery

● We're picking up indications that the Hoosier Lottery ended the 2019 fiscal year with a strong sales month in June, pushing overall sales for FY 2019 to a new all-time record high of more than \$1.3 billion.

● The Hoosier Lotto jackpot for Saturday, July 13, grew by the minimum increment of \$300,000 to \$41.8 million, adding to the most lucrative top prize up for grabs in the hometown draw game in close to 12 years. The jackpot topped \$40 million on June 22, a key milestone because – as we've reminded you – that's also the starting jackpot amount for both Powerball and Mega Millions. That means the Hoosier Lotto would feature a larger jackpot than either Powerball or Mega Millions the next time one of the multi-state draw games resets – a rare occurrence that last happened more than three years ago.

□ The jackpot has now grown at the minimum rate of \$200,000 on Wednesday and \$300,000 on Saturday in all but two of the draws since mid-May. By comparison, the jackpot increased by greater than the minimum in eight of the 11 draws before that. The jackpot growth of \$1.6 million seen in the three-draw period beginning with the draw last Halloween has not been matched since then – and typically has been only about one-half as much. The last three Hoosier Lotto draws have increased by a total of just the minimum: \$800,000.

□ The current jackpot is the largest available since the game's matrix changed in May 2014 (the previous high under the revised format was the \$25.5 million jackpot of October 14, 2017). The all-time record is \$54.5 million from November 7, 2007, so we're still another 20 weeks or so away from potentially making history. Second place is much closer: \$42.0 million won on June 5, 1999, an amount which could be overtaken as soon as Wednesday, July 17 if players remain "unlucky" (there have been 4,692,755 winning Hoosier Lotto tickets of some sort sold since January 1). The current jackpot has been growing since February 10, 2018, so it has now gone unclaimed for more than 17 months.

Recent Hoosier Lotto Jackpot History

Draw Day	Date	Jackpot Amount	Change
SAT	07/13/19	\$41.8 Million	\$300,000
WED	07/10/19	\$41.5 Million	\$200,000
SAT	07/06/19	\$41.3 Million	\$300,000
WED	07/03/19	\$41.0 Million	\$200,000
SAT	06/29/19	\$40.8 Million	\$300,000
WED	06/26/19	\$40.5 Million	\$400,000*
SAT	06/22/19	\$40.1 Million	\$300,000
WED	06/19/19	\$39.8 Million	\$200,000
SAT	06/15/19	\$39.6 Million	\$300,000
WED	06/12/19	\$39.3 Million	\$200,000
SAT	06/07/19	\$39.1 Million	\$300,000
WED	06/05/19	\$38.8 Million	\$200,000
SAT	06/01/19	\$38.6 Million	\$300,000
WED	05/29/19	\$38.3 Million	\$400,000*
SAT	05/25/19	\$37.9 Million	\$300,000
WED	05/22/19	\$37.6 Million	\$200,000
SAT	05/18/19	\$37.4 Million	\$300,000
WED	05/15/19	\$37.1 Million	\$200,000
SAT	05/11/19	\$36.9 Million	\$300,000
WED	05/08/19	\$36.6 Million	\$300,000*
SAT	05/04/19	\$36.3 Million	\$500,000*
WED	05/01/19	\$35.8 Million	\$200,000
SAT	04/27/19	\$35.6 Million	\$400,000*
WED	04/24/19	\$35.2 Million	\$300,000*
SAT	04/20/19	\$34.9 Million	\$500,000*
WED	04/17/19	\$34.4 Million	\$300,000*
SAT	04/13/19	\$34.1 Million	\$400,000*
WED	04/10/19	\$33.7 Million	\$200,000
SAT	04/06/19	\$33.5 Million	\$500,000*
WED	04/03/19	\$33.0 Million	\$200,000

* Indicates jackpot grew by an amount greater than the minimums of \$200,000 on Wednesday, and \$300,000 on Saturday

□ As it has since the draw dated April 10, the Hoosier Lotto jackpot currently ranks as the nation's fourth-largest domestic jackpot, trailing only the two multistate draw games and California's SuperLotto Plus. The Hoosier Lotto jackpot had ranked third-largest from January 24 until April 10 when the Golden State game posted a \$34 million jackpot compared to Indiana's \$33.7 million stake.

□ The California SuperLotto Plus jackpot for the drawing scheduled on Saturday July 13, is \$61.0 million . . . and that jackpot is far higher than it has been in many months as well.

● Receipts for the month of June show that Silver Express in Indianapolis maintains the lottery sales lead for a 10th consecutive month, and continues its remarkable run of not having been lower than first or second statewide since a third-place finish way back in November 2015.

□ Silver Express had held the top spot statewide during a strong run from December 2015 through October 2017 and now again from January through June. Southside Marathon LLC in Fort Wayne – which has been steadily on the rise since January – moved up into second place from its fourth-place finish in May. MCR Short Stop in Portage slips by one place into third after three months of posting its highest ranking since we started monitoring retailer sales in detail in 2013.

□ Troy Foods Inc. in Indianapolis, which had placed first or second in each month since it transitioned from Buck's Market ownership in the mid-July 2018 buyout (and had largely been on the podium with Silver Express for years before the change), dropped to third place in February and maintained that position through May until the June numbers dropped it down into fourth place. Troy had jumped from 10th to first in August 2018 following the ownership flip one year ago. The Troy Foods predecessor, Buck's, had finished first in June 2018. Bolton Tobacco & NASCAR at West Morris and South Belmont streets just south of I-70 in Indianapolis rockets into fifth place – a completely new face in the top 10 list since we started recording the numbers in 2013. A fifth place showing is a feat for a first-time entrant.

□ Plainfield Dairyland slips off the leader ladder for only the third time in 19 months displaced by Bolton Tobacco & NASCAR. The Hendricks County venue first fell off the list in February after 15 consecutive months of top 10 showings, then regained a 10th place position in May before being ousted once more.

Top 10 Hoosier Lottery Retailers – June 2019 Sales Rank

June 19 18	May	Apr.	Mar.	Feb.	Jan.	Dec.
1 (1) Silver Express - Indianapolis	1	1	1	1	1	1
2 (-) Southside Marathon - Fort Wayne	4	6	9	10	—	10
3 (5) MCR Short Stop - Portage	2	2	2	4	6	8
4 (-) Troy Foods Inc. - Indianapolis	3	3	3	3	2	2
5 (-) Bolton Tobacco/NASCAR - Indianapolis	—	—	—	—	—	—
6 (7) Lucky's Mart LLC - Speedway	9	7	6	7	7	3
7 (9) The Hen - Crown Point	8	8	—	9	—	—
8 (8) Grand Food Junction - Fort Wayne	5	4	7	2	3	4
9 (3) K & D Marathon - Hammond	7	9	4	5	5	5
10 (6) Phillips 66 - Indianapolis	6	5	5	6	4	4

□ Lucky's Mart LLC in Speedway moves up three slots into sixth place, sitting one rung higher than it reached in June 2018, but down three places from its all-time high of third in August 2018. The Hen in Crown Point takes seventh place in June, its best showing since a peak of fourth place in October 2018.

□ **Grand Food Junction** dropped down into eighth for June, a low point since November 2018 when it vaulted into fifth from a 10th place finish in the prior month. **K & D Marathon**, adjacent to the Illinois state line in **Hammond**, slides back down two places into ninth where it stood in April – the lowest position on the top 10 rubric it has seen since we began keeping detailed track of sales rank in 2013. **Phillips 66** in Indianapolis also dropped several places, finishing in the number 10 spot for the first time since February 2018.

□ Only four different counties are represented among the top 10 retailers for June, down from five in May and six back in February – creating one of the least diverse groups of counties earning top 10 honors that we can recall. Five of the top 10 retailers can also be found in **Marion County**, the first time that any county has had more than four stores in the top honors since we began keeping close track in 2013. **Allen County** and **Lake County** tie with two retailers each, while **Porter County** maintains its average showing of one retailer in the top 10 ranks.

□ Here's your deeper dive into historical June retailer data:

# 2019	2018	2017
1 Silver Express	Buck's Market	Silver Express
2 Southside Marathon LLC	Silver Express	Buck's Market
3 MCR Shortstop	K & D Marathon	K & D Marathon
4 Troy Foods Inc.	Plainfield Dairyland	Plainfield Dairyland
5 Bolton Tobacco & NASCAR	MCR Shortstop	MCR Shortstop
# 2016	2015	2014
1 Silver Express	Buck's Market	Buck's Market
2 Luck's Mart LLC	Silver Express	Silver Express
3 Buck's Market	Grand Food Junction	Lucky Stop
4 K & D Marathon	Friendly Market	K & D Marathon
5 MCR Shortstop	K & D Marathon	Grand Food Junction
# 2013	2012	
1 Buck's Market	Lightning Food Mart	
2 Silver Express	K & D Marathon	
3 K & D Marathon	Lucky Stop	
4 Lightning Food Mart	Silver Express	
5 Lucky Stop	Safeway Foods #14	

□ The respective properties are touting minimum pay of \$20 per hour (base + tokes) through December 31, 2020, "which would be the combination of the hourly base wage for hours worked and tips calculated monthly" . . . with more pay for experience. New dealers start at a \$5.00/hour base + tokes, with "knowledge pay" added to base pay for every game the new dealer successfully learns – Blackjack (25¢); Craps (50¢) and Roulette (25¢). They are also offering medical, dental, and vision benefits; bonuses; a 401K program match; tuition reimbursement, on-site wellness programs, and team member dining rooms.

□ Dealer schools will begin mid-September and typically run four hours per day, five days per week. Each school will be about 10-12 weeks in length. Each dealer school will include training on one or two games, depending on the game. Additional schools will be offered for other games.

IN Bingo and Charitable Gaming

● On July 3 the Indiana Gaming Commission officially promulgated a set of emergency rules regarding charity gaming to effect the mandates in the new charity gaming code overhaul under HEA 1517-2019 (and the smaller revisions made under SEA 393-2019).

□ New guidance from the Indiana Gaming Commission reminds charity gaming organizations that they can now apply for and receive a two-year gaming license to conduct annual casino game night activities, but "after the organization has received a two-year gaming license, they must still, on a yearly basis, submit, maintain, and complete all required financial and other reports, and pay an annual fee as set by rule of the Commission. Failure to correctly file the required reports and pay the annual fee may result in disciplinary action against the organization up to and including suspension of the approved two-year gaming license [emphasis in original]."

● Between June 10 and July 13, the Indiana Gaming Commission Charity Gaming Division staff had scheduled 10 training sessions on the new charity gaming law in seven different cities across the state.

IN Horse Racing & Racinos

● The Grade III \$500,000-guaranteed Indiana Derby attracted 41 nominations for the 25th running of Indiana's richest horse race on Saturday, July 13 at **Indiana Grand Racing & Casino**. Of the horses nominated, 10 three-year-olds competed in at least one of the Triple Crown races in 2019 leading into the Indiana Derby.

● **Indiana Grand Racing & Casino** and **Harrah's Hoosier Park Racing & Casino** are running radio spots in Central Indiana seeking dealers for their table games when the two racinos go live with table games on January 1. The spots tell prospective dealers, "we'll pay for you to attend dealer school," with the associated website explaining that those who are not currently a **Caesars Entertainment Corporation** team member will be paid \$7.25 per hour to attend with a bonus if they successfully pass the school and complete 90 days of employment.

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The Cheat Sheet, Vol. 8, Issue 18 – July 2019

A Conspiracy Against Curtis?



Okay, it's no big secret that there isn't a lot of love lost these days between Indiana Attorney General **Curtis Hill** and the state's Republican political leadership. Now with that said, TCS is hearing (and this where the conspiracy theories come in so take it for what it's worth) that there are basically three scenarios that are being circulated on how the "Establishment" may deal with Hill going forward.

Plan A

- Let the state disciplinary commission take care of this. Some are apparently hoping that there is enough evidence out there to warrant the removal (at least temporary) of Hill's law license and that would get him out of office since to be Attorney General, you have to have a valid Indiana law license. The drawback to that is that even if Hill has to step down, say for 30-60 days, that doesn't disqualify him from seeking the nomination at next year's convention. The pushback then

would be that he could be denied a spot for "not being a Republican in good standing."

Plan B

- If Hill survives the disciplinary commission and gets renominated, the plan is to deny him any financial or state party support. In other words, he would be *candidate non grata*. In addition, there is chatter that the GOP would change the order of the program and have the Governor and Lt. Governor do their thing first so they could leave the convention and not have to share the stage with Hill.



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The Cheat Sheet, Vol. 8, Issue 18 – July 2019

Plan C

- Don't nominate anyone at the convention, and instead, the state central committee would make the appointment. We did float this one by state GOP chairman **Kyle Hupfer** Saturday at Governor Holcomb's re-election announcement. He worked hard to keep a straight face. And while he told us he wasn't sure what was going to happen at the convention, he said they were not closing down the convention without a candidate.

We all know this sounds crazy, like X-Files crazy, but each one of these scenarios has popped up on our radar screens more than once in the past few weeks, so we figured we would put it out there and see what happens.

We did get one interesting perspective from a couple of long-time party operatives a few weeks ago. They told us this entire situation reminded them of the **Zoeller/Costas** contest back in 2008, when then-**Governor Mitch Daniels** backed John Costas, but the delegates wanted Greg Zoeller, in part because they were mad at Daniels over consolidation and Zoeller's team worked their butts off. So it will be interesting to see if there is a repeat of that.



Chasing Chasten



Having been in politics all our adult lives, we here at TCS know what valuable assets spouses can be on the campaign trail. We also know they can be a big liability also. We are getting some rumblings from our friends on the Presidential campaign trail that South Bend Mayor and Presidential candidate **Pete Buttigieg's** husband, **Chasten**, is really worrying some staff and could be going from a valuable asset to a potential liability.

The reason and we've all seen this before in one capacity or another, is that Chasten is really getting emotionally involved in Pete's campaign. And we all know what happens when you get emotionally attached to something in politics. It can cloud your judgment, make you want to respond to every little slight, start micromanaging campaigns, etc., etc.

From what we've gathered to date, things aren't at the point where staff is getting ready to rebel in droves, but it is something, we hear, the top brass is concerned about and want to address sooner rather than later.

By the way, the latest national polls (Morning Consult/NBC News) have

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Buttigieg in 4th place at about seven percent.

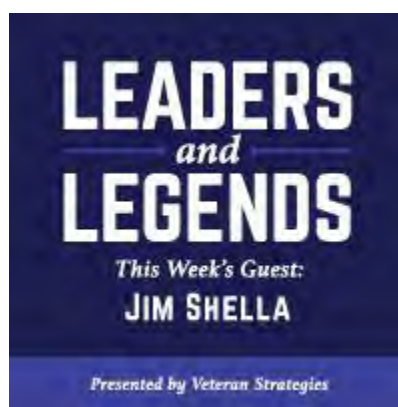
The 5th District Fracas



Things continue to get more and more interesting in the race to replace Susan Brooks in the CD 5. The Democrats will have a contested primary now that **Christina Hale** has formally declared her candidacy and **Dee Thornton**, who ran last time says she will run again.

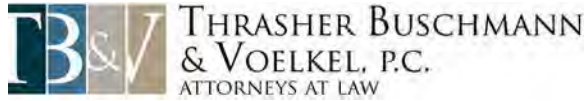
On the Republican side, TCS hears State Republican Party Chairman **Kyle Hupfer** is worried about a blood bath in the GOP primary which could eventually weaken the nominee. Apparently, there have been conversations with the county chairs advising them not to endorse anyone in the race and just let things play out amongst the candidates and let the strong survive, particularly those who can either self-fund or raise the most money.

The names at the top of the list are Surgeon General **Jerome Adams**, State Treasurer **Kelly Mitchell**, former Indianapolis Mayor **Greg Ballard**, businessman **Terry Henderson**, and State Senator **John Ruckleshaus**.



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The Cheat Sheet, Vol. 8, Issue 18 – July 2019



▶ **DON'T BECOME
TOMORROW'S
HEADLINE.
HIRONS HAS
YOUR BACK.**



We're Not Making This S*** Up!



Rumor is coming to us from D.C. that despite public pronouncements, President **Donald Trump** isn't fully sold on keeping **Mike Pence** as Vice-President. Trump needed Pence in 2016 to shore up his evangelical credentials, but now that he has them in his corner, he can look for someone else to be his running mate.

The Feds are reportedly investigating a possible whistleblower situation dealing with unemployment benefits at the **Department of Workforce Development**. We're hearing a now-former employee was made to quit over this and just this past week federal agents met with this person. Apparently, the issue is whether some folks may have been shortened on their unemployment benefits and the state kept the difference.

Don't be shocked if there are more personnel changes in the Governor's Office coming soon, particularly in the area of **Workforce Development**.

Word on the street is that recent polling has **Governor Eric Holcomb** with a mid-60s approval rating in Marion County and is in the upper 50s in the Region.

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The recent controversy with the **Virtual Charter School** has some Indiana lawmakers asking about enrollment in the state's other school districts, so word on the street is that they might start approaching the **State Board of Accounts** to do random audits of school districts to make sure their actual enrollment matches what's on paper.

We hear **Indiana Department of Education** press secretary **Adam Baker** may be exiting soon to the non-profit educational sector.

Maureen Hayden is leaving the Lt. Governor's office to work for Commonwealth Engineers. They help local governments with water and environmental issues.

Indy Mayor Joe Hogsett is dropping a few bucks on TV advertising over the next few weeks. Hogsett is dropping nearly \$120,000 on regular TV and about \$50,000 on cable. Meanwhile, **Jim Merritt** has been making a lot of inroads in the small-to-medium-sized black churches and is developing quite the list of contacts and volunteers.

Look for the Mayor's race in Kokomo race to get a little crazy. It's reported that current Mayor **Greg Goodnight** is not happy with his chosen replacement.

Republican State Rep **Tom Saunders** is going to have a "very strong" Democrat challenger in HD 54. New Castle City Councilman **Aaron Dicken** is reportedly getting in the race. He has ties to State Rep **Terri Austin** and other Democrat fundraising networks.

Community activist and businesswoman **Jeannine Lee Lake** is seeking a second bid for the Democratic nomination to become the first United States Congresswoman representing Indiana's Sixth Congressional District. She lost in 2016 to **Greg Pence**.



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The Cheat Sheet, Vol. 8, Issue 18 – July 2019

Editor's Note

We here at The Cheat Sheet fully realize we print a lot of things that can get some folks worked up.

However, there is one thing to keep in mind.

The only thing more interesting than what ends up in the Cheat Sheet is the stuff that ends up on the cutting room floor.

Maybe one day we'll write a book and print them.



The Usual Disclaimer Stuff:



***The Cheat Sheet** is a publication of IndyPolitics.Org. This is a compilation of pure gossip, rumor and blatant innuendo.*

We assume no liability if it is wrong, we only take credit for it when it's right!

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July 14, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Sunday, July 14, 2019 10:37 AM

HOLCOMB LAUNCHES REELECT TO CHANTS OF '4 MORE YEARS': Gov. Eric Holcomb, who has shot baskets in all 92 counties during his first three years in office, kicked off his reelection campaign in the historic Hoosier Gym on Saturday before a packed house and the strains of Neil Young's classic "Rocking in the Free World" ([Howey Politics Indiana](#)). Under banners proclaiming "Go Holcomb All the Way," the Hoosier Gym scoreboard showing Hickory tied with Terhune 20-20, joined by Lt. Gov. Suzanne Crouch, Holcomb emerged from the gym's lockerroom, high-fived Crouch and proclaimed, "What a way for me and Suzanne to officially announce our commitment to keep Indiana moving forward for four more years! And it's all because of our team – all of you – getting at it every day, taking Indiana to the Next Level, exceeding high expectations." Holcomb continued in the gym where many of the key scenes in classic movie "Hoosiers" were filmed, "We've done it the right way, the Indiana way, by Putting People First. From the economy, to job creation, to infrastructure, to public health, to education, you name it." Holcomb was greeted by chants of "four more years" from the packed House. Holcomb seeks a second term with the state experiencing historic employment, and job creation investment. On Friday, after Auditor Teri Klutz announced \$400 million in additional revenue and \$2.3 billion in reserve, Holcomb announced \$300 million in one-time spending, including an accelerated construction schedule on the U.S. 31 freeway between South Bend and Indianapolis. The governor sits on a \$7.2 million war chest, a 61% job approval rating according to internal polling, and only one Democratic opponent to date. Democrat Dr. Woody Myers entered the race on Wednesday, while State Sen. Eddie Melton of Gary and Karlee Macer of Indianapolis are weighing potential campaigns. "I'm not tired of winning yet," Holcomb told the boisterous crowd. "Are you? And we're going to keep on winning, because Indiana provides certainty, stability, predictability and aspirational continuity – exactly what the pro-growth career creators crave."

BIDEN, SANDERS, HARRIS LEAD TRUMP IN NBC/WSJ POLL: President Donald Trump trails the top Democratic contenders in hypothetical matchups, according to the [NBC News/Wall Street Journal](#) poll's first ballot tests of the 2020 general election. Former Vice President Joe Biden leads the president by 9 points among registered voters, 51 percent to 42 percent — outside of the poll's margin of error of plus-minus 3.5 percentage points. Sen. Bernie Sanders, I-Vt., is ahead of Trump by 7 points, 50 percent to 43 percent. Sen. Elizabeth Warren, D-Mass., holds a 5-point advantage, 48 percent to 43 percent. And Sen. Kamala Harris, D-Calif., is ahead by just 1 point, 45 percent to 44 percent — a jump ball. President Trump's job rating in the poll essentially matches his percentages in those hypothetical 2020 matchups. Forty-five percent of registered voters approve of the president's job, while 52 percent disapprove — which is broadly unchanged from the last several NBC/WSJ surveys.

PENCE FINDS 'TOUGH' CONDITIONS AT BORDER: After negotiating with the VP's office, pool was taken into an outdoor portal at the McAllen Border Station around 5 pm, where almost 400 men were in caged fences with no cots. The stench was horrendous (*White House Pool Report*). The cages were so crowded that it would have been impossible for all of the men to lie on the concrete. There were 384 single men in the portal who allegedly crossed the border illegally. There were no mats or pillows — some of the men were sleeping on concrete. When the men saw the press arrive, they began shouting and wanted to tell us they'd been in there 40 days or longer. The men said they were hungry and wanted to brush their teeth. It was sweltering hot. Agents were guarding the cages wearing face masks. Most of the men did not speak English and looked dirty. They said they'd been there for 40 days or more upon questioning from the pool. We were pulled out of the portal within 90 seconds, and a White House official said the Secret Service had expressed opposition to the Vice President going in. He briefly went into the room. "I was not surprised by what I saw. I knew we'd see a system that was overwhelmed. This is tough stuff," Pence said.

TRUMP TALKS OF DISMISSING COATS (AGAIN): President Trump has told confidants he's eager to remove Dan Coats as director of national intelligence, according to five sources who have discussed the matter directly with the president (Swan, [Axios](#)). The state of play: Trump hasn't told our sources when he plans to make a move, but they say his discussions on the topic have been occurring for months — often unprompted — and the president has mentioned potential replacements since at least February. A source who spoke to Trump about Coats a week ago said the president gave them the impression that the move would happen "sooner rather than later." The director of national intelligence serves as an overseer of the U.S. intelligence community and a close adviser to the president and National Security Council, producing each day's top-secret Presidential Daily Brief. A source with direct knowledge told me that Trump has privately said he thinks the Office of the Director of National Intelligence represents an unnecessary bureaucratic layer and that he would like to get rid of it. He has been told that eliminating the ODNI is not politically possible, but still would like to "downsize" the office, the source said.

INDIANA ELECTIONS USING OUT-DATED WINDOWS 7: The vast majority of 10,000 election jurisdictions nationwide use Windows 7 or an older operating system for voting or tallying — archaic systems vulnerable to hackers, *AP's* Tami Abdollah reports. Why it matters: Private vendors, and state finances, determine the security level of election systems, which lack federal requirements or oversight. J. Alex Halderman, a University of Michigan professor and election security expert,

said the country risks repeating "mistakes that we made over the last ... decade-and-a-half when states bought voting machines but didn't keep the software up-to-date." What's next: Windows 7 reaches its "end of life" Jan. 14, meaning Microsoft stops technical support and patches, although security updates will be provided for a fee through 2023. AP's 50-state survey found that battleground states using Windows 7 include Pennsylvania, Wisconsin, Florida, Iowa, Indiana, Arizona and North Carolina.

PETE BUTTIGIEG'S LIFE IN THE CLOSET: The closet that Pete Buttigieg built for himself in the late 1990s and 2000s was a lot like the ones that other gay men of his age and ambition hid inside. He dated women, deepened his voice and furtively looked at MySpace and Friendster profiles of guys who had come out — all while wondering when it might be safe for him to do so too (Peters, [New York Times](#)). Chris Pappas, who was two years ahead of Mr. Buttigieg at Harvard and is now a Democratic congressman from New Hampshire, said he arrived at college "pretty much convinced that I couldn't have a career or pursue politics as an L.G.B.T. individual." Jonathan Darman, who was one class ahead of Mr. Buttigieg, remembered how people often reacted to a politician's coming out then: "It wasn't a story of love but of acknowledging illicit desire." And Amit Paley, who graduated in Mr. Buttigieg's class, recalled that "it was still a time where vocalizing anti-gay sentiments was not only common, but I think pretty accepted." The thought that 15 years later someone they might have shared a dorm or sat in a lecture hall with would become the first serious openly gay candidate for president of the United States never crossed their minds. But no one would have found the possibility more implausible than the young man everyone on campus knew as Peter. Mr. Buttigieg, now the mayor of South Bend, Ind., struggled for a decade after leaving Harvard to overcome the fear that being gay was "a career death sentence," as he put it in his memoir.

FRIENDS AND FAMILY SAY GOODBYE TO EVA KOR: Family and close friends of Eva Mozes Kor spent much of Saturday celebrating the life and memory of the Holocaust survivor who dedicated much of her life to spreading a message of forgiveness and of the dangers of hate and prejudice (Modesitt, [Terre Haute Tribune-Star](#)). Kor, the founder of Terre Haute's CANDLES Holocaust Museum, passed away July 4 in Krakow, Poland. She was 85. She had been on the annual CANDLES trip to Poland. Since her passing, support from the world over has poured in, said Eva Kor's son Alex Kor. But more than an icon to be mourned, Alex Kor said he's felt no different than any other son who's lost their mother. "At the end of the day it's not some type of icon, it's not someone people look up to, it's my mom," Alex Kor said. "For me it's a personal thing. Whether you're eight years old, 18 years old or 58 years old, it's nice to have a mother to talk to and kiss and to hug. "That's the part that's been tough to put my arms around, that I can't wrap my arms around my mom." The public is invited to attend one of two memorial services in August. The first of which is 2 p.m. Aug. 4 at Tilson Auditorium at Indiana State University in Terre Haute. The second is 2 p.m. Aug. 18 at Clowes Hall at Butler University in Indianapolis.

INDIANA PREPARES FOR SPORTS WAGERING: It appears likely that Hoosiers will be able to begin placing in-person bets at casinos on professional and college sporting events sometime around Sept. 1, with betting via mobile devices coming later (Carden, [NWI Times](#)). The Indiana Gaming Commission has released draft regulations to implement House Enrolled Act 1015, which legalized sports wagering in the state, that the commission is set to approve at its Aug. 28 meeting. If the regulations are adopted without significant changes, the experience of placing a sports bet at an Indiana casino will be similar to betting on a horse race at the track or an off-track betting facility. Patrons will place their wager either with a person at a walk-up window or using a nearby electronic kiosk. In return, they'll get a ticket listing the bet that is turned in to receive a payout if the patron has won. The regulations require casinos to display the sporting events available for wagering, along with the corresponding odds. Bets can be placed using cash, credit or debit, though a verified patron account is required for credit, debit and mobile wagers.

EPSTEIN'S CONVICTION DIDN'T KICK HIM OFF 'A LIST': A strange thing happened when Jeffrey Epstein came back to New York City after being branded a sex offender: His reputation appeared to rise. In 2010, the year after he got out of a Florida prison, Katie Couric and George Stephanopoulos dined at his Manhattan mansion with a British royal ([New York Times](#)). The next year, Mr. Epstein was photographed at a "billionaire's dinner" attended by tech titans like Jeff Bezos and Elon Musk. A page popped up on Harvard University's website lauding his accomplishments, and superlative-filled news releases described his lofty ambitions as he dedicated \$10 million to charitable causes. Powerful female friends served as social guarantors: Peggy Siegal, a gatekeeper for A-list events, included him in movie screenings, and Dr. Eva Andersson-Dubin, a champion of women's health, maintained a friendship that some felt gave him credibility. Mr. Epstein put up a website showing Stephen Hawking and other luminaries at a science gathering he had organized. "If you looked up Jeffrey Epstein online in 2012, you would see what we all saw," Leon Botstein, the president of Bard College, said in an interview. He seemed "like an ex-con who had done well on Wall Street," who was close to the Clintons and gave money to academic pursuits, Dr. Botstein said.

HPI DAILY ANALYSIS: If you are wondering what the uproar over Labor Secretary Alex Acosta's resignation in the wake of the Jeffrey Epstein arrests is about, take 15 minutes and read the original reporting by Miami Herald reporter Julie K. Brown in her November 2018 story "[A perversion of justice: How a future Trump Cabinet member gave a serial sex abuser the deal of a lifetime.](#)" It is disturbing. One other thought: Here in Indiana, news coverage of the judicial system is virtually non-existent. Other than sensational trials like the Richmond Hill explosion case, trials don't get covered. The IndyStar no longer covers courts. One reporter at a newspaper in a 200,000 population county tells me his newspaper no longer has a courts

reporter. The watchdog over the Indiana judicial network has disappeared. We as a society will pay a big price for this in the future. - *Brian A. Howey*

Campaigns

DGA COMMENTS ON HOLCOMB KICKOFF: Democratic Governors Association Communications Director David Turner released the following statement regarding Indiana Gov. Eric Holcomb's announcement he is running for re-election (*Howey Politics Indiana*): "Hoosiers are still waiting for do-nothing Gov. Eric Holcomb to show up for them. When educators needed a pay raise to combat a statewide teacher shortage, Holcomb stiffed them. While Hoosiers wait for their wages to grow, Holcomb doled out high-paying jobs to his political cronies. Holcomb's own Child Services Department Director said a continuation of Holcomb's do-nothing policies on child protection will 'all but ensure children will die.' Do-nothing Holcomb's failure to lead has devastating consequences for Hoosiers. Educators, vulnerable children and working Hoosiers deserve better. We will hold do-nothing Holcomb accountable next year for his failure to lead."

INDEMS CRITICAL OF HOLCOMB SURPLUS SPENDING: Indiana Democrats criticized Gov. Eric Holcomb for "building a pig barn" over teacher salary increases (*Howey Politics Indiana*). The Democrats said: "Governor Eric Holcomb pulled a blue-ribbon blunder Thursday, redirecting \$50 million in state surplus toward the construction of a new pig barn at the State Fairgrounds. Not a dime of additional tax dollars collected by the state will be diverted to fund higher salaries for teachers, a supposed-priority of the governor. With the political deftness of a pair of lead shoes, Holcomb managed to single-handedly manufacture a controversy 48 hours ahead of his own re-election announcement. Budgets are about priorities, so it's only fair to analyze what Holcomb values less than a \$50 million taxpayer-funded pig barn." Indiana Democratic Party Chairman John Zody added, "I have no idea how a \$50 million swine barn helps Hoosier families struggling to pay the bills, afford prescription drugs or find affordable child care get ahead," said Zody. "Our educators have the slowest growing salaries in the country. Dead last. They're literally driving the school bus to make ends meet and our governor thinks it's best to lavish taxpayer dollars on a pig barn. Out of touch doesn't even begin to describe Holcomb's arrogance when it comes to paying our teachers what they deserve."

President 2020

BUTTIGIEG'S HONEYMOON IS OVER: Pete Buttigieg clambered into the top tier of the presidential race by presenting an optimistic, youthful vision for the country. To stay there, he's grappling with his failures. Buttigieg is suddenly facing deeper scrutiny of his record — the first major bump in the 2020 campaign for the young mayor, as detailed in his recent public appearances and media interviews as well as interviews with supporters. He's facing questions from voters about race relations in South Bend, Ind., especially the recent police shooting of an African American man, and is dashing home regularly to manage relations with a fuming black community and a grieving family that sued the city, as well as a police union hitting him from the other side ([Politico](#)). Addressing the letdowns in his short public life is a major change for the 37-year-old Democrat, whose early-year polling momentum has stalled. But for the first time, that's what Buttigieg has had to do, taking responsibility for not hiring more black police officers, including in the first presidential debate, and lacing campaign speeches with new additions on racial justice, immigration and the difficulties of city government. This week, Buttigieg sought to turn attention back to the future with a call for billions of dollars in federal spending to combat systemic racism. The honeymoon, it's safe to say, is over. And Buttigieg knows that how he handles the next phase of the campaign will determine whether his meteoric rise is followed by just as fast of a fall. "I think it's one thing when you're introducing yourself. You're sticking up your hand, you're saying 'Hi, you're saying 'I exist,'" Buttigieg said recently on the sidelines of an event in Iowa, reflecting on the state of the campaign. "Now, it's very different."

BUTTIGIEG HIT PIECE PROMPTS SPONSOR TO LEAVE: A planned forum on climate change for Democratic presidential candidates lost several major sponsors on Saturday in the wake of the left-leaning magazine *The New Republic* publishing — and later retracting — a vulgar and homophobic story related to gay presidential contender Pete Buttigieg ([AP](#)). *The New Republic* was slated as a chief sponsor of a September event designed to spark climate change discussion among candidates during a U.N. climate summit. The magazine pulled down what it called "an opinion piece" about Buttigieg soon after its publication on Friday, citing "criticism of the piece's inappropriate and invasive content." But *The New Republic* as well as three top sponsors bowed out of the climate change event. The League of Conservation Voters said in a statement withdrawing from the climate forum that the magazine's "offensive piece" about the Democratic mayor of South Bend, Indiana, "and the choice to run it, are inconsistent with our values." The Center for American Progress Action Fund said that while it "strongly supports the idea of giving the candidates a forum to address climate change," remaining a backer of the planned forum "is not possible" following *The New Republic's* decision to publish its Buttigieg story.

Sunday Talk

CARSON TALKS OF COMING MUELLER TESTIMONY: Rep. Andre Carson (D-IN) sits on the House intelligence committee, which is scheduled to question Mueller in an open hearing on July 24, after the hearing was delayed another week ([Fox59](#)). "We're still going through the line of questioning and which members will ask which questions as it relates to the committees of their jurisdiction," said Carson in an interview last week. "As the chairman of the committee on counter-proliferation and counter-terrorism, counter-intelligence - I want to make sure my questions are specific to that aspect of the investigation."

HALE MAKES PITCH FOR ELECTION IN RED 5TH CD: Former state representative Christina Hale (D-IN) announced a run for Congress this past week for the fifth congressional district seat currently being held by retiring Rep. Susan Brooks (R-IN) ([Fox59](#)). Hale ran on the Democratic ticket in 2016 as John Gregg's running mate, and is hoping to turn a historically red district blue next year, while GOP leaders continue to insist the district remains reliably Republican. "Whether it was doing what's best for my family or trying to get ahead in the working world, I've had to work for it," said Hale. "That's exactly what Hoosiers can expect of me in Congress, where I'll fight every day to make life better for people by lowering the cost of health care and working to ensure that we have an economy that works for everybody."

KLOBACHAR SAYS TRUMP SEEKS CHAOS: In response to the expected Immigration and Customs Enforcement deportation raids, Sen. Amy Klobuchar, D-Minn., said the administration is using the warnings as a distraction from real issues. "He wants us to be talking about this today and he uses these people as political pawns," Klobuchar told Chief White House Correspondent Jonathan Karl on ABC's ["This Week."](#) "He wants chaos and to distract people," she added later.

DE BLASIO SAYS BIDEN MUST ANSWER FOR DEPORTATIONS: New York City Mayor Bill de Blasio said on Sunday that fellow Democratic White House hopeful Joe Biden should "absolutely" answer for the deportation of undocumented immigrants during the Obama administration. "Let's be honest, I think there's a lot of issues where Democrats and Republicans, unfortunately, have some responsibility for the problems," de Blasio told CNN's Jake Tapper Sunday on ["State of the Union."](#) "That was a mistake, in the end what we needed a very different approach," he added.

CONWAY DOWNPLAYS MUELLER TESTIMONY: Kellyanne Conway on Sunday expressed skepticism that former special counsel Robert Mueller's upcoming testimony before Congress would change any minds, calling continued investigations by the Democratic House an attempt at a "do-over." "Oversight has a function but I think Americans are watching a waste of taxpayer dollars with a bunch of combovers doing a big do-over that we don't need," the White House counselor told host Chris Wallace on ["Fox News Sunday."](#) "I expect very little will come out because Director Mueller has told the country his report is his testimony," Conway added, citing frequent remarks by Mueller that his 400-page report on the findings of his investigation were all he intended to say about the probe before he reached an agreement to testify.

CONWAY SAYS CONGRESS NEEDS TO GET ACT TOGETHER: Kellyanne Conway on Sunday defended conditions in a border detention facility she toured, saying they demonstrate what happens when "Congress gets its act together." "I witnessed no overcrowding, I saw lots of supplies, I saw diapers, I saw food, I saw endless supplies of water," the White House counselor said on ["Fox News Sunday,"](#) referring to a facility she recently visited near McAllen, Texas. "What I saw is what happens when Congress gets its act together and passes humanitarian aid," she added.

Congress

BROOKS VOTES FOR 9/11 HEROS BILL: U.S. Rep. Susan W. Brooks (R-IN05) voted in support of H.R. 1327, the Never Forget the Heroes: James Zadroga, Ray Pfeifer, and Luis Alvarez Permanent Authorization of the September 11th Victim Compensation Fund Act, a bill she proudly cosponsors. Brooks provided the following statement (*Howey Politics Indiana*): "Without hesitation, first responders from around the country, including Task Force 1 from Indiana, heroically rushed into burning buildings and extremely dangerous situations in hopes to save lives during a time of horror and terror. Although almost 18 years have passed since that unforgettable day, the survivors of the terrorist attacks on September 11, 2001, continue to suffer from injuries and illnesses caused by exposure to toxins at Ground Zero, the Pentagon and Shanksville. On behalf of the tens of thousands of responders and survivors of these attacks, as well as the surviving family members of

those who lost their lives, I am proud the House of Representatives overwhelmingly voted to provide these individuals with compensation for needed recovery efforts."

BROOKS VOTES FOR SENATE VERSION NDAA: U.S. Rep. Susan W. Brooks (R-IN05) provided the following statement regarding her vote against the House version of the National Defense Authorization Act (NDAA) and her support for the bipartisan Senate version of the NDAA (*Howey Politics Indiana*): "It is critically important to provide the men and women in our armed forces the resources and tools they need in order to safely defend and protect our country. For 58 years, the Armed Services Committee has passed a bipartisan NDAA. I am disappointed today's House version of the NDAA is extremely partisan, endangers U.S. national security and undercuts authorities' abilities to combat serious threats on an international level, including combatting terrorism. This bill cuts critical programs designed to deter Russia and China, cuts personnel accounts by over one billion dollars, cuts nuclear deterrent programs and cuts readiness recovery."

WALORSKI COMMENTS ON NDAA: U.S. Rep. Jackie Walorski (R-Ind.) today released the following statement after voting against H.R. 2500, a partisan version of the National Defense Authorization Act (NDAA) that would harm military readiness (*Howey Politics Indiana*): "Congress' most important responsibility is to provide for the national defense and support our brave men and women in uniform. Sadly, the NDAA passed by the House today falls short of these goals and breaks a longstanding tradition of bipartisan cooperation. "While the Senate passed its bill with overwhelming support from both parties, House Democratic leaders offered a partisan proposal that underfunds our national defense, undercuts military readiness, and reverses prohibitions on transferring terrorist detainees from Gitmo. I hope they will put politics aside and pass a commonsense, bipartisan national defense bill, including two provisions I authored to encourage adoption of military working dogs by their former handlers and connect more wounded warriors to service dogs."

BUCHSHON VOTES AGAINST NDAA: U.S. Rep. Larry Bucshon, M.D. (IN-08) released the following statement after voting against the National Defense Authorization Act (NDAA) (H.R. 2500) due to the lack of adequate allocation of resources requested and blatant partisanship (*Howey Politics Indiana*): "Traditionally, the NDAA process has been light on partisanship with Republicans and Democrats coming together to advance policies that support our troops and strengthen our national defense. Unfortunately, House Democrats are risking the safety and security of our freedom at home and abroad with this partisan legislation that they intend to use as a political tool. While there are important measures within the NDAA for Hoosiers, the overall bill does not address our national security needs so I must vote to protect our military personnel, our safety, and our way of life. I urge Speaker Pelosi and House Democrats to abandon their partisanship with this NDAA and put the safety of our nation first."

State

GOVERNOR: HOLCOMB SEEKS DISASTER RELIEF FOR 88 COUNTIES - Gov. Eric J. Holcomb announced today that the state of Indiana is requesting a U.S. Department of Agriculture Secretarial disaster designation for 88 counties due to losses caused by flooding and excessive rain this planting season (*Howey Politics Indiana*). "Heavy and persistent rainfall has saturated fields across the state, hurting Indiana crops and our farmers," Gov. Holcomb said. "As I continue to monitor this situation, Hoosier farmers can rest assured that we will keep a close eye on the long-term effects of these relentless rains." The request was made today in a letter to USDA Secretary Sonny Perdue and signed by Gov. Holcomb, Lt. Gov. Suzanne Crouch and Indiana Farm Service Agency Executive Director Steven Brown. National Oceanic and Atmospheric Administration data shows that the past 12 months have been the wettest on record in the United States. A USDA disaster designation can be requested when at least 30 percent of one crop is damaged or lost in a county. Of the state's 92 counties, 88 counties have reported data meeting that threshold. The designation would allow emergency low-interest loans to be made available to farmers. The low-interest financing can also be made to counties contiguous to counties in the disaster zone.

EDUCATION: PURDUE FORT WAYNE PURCHASES LAND - Purdue University Fort Wayne has officially closed on a three-story, 77,000-square-foot building and approximately 13 acres of land. The university paid \$3.8 million for the property, funded through a combination of donations and what the institution calls "other sources" ([Inside Indiana Business](#)). Previously home to Brown Mackie College, the Park 3000 building at 3000 East Coliseum Boulevard is located just southeast of the Main Campus and will become the university's South Campus. The university says preliminary plans for the property include creating a new home for the Richard T. Doermer School of Business.

Nation

WHITE HOUSE: TRUMP BLASTS PROGRESSIVE DEMOCRATS - President Trump on Sunday lashed out at a group of progressive Democrats, saying the female lawmakers should "go back and help fix the totally broken and crime infested places from which they came" before criticizing policies in the U.S. ([The Hill](#)). "So interesting to see 'Progressive' Democrat Congresswomen, who originally came from countries whose governments are a complete and total catastrophe, the worst, most corrupt and inept anywhere in the world (if they even have a functioning government at all), now loudly and viciously telling the people of the United States, the greatest and most powerful Nation on earth, how our government is to be run," Trump said in an early morning string of tweets.

WHITE HOUSE: TRUMP LASHES OUT AT RYAN - President Donald Trump on Saturday broadened his attack on Paul Ryan, saying conservatives like the former speaker "almost killed the Republican Party" because they were "weak, ineffective & stupid" ([Politico](#)). "House Minority Leader Kevin McCarthy is a far superior leader than was Lame Duck Speaker Paul Ryan. Tougher, smarter and a far better fundraiser, Kevin is already closing in on 44 Million Dollars. Paul's final year numbers were, according to Breitbart, 'abysmal.'" Trump wrote. "People like....Paul Ryan almost killed the Republican Party. Weak, ineffective & stupid are not exactly the qualities that Republicans, or the CITIZENS of our Country, were looking for. Right now our spirit is at an all time high, far better than the Radical Left Dems. You'll see next year!" Trump continued.

NEW YORK: BLACKOUT HITS NYC - Power was slowly returning to parts of Manhattan Saturday night after a widespread outage plunged subway stations, stores and parts of Times Square into darkness ([Wall Street Journal](#)). The outage, which was caused by a transformer fire, affected 62,954 customers and began around 6:47 p.m., according to electric company Con Edison. Power started returning to the affected parts of Manhattan at 10 p.m. and was expected to be fully restored by 12:00 a.m. Sunday, according to New York City officials.

Local

CITIES: INDY AIRPORT RANKS HIGH - Travel + Leisure Magazine has named Indianapolis International Airport one of readers' favorite domestic airports in the world. The airport landed the second spot on the magazine's 2019 World's Best Domestic Airports Awards ([Inside Indiana Business](#)). The Indy airport scored only two points behind the Portland International Airport. The magazine says survey respondents remarked: "This should be the blueprint for all airports!" "Great local restaurants to eat and grab coffee or beer," and "Always clean. Security line is always friendly and quick."

COUNTIES: LAKE COUNCIL SEEKS \$5M FOR SETTLEMENTS - Lake County lawmakers are preparing a multimillion-dollar bond issue to pay for dozens of legal settlements reached with plaintiffs who sued the county for alleged wrongdoing or misconduct (Dolan, [NWI Times](#)). At an informal session of the County Council on Thursday, attorneys for the Board of Commissioners introduced an ordinance that would authorize the sale of up to \$5 million worth of bonds over a 10-year period. Funds raised in the bond sale would go toward the payment of at least 24 settlements reached in 2018 and 2019. The total settlement amount for those cases is about \$3.3 million, according to documents presented to lawmakers at the session.

COUNTIES: MARION HAS OPIOID TREATMENT PROGRAM - Opioid drug abuse continues to plague the state, particularly with populations who are or have been incarcerated ([Indiana Public Media](#)). Nearly 20 percent of people sentenced to state prison or jail report regular opioid use according to the Substance Abuse and Mental health Administration. This is dangerous because people's tolerance to opioids goes down while they are incarcerated, says Tisha Wiley, chief of The Services Research Branch at the National Institute on Drug Abuse. "So if they do go back to the community and seek out opioids, that makes them especially vulnerable to relapse," she says.

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ROKITA PONDERES ATTORNEY GENERAL BID: Seated conspicuously to the right of Gov. Eric Holcomb's reelection kickoff at the Hoosier Gym in Knightstown Saturday was former secretary of state and congressman Todd Rokita (*Howey Politics Indiana*). Catching up with Rokita after the event ended, HPI asked Rokita if we should continue to include him as a potential challenger to the embattled Attorney General Curtis Hill. Rokita said he was at the event "to take the temperature" of a potential Statehouse comeback. He said he might have until October to decide. Hill has faced calls for his resignation from Holcomb and other GOP leaders after sexual harassment allegations were leveled against him in 2018. He faces a Supreme Court review of his law license, expected to be decided by October. Hill hasn't announced for reelection, but reported raising \$220,000, though \$100,000 of that came from the Republican Attorney Generals Association. Zionsville attorney John Westercamp has already announced he will challenge Hill in the June 2020 Republican Convention.

TRUMP TELLS 4 CONGRESSWOMAN TO 'GO BACK': President Trump provocatively injected himself into a simmering Democratic dispute Sunday, tweeting that a group of progressives quarreling with House Speaker Nancy Pelosi—all but one of whom were born in the U.S.—came from corrupt and broken countries and should "go back" to "fix" what he called the "totally broken and crime infested places from which they came" ([Wall Street Journal](#)). The president's broadside against the lawmakers, all of whom are minorities, was condemned as racist by Democrats across the spectrum. Mr. Trump's tweets came amid deepening tensions between Mrs. Pelosi and a group of freshman progressive lawmakers seeking to push Democratic policy further to the left, a dispute that also was playing out on social media over the weekend. Mr. Trump continued in his tweets that after fixing the places they come from, the congresswomen should "come back and show us how it is done. These places need your help badly, you can't leave fast enough. I'm sure that Nancy Pelosi would be very happy to quickly work out free travel arrangements!" The four apparent targets of the president's tweet were Reps. Alexandria Ocasio-Cortez of New York, Rashida Tlaib of Michigan, Ilhan Omar of Minnesota and Ayanna Pressley of Massachusetts. Ms. Omar, the only one born outside the U.S., came to the country as a child from Somalia. Ms. Ocasio-Cortez is of Puerto Rican heritage, while Ms. Tlaib is Palestinian-American and Ms. Pressley is African-American. Mrs. Pelosi (D., Calif.) called the tweets "xenophobic" and said they showed that Mr. Trump's goal was "making America white again." Ms. Ocasio-Cortez, for her part, tweeted: "Mr. President, the country I 'come from,' and the country we all swear to, is the United States...You are angry because you can't conceive of an America that includes us."

RADIO SILENCE FROM REPUBLICANS AFTER LATEST TRUMP INSULT: Republicans offered little reaction. Senate Majority Leader Mitch McConnell (R., Ky.) declined to comment. The office of Rep. Kevin McCarthy of California, the GOP House leader, didn't respond to a request for comment (*Wall Street Journal*). When Mr. Trump used a vulgarity last year to describe some African nations sending immigrants to the U.S.—calling them "shithole countries"—a number of Republican senators objected. President Trump knows he can say whatever he likes and face no consequences from the party he has conquered. The few Republicans who dared to defy him either got crushed by pro-Trump candidates in primaries (Rep. Mark Sanford), quit the party (Rep. Justin Amash) or retired (Sens. Jeff Flake and Bob Corker) (Swan, *Axios*). One remaining critic, Sen. Mitt Romney, mostly pushes back by issuing stern but ineffectual tweets. And Sen. Ben Sasse, who used to lambaste the president, has mostly gone silent. No modern president, besides George W. Bush immediately after the 9/11 attacks, has enjoyed such popularity with Republican voters.

STANDING O FOR MAYOR PETE IN IOWA: Ten Democratic presidential candidates took the stage Sunday afternoon in 90-degree weather to address would-be Iowa caucusgoers, but only Pete Buttigieg got a standing ovation ([Des Moines Register](#)). The crowd of more than 1,100 who turned out for the annual Progress Iowa Corn Feed in Cedar Rapids demonstrated the most enthusiasm for the South Bend, Indiana, mayor, who said the 2020 presidential election is about winning the next era in American politics. "If we embrace a left-wing agenda, the president's going to say we're socialists and we're for open borders. If we adopt a conservative agenda, the president's going to say we're socialists and we're for open borders. So we might as well stand up for what we believe in and take it from there," Buttigieg said. Christie Steel, a 53-year-old from Marion, came out on Sunday specifically to see Buttigieg, whom she supports. "I like his thoughts. I love the fact that he's just very even-tempered — he seems to put a lot of thought behind what he thinks and does," said Steel, who works in insurance.

WEEKEND ICE RAIDS DIDN'T MATERIALIZE: The nationwide immigration raids that President Trump said would begin Sunday failed to materialize on the streets of major U.S. cities, even as his statement cast a cloud of fear that kept many families indoors ([Washington Post](#)). Immigration enforcement authorities said their plans to track down migrants with deportation orders would continue, but their operations over the weekend appeared more akin to routine actions rather than the mass roundups the president promised. Immigrants and advocates had been bracing for the arrests, which Trump last warned of on Friday, saying he wanted agents "to take people out and take them back to their countries." But federal law enforcement officials said they worried that the unusual public disclosure of the plan endangered officers and threatened their effectiveness.

CHRISTIE BLAMES TRUMP TRANSITION FOR CABINET TURMOIL: Former New Jersey Gov. Chris Christie (R) said Sunday that President Trump's "poorly" run transition team is the root of high turnover rates in the Trump administration ([The Hill](#)). Christie's comments came during a discussion on ABC's "This Week" about the growing number of acting department officials in the Trump administration. Last week, Alexander Acosta announced he'd be stepping down as Labor secretary amid growing scrutiny over his role in negotiating a plea deal for Jeffrey Epstein, a financier accused of running a sex trafficking ring and abusing dozens of girls. "It all goes back to the transition and how poorly the transition was run," Christie said on ABC. "These people were not vetted appropriately, and the president ended up watching them in action. They were vetted while they were doing the jobs, and they wound up being deficient, many of them." Christie was the head of Trump's transition team until he was ousted days after the president's surprise victory. The team was then lead by Vice President Mike Pence who reportedly outsourced political vetting to the Republican National Committee. The Trump administration has seen frequent turnover in senior positions throughout the first half of Trump's first term in office.

CHINA GROWTH SLOWEST SINCE 1992: China's economic growth decelerated to its slowest pace in decades, weakened by trade tensions with the U.S. and businesses that held back from making big investments despite encouragement from Beijing ([Wall Street Journal](#)). The economy grew by 6.2% in the second quarter, down from 6.4% in the period before, official statistics showed Monday. Growth was slower than the 6.3% on-year rate forecast by economists. Investments remained weak on a quarterly basis, even though the month of June saw the beginning of a potential recovery as Beijing encouraged banks to lend more. Exports fell in June from a year earlier after trade talks with Washington broke down and President Trump applied higher tariffs to Chinese goods.

FARMERS MARKETS BECOME RACIAL FLASHPOINTS: At Bloomington, Indiana's weekend farmers' market, shoppers can stock up on kale, fresh eggs, homemade jams—and anti-Nazi accessories ([Daily Beast](#)). "Don't Buy Veggies From Nazis," read a pile of colorful buttons at a recent Saturday farmers' market. The buttons were a jab at Sarah Dye and Douglas Mackey, proprietors of Schooner Creek Farm, a vegetable farm. Like other unassuming stallholders at the market, Dye and Mackey sell eggs and seasonal vegetables. But online, Dye is "Volkmom," an active member of the white supremacist group Identity Evropa, according to leaked chat logs. "Volk" is a nod to the Nazis' back-to-the-land *völkisch* movement. "Any Whites who have spent time living in a neighborhood or attending a school with a non-white majority know the strife that Whites endure," Dye wrote in an Identity Evropa chat in January. "I can attest to it myself." She also wrote of trying to win over a family member by showing videos from a white supremacist channel. After the couple's connections came to light, Bloomington locals campaigned to oust the couple from their weekend stall at the city's farmers' market. The farmers' market face-off isn't not the first of its kind. From Chicago to Sweden, farmers' markets have become a surprising battleground between the far right and its opponents. The far right's love of the markets plays into a larger fascist talking point that idealizes pastoral life and demonizes "degenerate" urban living. The contrast attempts to cast white supremacy as a purer alternative. "A bunch of us have been passing out flyers at the farmers' market to say 'don't put your money in white supremacy,'" Abby Ang, a Bloomington community organizer, told The Daily Beast.

HPI DAILY ANALYSIS: President Trump wants four Democratic congresswomen to "go back" to the countries they came from. Three of them were born in Cincinnati, Detroit and New York. Rep. Omar was born in Somalia and came to the U.S. as a refugee at age 12 and is a naturalized American citizen. The four congresswomen are Americans. They came from America. But the incendiary Trump tweets diverted attention from the Jeffrey Epstein/Alex Acosta controversy and the ICE roundups that didn't happen this weekend. - *Brian A. Howey*

Campaigns

HOGSETT TV AD FEATURES MAYOR HUDNUT: Indianapolis Mayor Joe Hogsett's reelection campaign is paying homage to the late Republican Mayor Bill Hudnut. The TV ad running today has Hogsett describing a "larger than life" Hudnut, adding that like Hudnut, he works for both Republicans and Democrats. The TV ends with Hogsett sitting next to the bench statue of Hudnut. In 1990, Hogsett defeated Hudnut for Indiana secretary of state, essentially ending Hudnut's attempt to win the Republican gubernatorial nomination in 1992.

Presidential 2020

BIDEN, BUTTIGIEG REPRESENT GENERATIONAL DIVIDE: Amy McInerney at first saw Joe Biden as Democrats' best hope to beat President Donald Trump — an experienced politician with the potential to peel off some of Trump's working-class supporters. Then she heard Pete Buttigieg speak ([AP](#)). "I felt like Pete more represented my generation," said McInerney, 33, as she held her 6-month-old daughter, who sported a pink "Buttigieg 2020" onesie. "There need to be voices that are younger represented." Separated by 40 years, Biden and Buttigieg represent the generational poles of the crowded

Democratic presidential primary. Biden, 76, would be the oldest person elected president. Buttigieg, the 37-year-old mayor of South Bend, Indiana, would be the youngest. Biden casts his decades of experience in Washington as a remedy for Trump's turbulent tenure, while Buttigieg argues that the moment calls for the energy of a new generation. "A lot of this is simply the idea that we need generational change, that we need more voices stepping up from a generation that has so much at stake in the decisions that are being made right now," Buttigieg said shortly after announcing his candidacy. At a time when the Democratic field is sorting out its differences on issues from health to immigration, that call for generational change, and how Democrats resolve it, could prove to be even more consequential. It's a fight not just over which candidate gives Democrats the best chance of defeating Trump in 2020, but the direction of the party for years to come. So far, Biden's and Buttigieg's strategies have yielded early success. Biden has led primary polls for much of the year, while Buttigieg tops the most recent fundraising race, amassing \$24.8 million in second-quarter fundraising.

BIDEN ROLLS OUT OBAMACARE PLUS PLAN: Former Vice President Joe Biden has released a plan his campaign said would make the Affordable Care Act easier to navigate with more choices for Americans ([ABC News](#)). The plan would expand upon the Affordable Care Act passed under the Obama-Biden administration and provide a public option for patients to buy into, rather than a "Medicare-for-all" system that several of Biden's 2020 rivals advocate for -- a contrast Biden has already started to draw on the campaign trail.

Sunday Talk

CUCCINELLI WON'T SAY IF FAMILIES WILL BE SEPARATED: Acting director of U.S. Citizenship and Immigration Services (USCIS) Ken Cuccinelli would not say Sunday whether expected Immigrations and Customs Enforcement (ICE) raids would separate families. Cuccinelli discussed the raids on CNN's ["State of the Union,"](#) but told host Jake Tapper he is not willing to discuss operational details, which, he said, would put ICE officers in danger. Among specifics Cuccinelli would not respond to was guaranteeing families won't be separated in the impending raids. "In the same way I wasn't willing to talk about operation details I won't comment on that," he said, of family separation. "There are 1 million people, including families, with removal orders."

CBP DIRECTOR SEEKS TO ALLAY RAID FEARS: President Trump's top official at Customs and Border Protection (CBP) tried to quell fears by immigrant advocates and Democratic lawmakers that the expected roundups of undocumented families in major cities across the country will separate parents from their children, saying the objective of the operation is not family separation. "The design is not about family separation. That's not the intent. It never has been. It never will be," Acting CBP Commissioner Mark Morgan said on ["Face the Nation"](#) Sunday. "The men and women of ICE, they are, too, American heroes," he added, referring to employees of his former agency, Immigration and Customs Enforcement. "They're mothers, they are fathers, brothers and sisters. They're going to apply this with humanity and compassion."

SANDERS SAYS PELOSI TOO TOUGH ON 'THE SQUAD': House Speaker Nancy Pelosi is being "a little bit" too tough on Rep. Alexandria Ocasio-Cortez and her squad of young Democratic women, Sen. Bernie Sanders said Sunday. "What Alexandria and other young women and women of color are saying, 'We have got to reach out to young people,'" the 2020 presidential contender said on NBC's ["Meet the Press."](#) "We have to hear the pain of the working class of this country. And that is causing some political disruption within the leadership of the Democratic Party."

JOHNSON COMMENTS ON ICE RAIDS: Jeh Johnson, who led the Department of Homeland Security (DHS) during President Obama's second term, advised undocumented immigrants they are not required to open the doors of their homes to immigration authorities unless agents produce a warrant signed by a judge. "If someone from ICE ERO comes to someone's home — unless they have a warrant — that person is not required to admit them," Johnson said on ["Face the Nation"](#) Sunday, referring to the Enforcement and Removal Operations (ERO) branch of Immigration and Customs Enforcement (ICE) which is responsible for apprehending people the government seeks to deport.

DURBIN CITS TRUMP'S 'CARELESS RHETORIC': Illinois Sen. Dick Durbin, the second-highest ranking Democrat in the Senate, denounced President Trump's tweets on Sunday about four progressive congresswomen of color, calling the comments "careless rhetoric" designed to sow division. "I could just tell you that when we are dealing with mass arrests or mass deportations and that kind of careless rhetoric by the president, it doesn't help one bit," Durbin said on ["Face the Nation"](#) Sunday.

DURBIN THANKFUL REP. OMAR IS AN AMERICAN: Sen. Dick Durbin (D-Ill.) responded Sunday to a series of tweets by President Trump telling unnamed "'Progressive' Democrat Congresswomen" to "go back" to the countries they came from, saying "that kind of careless rhetoric doesn't help one bit." Speaking on CBS' ["Face the Nation,"](#) Durbin defended Rep. Ilhan

Omar (D-Minn.) without mentioning her by name, speculating that she was the target of Trump's tweet despite its use of the plural. Omar, along with Reps. Alexandria Ocasio-Cortez (D-N.Y.), Ayanna Pressley (D-Mass.) and Rashida Tlaib (D-Mich.) is one of four freshman Democrats who have clashed with House Speaker Pelosi in recent weeks, and the only one of the four born outside the United States. Durbin invoked his own family history, including his mother's journey to the U.S. as a child from Lithuania. "I'm going to stick with the United States as my mother did, as my brothers did," he said. Durbin also cited Omar's own life story. "The fact that they went through refugee camps, came to the United States, clawed their way into an existence [and] eventually were elected, thank goodness," he said.

RAPINOE SAYS TRUMP INTENDS TO DIVIDE: Soccer star Megan Rapinoe said on Sunday that President Trump's message divides Americans. "I think Trump's message excludes people that look like me and are me, of course, but it excludes a lot of people in his base, as well," Rapinoe said on NBC's ["Meet the Press."](#) "And I think that he's trying to divide so he can conquer and not unite so we can all conquer," she said.

Congress

HOUSE PREVIEW: The House will consider H.R. 3494 — The Intelligence Authorization Act. The bill would authorize funding and enable congressional oversight of the U.S. Intelligence Community (*Axios*). The House will also consider a resolution to hold Attorney General Bill Barr and Commerce Secretary Wilbur Ross in contempt over their stonewalling of congressional subpoenas regarding their push to add a citizenship question to the 2020 Census. The House will review H.R. 582 — the Raise the Wage Act. This legislation would gradually increase the minimum wage to \$15 by 2024.

SENATE PREVIEW: The Senate will process 4 tax treaties that were reported out of the Foreign Relations committee in late June, as well as confirm the following nominees, in this order, per a Republican leadership aide: Peter Joseph Phipps as a judge for the Third Circuit. Protocol amending the Tax Convention with Spain. Protocol amending the Tax Convention with Swiss Confederation. Protocol amending the Tax Convention with Japan. Protocol amending the Tax Convention with Luxembourg. Clifton L. Corker as a judge for the Eastern District of Tennessee. Lynda Blanchard as U.S. ambassador to the Republic of Slovenia. Donald R. Tapia as U.S. ambassador to Jamaica.

General Assembly

DEMS NOT GIVING UP ON REDISTRICTING REFORM: The fight to remove partisanship from the process of drawing Indiana's legislative boundaries will continue, even though the U.S. Supreme Court recently announced that it no longer will intervene to remedy excessively one-sided maps. "We conclude that partisan gerrymandering claims present political questions beyond the reach of the federal courts," Chief Justice John Roberts said (Carden, [NWI Times](#)). Julia Vaughn, director of Common Cause Indiana and one of the state's most prominent redistricting reform advocates, said she was disappointed the Supreme Court declined to "take a stand against partisan gerrymandering." "The Supreme Court may be OK with incumbent politicians manipulating the districts to their advantage, but Hoosiers have had enough and want a new system in place by 2021," Vaughn said. House Democratic Leader Phil GiaQuinta, D-Fort Wayne, said he is on board. GiaQuinta plans to file legislation during the 2020 General Assembly requiring an independent redistricting panel draw new maps for the Legislature to approve, with only minimal changes permitted. "The people of Indiana have made it clear that they want legislative and congressional districts drawn by a nonpartisan commission," GiaQuinta said. "The responsibility now lies with the Indiana House and Senate Republicans to act on their wishes." Senate Democratic Leader Tim Lanane, D-Anderson, also believes an independent redistricting process is needed more than ever following the Supreme Court ruling to ensure the integrity of Indiana elections. "We will no longer be able to fall back on the ability of the federal government to prevent politicians from choosing their voters instead of the other way around," Lanane said.

State

GAMING: MAJESTIC STAR HOTEL CLOSES AT GARY - A 300-room hotel built opened by Donald Trump's casino company in 1998 to help draw gamblers to a northwestern Indiana casino has been shut down ([AP](#)). The June 30 closure came as the current owner of the Majestic Star Casino in Gary is working to move it from along Lake Michigan to a location along the busy Interstate 80-94 in the city. Spectacle Entertainment vice president Jahnae Erpenbach tells The (Northwest Indiana) Times that the hotel had declining occupancy and making needed renovations didn't make sense with the upcoming casino move.

DNR: GIRL BITTEN BY COPPERHEAD AT BROWN COUNTY SP - A 7-year-old girl is recovering after being bitten by a copperhead snake Saturday at Brown County State Park ([WIBC](#)). According to the DNR, the girl was playing with other kids

at her campsite when she ran to the edge of the woods. That's where the DNR believes she was when she was bit. After she complained of a bite around her ankle, the girl's father went back to the area and saw a snake. The girl was taken to Riley Hospital in Indianapolis and doctors say she will make a full recovery. According to the DNR, the incident has similarities to other instances of copperhead bites: It was after dark, and the person who was bit was in a poorly lit area and not using a flashlight.

Nation

WHITE HOUSE: ROSS MAY BE NEXT CABINET SEC ON THE LINE - President Donald Trump has told aides and allies that he is considering removing Commerce Secretary Wilbur Ross after a stinging Supreme Court defeat on adding a citizenship question to the census, according to multiple people familiar with the conversations (*NBC News*).

WHITE HOUSE: TRUMP/PENCE SCHEDULE: President Trump's schedule, per a White House official: **Monday:** Trump will participate in the Third Annual Made in America Product Showcase. He will also have lunch with Vice President Pence. **Tuesday:** Trump will meet with his Cabinet. Later he will have lunch with Secretary of State Mike Pompeo. **Wednesday:** Trump will speak at a campaign rally in Greenville, North Carolina. **Thursday:** Trump will meet with the prime minister of the Netherlands at the White House. The two will also participate in a flag presentation ceremony.

STATE: POMPEO ALLOWS IRANIAN DIPLOMAT TO NYC - Secretary of State Mike Pompeo said Sunday night that he granted a visa to Iran's foreign minister to visit New York primarily to meet U.S. obligations to the United Nations but that his movements will be sharply curtailed ([Washington Post](#)). Pompeo said in a telephone interview that Foreign Minister Mohammad Javad Zarif and his delegation will be permitted to travel between U.N. headquarters and the Iranian mission six blocks away, and to the residence of Iran's U.N. ambassador nearby. The group arrived in New York on Sunday morning. "U.S. diplomats don't roam around Tehran, so we don't see any reason for Iranian diplomats to roam freely around New York City, either," Pompeo said.

TRANSPORTATION: BOEING MAY KEEP SUPER MAX ON GROUND INTO 2020 - Boeing Co. BA 1.76% 's 737 MAX planes are unlikely to be ready to carry passengers again until 2020 because of the time it will take to fix flight-control software and complete other steps, an increasing number of government and industry officials say, even as the company strives to get its jet back into service this year ([Wall Street Journal](#)). The situation remains fluid, no firm timeline has been established and Boeing still has to satisfy U.S. regulators that it has answered all outstanding safety questions. But under the latest scenario, the global MAX fleet is now anticipated to return to the air in January 2020, a full 12 months after the plane maker proposed its initial replacement of software eventually implicated in a pair of fatal crashes—one in October and one in March—according to some Federal Aviation Administration officials and pilot-union leaders.

MEDIA: O'DONNELL TAKES OVER CRONKITE CHAIR AT CBS - Norah O'Donnell at 6:30 tonight becomes anchor of the "CBS Evening News" — the Walter Cronkite chair — then anchors tomorrow from Kennedy Space Center (*Axios*). Why it matters, from the L.A. Times' Stephen Battaglio: O'Donnell "is faced with the task of making a nightly half-hour newscast a regular appointment for viewers in an era when they are inundated with news throughout the day. The three network newscasts still collectively averaged 23 million viewers a night in the 2018-19 TV season, compared to around 7 million that Fox News, CNN and MSNBC draw in prime time."

Local

CITIES: PROSECUTOR CALLS FOR DEMOTION OF ANDERSON PD CHIEF - A central Indiana prosecutor is calling the demotion of Anderson's police chief over a confrontation with state troopers who were arresting the chief's son ([AP](#)). Madison County Prosecutor Rodney Cummings says state police told him Anderson Chief Tony Watters came physically close to investigators and put a finger in their faces during the June 7 arrest. Cummings tells The Herald Bulletin that Watters' behavior was "unacceptable" for a police chief. Watters says he fully cooperated with the state police investigation. Troopers arrested the chief's son, who is an Anderson police officer, on charges that he attacked his girlfriend. Anderson Mayor Thomas Broderick says he's received no information from state police about the chief and won't pre-judge him.

CITIES: PROTESTS AS CLARKSVILLE HOTEL CLOSURES - Some residents of the America's Best Inn & Suites in Clarksville have already been displaced about a week before the hotel is officially set to close ([News & Tribune](#)). As they work to find permanent housing for the long-term hotel residents, members of the recently formed Homeless Prevention Task Force organized a protest Saturday to bring awareness to the need for affordable housing options in the area and to encourage the town to provide assistance. America's Best, located at 342 Eastern Boulevard, will close to all residents on July 19 — the 140-room hotel provided 65 families with a 30-day notice to vacate on June 19, two days after the sale of the property was finalized. However, some families who have struggled to pay the hotel rent were forced to leave the hotel Friday evening and Saturday, according to Homeless Prevention Task Force member Jim Moon, who is also the pastor at Park Memorial United Methodist Church.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 7/19
Date: Friday, July 19, 2019 11:41:15 AM
Attachments: [Howey 7-19-19.pdf](#)
[EduInsight July 19.pdf](#)
[LegInsight July 19.PDF](#)

Pillar 1- Diversify our economy

Indy Star- [MLS is talking expansion again and Indianapolis wants in](#)
Inside IN Business- [Kokomo Business Pitch Competition Awards \\$10,000](#)
Inside IN Business- [Medical Company Moving into Miami County Shell Building](#)
Inside IN Business- [Purdue Launches Initiative to Develop Earth-Moon Economy](#)
FW Business- [Report evaluates northeast Indiana business conditions](#)
Inside IN Business- [ERAPSCO Awarded Military Contract](#)

Pillar 2- Upgrade our infrastructure

WDRB- [Floyd County lands federal grant to help launch high-tech industrial park](#)
Inside IN Business- [Noblesville Details Infrastructure Improvement Projects](#)
Journal Gazette- [Editorial: The price of a hike](#)

Pillar 3- Strengthen our workforce

Times Herald- [Vincennes University Jasper's CTIM facility celebrates record year](#)
WTHR- [2,500 jobseekers meet with potential employers at IBE job fair](#)
News Sentinel- [Fort Wayne set to boost youth trade-career program](#)
Inside IN Business- [New Leadership for Skilled Trades Coalition](#)
Inside IN Business- [Old National Awards \\$500K to Ivy Tech](#)
Inside IN Business- [Holiday Hiring Already Underway](#)

Pillar 4- Attack the drug epidemic

Indy Star- [Prescription opioid overdoses drop, as fentanyl deaths skyrocket](#)
Indy Star- [Marion County sees overdose deaths decline](#)
CBS4- [US drug overdose deaths dipped slightly in 2018](#)
IBJ- [Number of U.S. overdose deaths appears to be falling](#)
Current- [Carmel PD receives naxolone doses to protect K9 officers](#)
FW Business- [Opinion: Opioid crisis costs us all](#)

2019 Legislative Session

WANE- [State prepares to launch OB Navigator program to help pregnant mothers](#)
WIBC- [Indiana AG Curtis Hill Reverses Decision on Abortion Law](#)

Misc.

RTV6- [New poll shows Gov. Eric Holcomb's approval ratings holding steady](#)
Journal Gazette- [Key Indiana DCS official leaves agency year after taking job](#)
Cincinnati.com- [Raising tobacco sales age: Ohio becomes latest in national trend](#)
Republic- [Indiana county pays \\$132,000 in computer attack ransom](#)
Fox59- [Indiana county just paid hackers over \\$100k in ransom](#)

IN Lawyer- [2 groups appeal Indiana permit for coal-to-diesel plant](#)

Sincerely,

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July 19, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, July 19, 2019 7:20 AM

BUTTIGIEG CHALLENGES YOUNG DEMS IN INDY: Mayor Pete Buttigieg issued a clarion call for Young Democrats to pick up the mantle of leadership and make a generational shift from the Ronald Reagan chapter of American politics, telling delegates, "Young gets it done" ([Howey Politics Indiana](#)). "The young generation today is the largest and most diverse ever, and the size of our generation gives us the power to shape politics for the half-century to come," Buttigieg told a Young Democrats Convention at Union Station. "So it's good news that we are the most Democratic generation alive. It's natural that our generation be the most skeptical ever of Republican policies." Buttigieg said that President Trump is betraying Reagan conservatism. "This is how the conservative era comes to an end," Buttigieg said. "Their movement is collapsing." He said that he sees an America "that lives in chapter," explaining, "The New Deal era lasted for almost 50 years, until it came to an end with Reagan. And then the Reagan era lasted the last 40 years, with even Democrats acting like the only thing you can do to a tax is cut it, like the only thing you can do with government is shrink it. But it didn't work. We are what comes next. The New Deal era ended with Reagan. The Reagan era ends with us." "It's why I'm ready to deliver something completely different," Buttigieg said. Buttigieg's speech, the first in Indiana since his foreign policy address at Indiana University in May and one of the few appearances since he kicked off his campaign in South Bend in mid-April, comes as he has established himself as a top tier candidate. He leads Joe Biden, Bernie Sanders, Elizabeth Warren and Kamala Harris in money, with an impressive \$24.8 million haul at the end of the second quarter, and \$22 million cash on hand. While he has slid in the national polls recently after the police action shooting controversy in South Bend on June 16, Buttigieg has the funds to continue into the primary and caucus season.

SHOCKED REPUBLICANS PRESS PENCE ON 'SEND HER BACK': Republican members are expressing shock and discomfort over the 'send her back' chants that erupted during President Donald Trump's rally Wednesday night, with even some members of House GOP leadership expressing their concerns to Vice President Mike Pence on Thursday ([Politico](#)). "During a breakfast meeting with Republican leaders, multiple members said they were disturbed by the chants aimed at Rep. Ilhan Omar (D-Minn.) and asked Pence to relay their message to Trump, which he agreed to do, according to several members who were present. "Rep. Paul Mitchell, the sophomore class representative, even asked for a 15-minute meeting with the president so he could directly discuss the issue with Trump. "It's one thing to do chants of 'lock her up.' But a chant like ['send her back'] is simply not reflective of our constitution," the Michigan Republican told POLITICO. And Rep. Tom Cole (R-Okla.) said Pence seemed to share their concerns. 'He said, "at first I couldn't even tell what it was." And he said, "that just needs to not happen,"' said Cole, ranking member on the House Rules Committee. 'He seemed as appalled by it as everybody else.'"

TRUMP DISAVOWS CHANT: President Trump on Thursday sought to distance himself from the chant, saying "I was not happy with it — I disagreed with it" ([Politico](#)). When asked why he didn't stop it, he replied "I think I did — I started speaking very quickly."

MADISON COUNTY GOP CHAIR 'DISAPPOINTED' WITH BROOKS: Russ Willis, chairman of the Madison County Republican Party, said he was surprised and disappointed by U.S. Rep. Susan Brooks' vote on the resolution (de la Bastide, [Anderson Herald-Bulletin](#)). "I honestly think there was a misunderstanding on her part of what President Trump was trying to say," he said. "His comments were not about diversity, but directed at those whose actions were unAmerican." Willis said he believes Brooks voted on how she felt and that there was a misunderstanding of what the president was stating. Brooks recently announced that she would not be seeking a fifth term in 2020. Brian Howey, editor of *Howey Politics Indiana*, said Wednesday that because of her decision not to seek re-election Brooks is now free to comment. "She doesn't have to worry about retribution from Trump," he said. "It seems to me that she is following along the same lines as Sen. Bob Corker." Corker decided not to seek re-election in 2018 after serving two terms in the Senate from Tennessee. "On the record, the Republicans are stating it's just Trump and his style," Howey said of Trump's use of Twitter. "Behind the scenes there is more concern."

MYERS BLASTS TRUMP REMARKS, CRITICIZES HOLCOMB: Democratic gubernatorial candidate Woody Myers took aim at President Trump's controversial "go home" remarks on Thursday (*Howey Politics Indiana*). "'Go back home.' They are three words I heard more than once when growing up. And now, decades later, we are hearing them again — this time from the President of the United States," Dr. Myers said. "His tweets give 'permission for some of his supporters to use that phrase — 'go back home' against kids and adults as well, just because they may be of a different race or a different ethnicity. But that's where we are. And the man I'm running against for Governor of Indiana, Eric Holcomb, refused to condemn President Trump's blatantly racist remarks and instead said, 'Everybody's got their own style.' This is not an issue of "style" — you know it and I know it. True leaders across this great country, both Democrat and Republican, know that this racist rhetoric has no place in our public discourse. True leaders can stand up to their friends to tell them when they're wrong, and yes — that words do matter. I'm saddened for our state and our nation this week. When I'm Governor, you'll have a true leader behind that desk. Governor Holcomb should be ashamed of himself. We must do better."

SOUTH BEND COP CAMERAS TO ACTIVATE WHEN GUN DRAWN: The South Bend Police Department is updating its body camera technology after a fatal police shooting last month in which the officer involved did not activate his body camera (Wright, [South Bend Tribune](#)). Previously, officers' body cameras activated automatically when the light bar on their police vehicle was turned on or if the vehicle reached a certain speed. The cameras could also be manually activated, which Sgt. Ryan O'Neil did not do when he fatally shot Eric Logan on June 16 in a downtown parking lot. Now, a change has been instituted in which body cameras are also automatically activated when a squad car door is opened. And soon, technology will be added to activate the cameras when an officer's gun is drawn from his or her holster. The holster sensors are being provided to the department at no cost by BodyWorn, the company that manufactures the cameras. BodyWorn said in a statement that the holster sensor technology was not available when South Bend initially bought the cameras last year for \$1.5 million. The new sensors will be equipped in the next 60 to 90 days.

EPSTEIN DOC DUMP COULD METASTASIZE SCANDAL: As the Jeffrey Epstein case continues to unfold, a laundry list of celebrities, business magnates and socialites who have flown anywhere near the registered sex offender's orbit are now tainted with pedo-polonium ([Zero Hedge](#)). Also illuminating is a statement by attorney Brad Edwards, who said during a Wednesday press conference seated next to Epstein accuser Courtney Wild that "There were other business associates of Mr. Epstein's who engaged in improper sexual misconduct at one or more of his homes. We do know that," adding "In due time the names are going to start coming out." What's more, the US Court of Appeals for the Second Circuit will release of approximately 2,000 pages of documents, likely over the next several days, which may reveal sex crimes committed by "numerous prominent American politicians, powerful business executives, foreign presidents, a well-known prime minister, and other world leaders," according to the court's three-judge panel. The documents were filed during a civil defamation lawsuit brought by Epstein accuser Virginia Roberts Giuffre, a former Mar-a-Lago locker-room attendant, against Epstein's former girlfriend and alleged madam, Ghislaine Maxwell. "Nobody who was around Epstein a lot is going to have an easy time now. It's all going to come out," said Giuffre's lawyer David Boies. Another person involved with litigation against Epstein told me: "It's going to be staggering, the amount of names. It's going to be contagion numbers." -Vanity Fair

THE JOURNALIST WITH EPSTEIN'S LITTLE BLACK BOOK: With Jeffrey Epstein denied bail and prosecutors building their case in his sex trafficking indictment, one of the next shoes to drop—possibly many shoes—will invariably be: Who within Epstein's social orbit might be implicated in the scandal one way or another? As someone involved in litigation against Epstein told my colleague Gabriel Sherman earlier this week, "It's going to be staggering, the amount of names. It's going to be contagion numbers" ([Vanity Fair](#)). Ever since Epstein's arrest on July 6, there's been growing scrutiny of his vast network of rich and/or famous and/or powerful friends and acquaintances—or former friends and acquaintances, as it were. There's a road map to that network in Epstein's now-infamous black book, filled with many bold-faced names, phone numbers, and addresses, from Donald Trump, Bill Clinton, and Ehud Barak to Alec Baldwin, Ralph Fiennes, Mick Jagger, and even Courtney Love. "It is a mosaic of Epstein's social contacts," the investigative journalist Nick Bryant told me. Bryant first got his hands on a copy of the black book in 2012, after the feds caught Epstein's former house manager trying to peddle it for \$50,000. Three years later, when Epstein was back in the news due to fresh allegations that his pal Prince Andrew had slept with one of the girls who'd alleged she'd been trafficked by Epstein (Buckingham Palace denies this), Bryant finally published the black book in full (phone numbers redacted) in a Gawker article. In particular, the article called attention to a bunch of names that Epstein's former house manager (who passed in late 2014) had circled, supposedly to identify them as potential "material witnesses." (Trump, Barak, Alan Dershowitz, Les Wexner, Bill Richardson, and others.)

HPI DAILY ANALYSIS: Early last Spring after the death of Sen. Birch Bayh, I wrote about John F. Kennedy's "*Profiles in Courage*" and cited 15 examples of Hoosier public servants taking bold, principled stances in tough times ([HPI Analysis: Hoosiers & their profiles in courage](#)). In the wake of this lurid "go back" controversy we've witnessed this week, and the Trump/Pence campaign fanning racial embers, what is becoming painfully clear is there is virtually no such courage in our current delegation. - *Brian A. Howey*

Campaigns

MERRITT BLASTS HOGETT OVER HUDNUT AD: While standing at Hudnut Commons in the heart of downtown Indianapolis, current State Senator and Indianapolis mayoral candidate Jim Merritt praised former Mayor Bill Hudnut and the vision for Indianapolis that he established, contrasting Hudnut's leadership with current Mayor Hogsett's lack of accomplishments and non-existent vision (*Howey Politics Indiana*). According to Merritt, Mayor Hudnut was a leading example of "vision versus opportunism and the important atkoo in our leaders of transparency and honesty." In his current campaign, Merritt states, "I have endeavored to discuss serious issues facing our city. I have made proposals that are intended to make all of our lives better. I have addressed issues that are relevant to our community right now ... (with) specific important initiatives to make Indianapolis a better place." In contrast, Merritt points out that "Hogsett's latest political

ad suggests that he reveres Mayor Hudnut and sees him as a role model. Implicitly in his campaign ad is the suggestion that Joe views himself in the same stead as Mayor Hudnut. This suggestion is offensive." Merritt referred to Hogsett's 1990 campaign ads, which condemned Mayor Hudnut with such claims as "that's not leadership, that's deception"; "For Bill Hudnut, every problem has the same solution, more taxes"; and "Bill Hudnut, 27 tax increases for us and all those perks for himself." According to Merritt, "In no way are these comments reverent."

DEMS DISCUSS FAITH IN POLITICS: Young Democrats say faith in politics is a critical tool in the path forward for their party and the country (Smith, [Indiana Public Media](#)). That was part of the discussion Thursday at the Young Democrats of America national convention in Indianapolis. Jamal Abdurashheed is an attorney and a campaign organizer in Indianapolis. He says people should transition away from evoking faith to implement restrictive policies. "And instead using it as a tool, using it as a tool to create more understanding," Abdurashheed says.

Presidential 2020

CNN DEBATE LINEUPS SET; BUTTIGIEG ON JULY 30: CNN announced the Democratic debate lineups for July 30-31 ([Politico](#)). Flanking Bernie Sanders and Elizabeth Warren on the stage July 30 will be Montana Gov. Steve Bullock; Mayor Pete Buttigieg of South Bend, Indiana; former Maryland Rep. John Delaney; former Colorado Gov. John Hickenlooper; Minnesota Sen. Amy Klobuchar; former Texas Rep. Beto O'Rourke; Ohio Rep. Tim Ryan; and author Marianne Williamson. Joe Biden and Kamala Harris will be joined on the stage July 31 by Booker; New York City Mayor Bill de Blasio; Colorado Gov. Michael Bennet; former Obama Cabinet member Julián Castro; New York Sen. Kirsten Gillibrand; Hawaii Rep. Tulsi Gabbard; Washington Gov. Jay Inslee; and entrepreneur Andrew Yang.

SIMON DONATES \$100K TO YOUNG DEMS: Carmel philanthropist Deborah Simon wants Democrats to win back the White House—as well as keep control of the U.S. House and win a majority in the U.S. Senate—and she's willing to do whatever it takes to make that happen (Erdody, [IBJ](#)). Simon, of the nation's top Democratic donors in the 2016 election, told IBJ, "I'm going to do anything I can to defeat him. That's my goal." To Simon, it starts with young voters, and that's why she recently made a significant—if not record-breaking, for the group—donation to Indiana Young Democrats, which helped bring the Young Democrats of America National Convention to Indianapolis for the first time ever this week. The \$100,000 donation from Simon was enough to nab her the rights to title sponsor at the convention, which started Wednesday in downtown Indianapolis and runs through Saturday. "She believed in us," said Elise Shrock, spokesperson for the Indiana Young Democrats. "She saw and acknowledged the hard work that we are doing... We are playing on the national stage. And we're just getting started." She said she only knew about the Indiana Democratic Party, "which has done an OK job, but we need to be more aggressive in fundraising, and I think these guys are probably more aggressive than they could ever be because they have the energy."

CELEBS DONATE TO BUTTIGIEG CAMPAIGN: A-list celebrities seem to be opening their hearts — or at least their wallets — to Pete Buttigieg (Slodysko, [AP](#)). The South Bend, Indiana, mayor was a virtual unknown months ago. But he used breakout town hall performances, viral moments and his biography as a millennial, gay military veteran and a former Rhodes scholar to get the attention of the entertainment industry and rake in cash for his 2020 Democratic presidential campaign. Among the more than 50 celebrities who gave Buttigieg money during the second quarter are rocker Joan Jett (\$150), recording industry mogul David Geffen (\$5,600), fashion icon Anna Wintour (\$2,800), designer Tom Ford (\$5,600), actress Sharon Stone (\$5,600) and comedian Ellen DeGeneres (\$5,600). They helped fuel his field-leading \$24.8 million fundraising haul. During the second fundraising quarter, Buttigieg kept up an aggressive fundraising schedule, often hitting multiple events in one day, including one held by actress Gwyneth Paltrow, who gave him \$2,800. He also collected money from Star Trek actor George Takei (\$1,250); DreamWorks co-founder Jeffrey Katzenberg and his wife, Marilyn (\$5,600); Full House star John Stamos (\$1,000); actress and singer Barbra Streisand (\$1,000); and comedian and writer Larry David (\$2,800). He was also given \$5,600 by Playboy heir Cooper Hefner and collected \$250 from actress Jennifer Aniston, records show.

TRUMP SAYS PENCE TOLD HIM BUTTIGIEG A BAD MAYOR: President Donald Trump took aim at South Bend Mayor Pete Buttigieg's standing with black residents in his city and said that Vice President Mike Pence told him that the Indiana Democrat "never did a good job" (Rickett, [IndyStar](#)). Trump's remarks Wednesday night came during a rally in North Carolina when he mentioned top-tier Democrats, including former Vice President Joe Biden and U.S. Sen. Kamala Harris. And then he turned to Buttigieg, the presidential candidate who was scheduled to speak in Indianapolis Thursday night at the national gathering for the Young Democrats of America. Trump invoked Pence, whose time as Indiana's governor overlapped with Buttigieg's tenure as South Bend's mayor. "He runs a failed city. His city is doing so badly. Mike Pence was the governor of that state. I said, 'How was he as the mayor?'" Trump said. "Mike is one of the nicest human beings you'll ever meet, and Mike said, 'He never did a good job. I'm so shocked to see him running.'"

BRAD STEVENS EYES BUTTIGIEG SNL GIG: If this basketball thing doesn't work out for Brad Stevens, he already has a backup plan in mind ([AP](#)). The Boston Celtics coach joked on Wednesday that he's hoping to capitalize on his resemblance to Democratic presidential candidate Pete Buttigieg. "I can get a job with 'Saturday Night Live,'" Stevens said. "That's my goal."

TRUMP OUT-SPENDS ALL CANDIDATES ON FACEBOOK: President Trump, whose Facebook spending far exceeds all of his Democratic rivals combined, has spent four times as much talking about immigration as the economy, *Axios* media trends expert Sara Fischer reports. From March 30 through July 6, Trump outspent the entire 2020 Democratic field by 3.45 to 1 on Facebook advertising around immigration issues, according to data from Bully Pulpit Interactive. Trump's Facebook targeting reflects his focus on two groups: older, white voters and Hispanic voters.

HARRIS CONTINUES TO CLARIFY 'MEDICARE FOR ALL': Sen. Kamala Harris is laughing off critics who say that she's struggled to articulate a clear health care policy. When asked about the confusion surrounding her stance on the issue in an interview with [CNN](#) on Wednesday, the 2020 presidential candidate chuckled, saying, "There's a lot that you're building into this question that's not accurate." But despite that assertion, Harris has had to clarify her stance on "Medicare for All" several times since the start of the year.

McCARTHY CONTINUES TO DEFEND TRUMP: Republican congressional leadership on Thursday maintained its steadfast defense of President Trump's recent tirade against four Democratic congresswomen of color, arguing that the conflict is strictly a matter of profound ideological differences ([CBS News](#)). House Minority Leader Kevin McCarthy, a California Republican, said chants of "send her back!" at the president's campaign rally in North Carolina on Wednesday have no "place" in the U.S. But he pushed back when asked by CBS News' Nancy Cordes if the chants were tied to recent controversial remarks by Mr. Trump. "I didn't get a chance to see the rally, but I saw clip. The president didn't join in any chant like that," McCarthy told reporters at the Capitol, referring to the repeated chants from the crowd as Mr. Trump lambasted Omar, a Somali-American and one of two Muslim women in Congress.

Congress

SCHOLARSHIP HONORS LUGAR: A Washington educational nonprofit organization that brings college students to the capital for classes and internships created a scholarship this week in honor of the late Sen. Richard Lugar (Schoeff, *Howey Politics Indiana*). The Fund for American Studies announced the Lugar Scholarship Fund at a July 17 dinner -- one week before the longest-serving Hoosier member of Congress will be buried at Arlington National Cemetery. The award will finance participation in TFAS summer programs, which involve economics and government classes at George Mason University and internships with media, nonprofit and government affairs offices. The scholarship will be targeted toward students from Indiana. Lugar was a longtime TFAS supporter, receiving the organization's Congressional Leadership Award in 1989 and 2010. He is the only repeat winner. TFAS promotes the principles of limited government, free-market economics and leadership. "The goal for the recipients of the Lugar Scholarship is to become honorable leaders -- leaders who make a difference in their communities and throughout the world, just like Dick Lugar did, by upholding the values necessary to the preservation of a free society," TFAS said in a statement included in the scholarship dinner program.

YOUNG, COONS TALK DIPLOMACY AT ND: The U.S. may not have had a major terror attack on home soil, but that doesn't mean terrorists have stopped. Finding ways to cut down on terrorism and violence around the world was part of a talk between senators Chris Coons (D-Delaware), and Sen. Todd Young (R-Ind.) at Notre Dame's Keough School's Kroc Institute for International Peace Studies, Alliance for Peacebuilding, Mercy Corps, and Search for Common Ground ([WIBC](#)). "Since 911 we've spent nearly six trillion dollars in combating violent extremism around the world, as a country. And, how are we doing? What are the results?" asked Coons. "Today there are more people displaced, there are more instances of terrorism and violence and there is less stability in the world." The senators are pushing passage of the Global Fragility Act, to ultimately reduce the number of countries that go into anarchy and become terrorist states. "We now have somewhere north, the U.N. tells us, of 400 violent conflicts world-wide," said Young. Young said he believes government has not been successful because the people who are working on the problem are often doing it in separate areas of government. The new 10-year plan would bring them together. "As the old saying goes, we tear down the walls and connect the dots between often times very talented individuals," he said.

BUCHSHON VOTES AGAINST 'JOB CRUSHING' BILL: U.S. Rep. Larry Bucshon, M.D. (IN-08) released the following statement after voting against the Raising Unemployment for Americans Workers Act (H.R. 582), legislation put forth by House Democrats that mandates a 107-percent increase of the minimum wage that could eliminate 3.7 millions jobs (*Howey Politics Indiana*): "Thanks to the conservative, pro-growth economic agenda put forth by the Trump Administration and House Republicans in Congress for two years, the American prosperity economy is flourishing. After nearly a decade of stagnation, family incomes and job opportunities are finally rising once again. In the past few months, the unemployment rate has hit near record lows, wages have increased -- particularly for lower-income workers, and there are more job openings than there are unemployed workers.

WALORSKI VOTES AGAINST 'CADILLAC TAX': U.S. Rep. Jackie Walorski (R-Ind.) on Wednesday voted to repeal the "Cadillac tax" and sought a House vote on bipartisan bills to repeal the medical device tax and delay the health insurance tax (*Howey Politics Indiana*). "Ending the Cadillac tax will provide important relief to both employers and employees, but this bill doesn't include repealing other burdensome taxes like the medical device tax and the health insurance tax," Congresswoman Walorski said. "It is critical that we repeal all three of these burdensome taxes before they go back into effect. Doing so will help lower premiums, improve access to care, and boost American manufacturing jobs."

YOUNG TO BE WITH USS INDIANAPOLIS SURVIVORS TODAY: U.S. Sen. Todd Young (R-Ind.) will make a series of stops in Central Indiana. He will speak with USS Indianapolis Survivors about the Congressional Medal that will soon be presented to the group; deliver remarks at the Indiana Black Expo Corporate Luncheon, and hold a small business roundtable in Zionsville.

SEN. PAUL SLAMS JON STEWART: Jon Stewart made himself part of the political "B.S." when he attacked two Republican lawmakers over their delay of the 9/11 victim compensation reauthorization bill, according to Sen. Rand Paul, R-Ky ([Fox News](#)). The name-calling of Paul and Sen. Mike Lee, R-Utah, is not a good look for the comedian and activist, the Bluegrass State lawmaker claimed Thursday on "Your World." "I know Jon Stewart, and Jon Stewart is sometimes funny and sometimes informed," he said. "In this case, he's neither funny nor informed. I've spent my entire Senate career putting forward 'pay-fors' for any time spending is expanded. I put forward a pay-for for the border funding bill."

REP. OMAR WELCOMED HOME BY CROWD AT AIRPORT: U.S. Rep. Ilhan Omar was engulfed in a crowd of cheering supporters Thursday at the Minneapolis-St. Paul International Airport, a loud counterpoint to a turbulent week in Congress where she came under a sustained rhetorical assault from President Donald Trump and his supporters ([Minneapolis Star Tribune](#)). More than 100 people filled the baggage claim area with songs, signs and cheers of "Welcome home, Ilhan," providing a stark contrast to chants of "Send her back!" that reverberated through a Trump rally in North Carolina just a day before. In brief remarks, a defiant Omar vowed to "continue to be a nightmare to this president, because his policies are a nightmare to us." "We are not deterred, we are not frightened, we are ready. We are in the ring," Omar said before departing for a town hall in south Minneapolis. "We are in the people's house, and we are going to continue to fight it until we have the America we know we all deserve."

State

GOVERNOR: HOLCOMB STUMPS IN EVANSVILLE - Hot off the heels of announcing his bid for reelection, Indiana Governor Eric Holcomb made a stop in Evansville Thursday to meet with supporters and protesters ([WFIE-TV](#)). The governor touched on a number of topics including putting Hoosiers to work, finishing the I-69 project, and helping inmates earn careers with skills they learned while incarcerated. "This is a small world," Holcomb said. "We are on a roll right now and our momentum just continues to accelerate." "We're on the right course, we're moving in the right direction, the trajectory is going up and I want to see more people recognize that American Dream right here in Indiana, and we're doing it the Indiana way," Holcomb said. It wasn't all smiles though, the governor took quite a bit of time to speak with protesters who showed up to voice concerns about funding for schools and teachers.

GOVERNOR: HOLCOMB RALLIES IN TERRE HAUTE - Five days after announcing his 2020 re-election bid, Gov. Eric Holcomb on Thursday hit Terre Haute on a daylong campaign kickoff swing. About 60 Republican faithful turned out for lunchtime appearance by the governor at Rick's Smokehouse, where Holcomb proclaimed Terre Haute a "crown jewel" for Indiana ([Terre Haute Tribune-Star](#)). "We're really are a model state. We're on a roll — a lot of momentum (and) you're feeling it right here in Vigo County as much as anyone else is," he said. Holcomb told reporters Thursday his campaign is designed for Hoosiers "to inform us" what they'd like to see on the state's agenda. "This is where we get our marching orders, so to speak," he said.

GOVERNOR: HOLCOMB SCHEDULE - Below find Gov. Eric J. Holcomb's public schedule for July 19, 2019, 11 a.m., Indiana Black Expo Corporate Luncheon, Gov. Holcomb, Sen. Todd Young, Rep. André Carson, Indianapolis Mayor Joe Hogsett, Gregory Wilson, Executive Director, Indiana Civil Rights Commission, Tanya Bell, President and CEO, Indiana Black Expo, Inc., Tamika Catchings, Vice President of Basketball Operations, Indiana Fever, Indiana Convention Center. Halls D and E.

STATEHOUSE: HILL ATTORNEYS DOWNPLAY GROPING - Lawyers for Indiana's attorney general are downplaying allegations he drunkenly groped four women during a party, arguing that the claims against him represent common behavior even if they are true (Davies, [AP](#)). They made their arguments in court documents submitted on behalf of Republican state

Attorney General Curtis Hill, calling for a judge to throw out the federal lawsuit the women filed against him last month alleging sexual harassment and defamation by Hill.

BMV: 8,000 SHORTED ON REFUNDS - More than 8,000 motorists will pay a few bucks less next time they renew their driver's license or vehicle registration at the Indiana Bureau of Motor Vehicles (Carden, [NWI Times](#)). The agency announced Wednesday that a recent audit of \$30.3 million in past BMV overcharges found some motorists did not receive a full refund for their payments between 2002 and 2006 that exceeded the fees set by state law. According to the BMV, the average refund underpayment was \$3.36, and a total of \$27,000 in credits already have been posted to the BMV accounts of the 8,099 motorists whose refunds initially were shorted. Affected BMV customers also have been notified by mail or email about the refund and told how to request a check if they no longer live in Indiana. "The BMV is committed to authenticity in its daily processes. Internal audit is a key part of our process to proactively identify issues, hold ourselves accountable and improve when necessary," said BMV Commissioner Peter Lacy.

UTILITIES: DUKE FINED FOR COAL ASH SPILL - The federal, North Carolina and Virginia governments asked a court Thursday to declare the country's largest electricity company liable for environmental damage from a leak five years ago that left miles of a river shared by the two states coated in hazardous coal ash ([AP](#)). Government lawyers sought to have Charlotte-based Duke Energy declared responsible for harming fish, birds, amphibians and the Dan River bottom. Hazardous substances like arsenic and selenium poured into the river at levels high enough to harm aquatic life, according to a complaint filed in the North Carolina federal court district near the site of the 2014 disaster. The leak of waste Duke Energy stored after burning coal for power coated about 70 miles (110 kilometers) of the river from a power plant near Eden, renewing national attention on the risks posed by similar storage pits across the country. Duke Energy pleaded guilty to federal environmental crimes in 2015 and agreed to pay \$102 million. The company said three years of testing through 2017 found no long-term effects to the river's environment.

MEDICAID: PERU WOMAN ARRESTED FOR FRAUD - State investigators say a 51-year-old Peru woman, who ran a medical transportation business, engaged in a Medicaid scheme that resulted in over \$11,000 in extra payments to the company ([Kokomo Tribune](#)). Patricia Schaaf, who owned Blue Sky Transportation, was arrested last week on a warrant for 10 felony charges of Medicaid fraud and one count of money laundering. The company provided transportation to non-emergency medical appointments and was qualified to receive Medicaid payments for the service. State investigators with the Indiana Office of Attorney General Medicaid Fraud Control Unit initiated an investigation into Schaaf in 2014 after a patient reported the company was endangering her life and others.

Nation

WHITE HOUSE: TRUMP TO APPOINT EUGENE SCALIA TO LABOR - President Donald Trump plans to nominate Eugene Scalia, son of the late Supreme Court Justice Antonin Scalia, to be the next Labor secretary ([Politico](#)). The president announced the decision on Twitter after POLITICO first reported his plans earlier Thursday. "Gene has led a life of great success in the legal and labor field and is highly respected not only as a lawyer, but as a lawyer with great experience working with labor and everyone else," Trump wrote. The younger Scalia, a partner at the international law firm Gibson, Dunn & Crutcher, met with Trump Thursday and White House officials had been calling Senate offices to assess whether Scalia is confirmable, according to a person briefed on the talks.

WHITE HOUSE: TRUMP TO SHUT DOWN REFUGEE ADMISSIONS - The Trump administration is considering a virtual shutdown of refugee admissions next year — cutting the number to nearly zero — according to three people familiar with the plan ([Politico](#)). During a key meeting of security officials on refugee admissions last week, a U.S. Citizenship and Immigration Services representative who is closely aligned with White House immigration adviser Stephen Miller suggested setting a cap at zero, the people said. Homeland Security Department officials at the meeting later floated making the level anywhere from 3,000 to 10,000, according to one of the people. The proposal for a near-shutdown of the refugee program is alarming officials at the Department of Defense, who don't want to see a halt in admissions of Iraqis who risked their lives assisting U.S. forces in that country. The possible move comes after the Trump administration cut refugee admissions by a third this year, to 30,000.

WHITE HOUSE: PENCE PRESSES CHINA ON UIGHURS - The U.S. is ratcheting up pressure on the Chinese government regarding human rights, hoping to hit Beijing where it hurts as bilateral tensions ripple beyond trade. But China steadfastly maintains that there is no religious persecution within its borders ([Nikkei Asian Review](#)). America has "spoken out against religious persecution in the People's Republic of China, and we do so again today," Vice President Mike Pence said Thursday at the State Department's Ministerial to Advance Religious Freedom event in Washington. "In Xinjiang, the Communist Party has imprisoned more than a million Chinese Muslims, including Uighurs, in internment camps, where they endure around-the-clock brainwashing," Pence said. The vice president also called out China's "oppression" of Tibetan Buddhists and its "persecution" of the rapidly growing ranks of Christians.

WHITE HOUSE: MORE REPORTS THAT COATS IS ON WAY OUT - President Donald Trump is considering replacing Director of National Intelligence Dan Coats with former CIA analyst Fred Fleitz, a new report claims ([NewsMax](#)). The Washington Times reported Thursday that Trump soured on Coats in February after his comments about North Korea in front of the Senate Intelligence Committee. In May, as the Times noted, Trump signed an executive order that allows the Department of Justice to investigate the intelligence community for alleged spying of Trump's 2016 presidential campaign. After it was recently reported that Fleitz could succeed Coats and lead the nation's intelligence efforts, people within that bubble were shocked, the Times reported.

WHITE HOUSE: UNSEALED COHEN DOCS REVEAL TRUMP COMMUNICATIONS - Newly unsealed court documents show that then-candidate Donald Trump communicated repeatedly with his lawyer Michael Cohen amid the election year scramble to keep quiet allegations that Trump previously had an affair with an adult-film actress ([Washington Post](#)). The documents were released Thursday at the direction of a federal judge in New York, who disclosed a day before that an investigation into suspected campaign finance violations had ended. Trump and those close to him long said they were unaware that Cohen had bought the women's silence, but phone calls and text messages documented by the FBI suggest they were closely involved. The new details about the investigation are unlikely to have legal consequences for the president or those close to him because the hush-money investigation has concluded. However, the documents could further erode their credibility.

WHITE HOUSE: TRUMP SCHEDULE - President Trump and first lady Melania Trump will participate in a photo to commemorate the 50th anniversary of the Apollo 11 moon landing at 11:45 a.m. in the Oval Office. Trump will leave the White House en route to Bedminster, N.J. He will participate in a roundtable with supporters at 5:30 p.m. followed by a fundraiser at 6 p.m.

PENTAGON: U.S. SHOOTS DOWN IRANIAN DRONE - A U.S. warship on Thursday destroyed an Iranian drone in the Strait of Hormuz after it threatened the ship, President Donald Trump said. The incident marked a new escalation of tensions between the countries less than one month after Iran downed an American drone and Trump came close to retaliating with a military strike ([AP](#)). In remarks at the White House, Trump blamed Iran for a "provocative and hostile" action and said the U.S. responded in self-defense. He said the Navy's USS Boxer, an amphibious assault ship, took defensive action after the Iranian aircraft closed to within 1,000 yards of the ship and ignored multiple calls to stand down. "The United States reserves the right to defend our personnel, facilities and interests and calls upon all nations to condemn Iran's attempts to disrupt freedom of navigation and global commerce," Trump said.

TREASURY: MNUCHIN SAYS DEBT DEAL NEAR - Treasury Secretary Steven Mnuchin said Thursday that negotiators have reached an agreement on the core elements of a deal to increase the government's borrowing cap and set a \$1.3 trillion overall level for the agency budgets that Congress passes each year ([CBS News](#)). He told CNBC's "Squawk Box" that talks with House Speaker Nancy Pelosi, D-Calif., have settled on a debt limit increase that would cover two years. There was agreement also on spending levels, but he did not go into detail. Still to be resolved are offsetting spending cuts to help finance the deal and other "structural issues," Mnuchin said. The Trump administration is pressing for up to \$150 billion in such cuts, well above a figure that would be easy to quickly negotiate.

MEDIA: SUNDAY TALK - "Fox News Sunday": House Judiciary Chairman Jerry Nadler (D-N.Y.). Panel: Jason Riley, Lisa Boothe, Mo Elleithee and Jonathan Swan. Power player: Tara Westover (re-run). **CBS "Face The Nation"**: Sen. Cory Booker (D-N.J.), House Intelligence Chairman Adam Schiff (D-Calif.), House Republican Conference Chairwoman Liz Cheney (R-Wyo.). Panel: Rachael Bade, Lanhee Chen, Jamelle Bouie and Paula Reid. Anthony Salvanto and Ed O'Keefe will discuss the latest CBS poll. **CNN "State Of The Union"**: Sen. Cory Booker (D-N.J.). Panel: S.E. Cupp, Karen Finney, Rick Santorum and Wajahat Ali. **CNN "Inside Politics"**: Eliana Johnson, Manu Raju, Molly Ball and Asma Khalid.

MEDIA: GANNETT, GATEHOUSE MERGER NEAR - USA Today publisher Gannett Co. is nearing a deal to combine with rival GateHouse Media, a move that would join the nation's two largest newspaper groups by circulation ([Wall Street Journal](#)). The companies are discussing a cash-and-stock deal in which GateHouse or its parent would likely buy Gannett and GateHouse Chairman and Chief Executive Mike Reed would assume the same roles at the enlarged entity, according to people familiar with the matter. It couldn't be learned what the price of the deal might be. Gannett shares closed at \$7.90 on Thursday. They rose nearly 8% after hours after The Wall Street Journal reported that a deal with GateHouse may be close.

MEDIA: PITTSBURGH POST-GAZETTE CUTS TO 3 DAYS - The *Pittsburgh Post-Gazette* is cutting its print edition to just three days per week as of Sept. 30.

Local

CITIES: INDICTED MUNCIE ADMINISTRATOR PLACED ON LEAVE - The Muncie Sanitary District offices in City Hall were back at work Wednesday buzzing with office workers and phone calls throughout the day after abruptly closing Tuesday due to an FBI raid ([Muncie Star Press](#)). The FBI raids and corresponding indictment led to the arrest of Debra

"Nikki" Grigsby, 44, the Muncie Sanitary District's administrator since 2013. Also arrested was Tony Franklin, 60, owner of Franklin Building and Design LLC. Tom Malapit, one of MSD's attorneys, said that Grigsby had been placed on unpaid administration leave following the arrest and indictment. Malapit said that Board of Sanitary Commissioners president William "Bill" Smith was handling Grigsby's responsibilities as administrator.

CITIES: MICHIGAN CITY COUNCIL KILLS PLATE SCANNER PROPOSAL - An ordinance to allow the Michigan City Police Department to purchase license plate reader technology, including facial recognition capability, was killed Tuesday after several concerned citizens spoke against it during a public hearing ([Michigan City News-Dispatch](#)). Only one of the 18 people who spoke at the City Council meeting was in favor of the scanners, while a few others wanted more information. But the majority explicitly opposed the purchase of the cameras, which they characterized as "a waste of money," "lazy policing," "an invasion of privacy," "dangerous surveillance" and "an infringement on the Fourth Amendment." Many raised concerns that the technology would be used to target specific people and neighborhoods, and to profile and harass people of color.

CITIES: GOSHEN TO FORM ENVIRONMENTAL DEPARTMENT - A new Environmental Department is currently in the works for Goshen city government (Kline, [Goshen News](#)). During their meeting Tuesday evening, Goshen City Council members were informed by Mayor Jeremy Stutsman of his intention to create the new environmental department. The announcement was made during a brief update by Stutsman on the status of budgetary discussions currently taking place among the city's department heads in the lead-up to passage of the city's 2020 budget later this year. "Along with this process, there are a couple things that I've talked to the council about, and I'll be bringing to you shortly now that we're really starting to get into this," Stutsman said of the ongoing budget discussions. "I've mentioned that I'd like to create an environmental department. We're just now really being able to crack down on the language, the missions, the statement of what this department does. We're getting all that fine-tuned. And I want to be clear, we're going to try to get this to the council very soon. My intent is to get it to you on the council agenda."

COUNTIES: ALLEN COUNCIL DELAYS INNSKEEPER VOTE - In a 4-3 vote, the Allen County Council today tabled a proposal to raise the county's innkeeper's tax from 7% to 8% (Gong, [Fort Wayne Journal Gazette](#)). The council plans to again consider the tax increase during its August meeting. The reason for the delay is so council members can review the testimony presented at this morning's meeting. Visit Fort Wayne currently receives 2% of the innkeepers tax, with the rest going to the Grand Wayne Center. The proposed increase is supported by local entities including the Northeast Indiana Regional Partnership, Greater Fort Wayne Inc., the Allen County Commissioners, the city of Fort Wayne, the Northeast Indiana Hospitality Association and others, Visit Fort Wayne Board Member Gary Shearer said. Several council members appeared opposed to the tax increase Thursday. "Fort Wayne/Allen County is a great place to visit and we should do all we can to do that, except raise taxes," Councilman Ken Fries said.



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INDIANA EDUCATION INSIGHT

License test nightmare over?

Teachers-to-be applaud selection of new old assessment

The departments of education and administration issued a request for proposals in October 2018 for a new teacher licensing exam. They asked vendors to submit proposals for two options: a custom-built test aligned to Indiana's educator standards and a nationally available test already in use in other states.

After receiving and evaluating responses, two vendors were recommended – one per option – pending a final policy decision on just how to proceed. Pearson Evaluation Systems was selected for the customized option, and Educational Testing Services (ETS) was identified as the best choice for an off-the-shelf product.

With the results of the procurement in hand, the General Assembly weighed in with language in HEA 1002-2019 that selected the national testing program, and the State Board of Education voted at its July business meeting to authorize the Indiana Department of Education to contract with Educational Testing Services (ETS) to bring back Praxis.

Indiana teacher candidates will have access to free interactive practice tests for all Praxis test titles . . . and candidates who do not pass on their first attempt and meet specific criteria will be entitled to a free re-take.

Indiana will remain under contract with the current testing vendor, Pearson, and will continue to administer Pearson's CORE tests until August 31, 2021. Praxis, which served as the state's teacher licensing exam prior to the implementation of Pearson's CORE tests in February 2014, will launch on September 1, 2021.

Praxis is the largest teacher licensure testing program in the country, with almost 600,000 tests administered annually.

Adopting the national system of tests allows Indiana to better compare teacher candidate performance and passing rates with other states while also enhancing the portability of educator licenses between Indiana and the 40 other states and U.S. territories that use Praxis.

The exam includes more than 90 computer-delivered titles covering a range of content areas . . . but ETS will need to augment the national program by designing and building 14 new exams to cover unique Indiana licensure areas. The new tests will be ready by the September 1, 2021 launch date. ETS has produced cross-walks for all Praxis titles needed for Indiana licensure and has confirmed that "there is substantial alignment to Indiana standards."

ETS currently maintains 14 certified online testing centers in Indiana that could deliver the Praxis assessments tomorrow and also has 77 testing locations in the surrounding states. ETS will expand its in-state testing center network to approximately 45 locations prior to launch.

The non-profit vendor plans to subcontract with Cabello Associates, Inc., to identify and disseminate best practices in attracting, admitting, supporting, and graduating teachers of color.

Many of the CORE assessments had been plagued by low pass rates. The pass rate of first-time test takers on middle school mathematics was 37% in 2017-2018 and only 12% in middle school science. For the reading component, first-time pass rates were just 33% in 2016-2017 and 43% in 2017-2018.

DUAB reviews start

Details private unless district on watch list

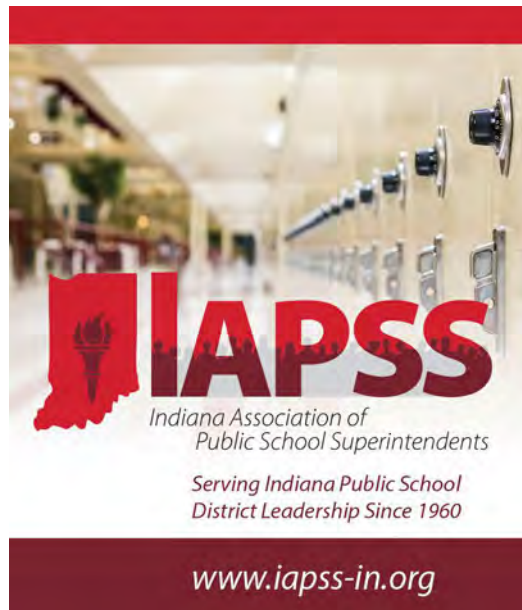
The Distressed Unit Appeal Board (DUAB) identifies the first cohort of school corporations that may be ordered to implement a corrective action plan or be placed on a fiscal watch list.

The top two indicators in the selection of the school corporations are changes in ADM and fund balance as a percentage of expenditures.

The selected school corporations will be visited for an in-depth assessment beginning this month by DUAB Executive Director Courtney Schaafsma. "I want to be there and meet with these school officials to get a good feel of what is going on at their school," she says.

"I would bring results of the assessments back to DUAB, and DUAB will then determine whether a corrective action plan is necessary," she elaborates. There is no time frame on the corrective action plan process. "The statute simply calls for us to work with the school corporations for as long as it takes," says Schaafsma.

If a school corporation is asked to do a corrective action plan but decides not to, or a school corporation refuses to implement a corrective action plan as designed, then the district can be formally placed on a watch list, at which point everything up to that date becomes publicly available.



IN Elementary & Secondary Ed

IN General . . .

- Third-graders who demonstrate reading skills on ILEARN could skip IREAD, under a plan being formulated by the Indiana Department of Education. Historically, about 15% of students do not pass the IREAD exam. The State Board of Education voted in July to initiate the rulemaking process to amend the Reading Plan regulations to allow the change to take effect.

- The Indiana Department of Education expects to issue a Request for Proposals for a Nationally Recognized College Entrance Exam before the end of the year. A draft RFP will be submitted to the State Board of Education for review at the October business meeting.

- No one will be surprised if rescore requests plummet to an all-time low this year. Unlike in the past, parents won't receive student scores until after the retest window closes, unless they're willing to make a special trip to their child's school to view their child's responses and scoring rubrics on a secure computer after signing a non-disclosure agreement. As if that's not enough of a deterrent . . . parents will also have to take into consideration a new policy in effect for the first time providing that rescoring may result in an increased or decreased score. The ILEARN rescore request window runs from July 15 - 31.

- ILEARN cut scores will be presented to the State Board of Education for approval at a special meeting on July 25. Results would be available for parents to access through an online portal beginning August 15.

- Corporate sponsorship opportunities are available for almost every aspect of the South Bend Community School Corporation, reports the *South Bend Tribune*. "Naming rights opportunities at Riley High School, for example, include the robotics lab, radio and television studio, gymnasium, track, swimming pool, soccer field, and football field, along with career and technical education programs."

- Middlebury Community Schools broke ground July 16 on an \$8.3 million athletics complex at Northridge High School featuring a 4,000-seat football stadium, baseball stadium, and softball stadium, all of which will be fitted with field turf and team and gameday facilities.

□ The new football stadium will be named Interra Field after Interra Credit Union agreed to a five-year, \$250,000 naming rights deal. The district is seeking additional athletic sponsorships from local and regional businesses.

- Teachers' Treasures is opening a second store in Indianapolis where teachers can visit to obtain free school supplies. The new site is at Northwest Middle School - on the opposite side of town from the main store located in Woodruff Place. The organization estimates that 1,000-2,400 teachers will take advantage of the resources at the satellite location during its first year, which equates to 25,000-60,000 students. Like the main store, the satellite location will rely on volunteer efforts to operate.

□ Teachers from schools with 60% or more free or reduced lunch rates are able to shop the shelves. Since opening in 2000, more than \$60 million in supplies, technology, and resources have gone into area classrooms (the average trip is worth \$400 in supplies, according to the non-profit).

- With the Office of the Attorney General issuing an advisory opinion on questions of liability, the firm Bus Safety Solutions is seeking to recruit Indiana school districts to participate in a pilot program for its Extended Stop Arm school bus safety product. According to the company, one of the most positive aspects of Extended Stop Arms is that they force school bus drivers to make a more deliberative stop and start. Drivers won't be able to take off from a stop with their arm still half-way out or swing their arm out while still rolling up to the stop. The Extended Stop Arm is available in two lengths: 4.5 feet or 6.5 feet (compared to one foot for regular stop arms). The product provides a physical barrier to stop vehicles from passing stopped school buses. The shorter version can be used on routes with one lane. The extended arm has a break-away feature such that if struck at a significant speed will shear the bolt connections and the electrical connection. If opened into another object, it will automatically retract and reset after 20 seconds. A demonstration conducted in Virginia in 2017 found they reduced school bus safety violations by 50 percent.

- "The end could be near for Gary's historic Roosevelt school" is the headline of an article in the *Gary Post-Tribune* after MGT Consulting Executive Vice President Eric Parrish told those gathered at a public forum that \$10 million in repairs are needed to save Roosevelt College and Career Academy, which has been victimized by years of neglect owing to the financial crisis in the Gary Community School Corporation. A former public high school, Roosevelt is currently operated by EdisonLearning, Inc. pursuant to a five-year innovation school network agreement that former superintendent Cheryl Pruitt entered into just before the district was taken over by the State in August 2017.

□ Since 2011, EdisonLearning says that it has invested \$1.5 million in repairs and pumped in about \$4 million in grants for electrical and security systems. The Gary schools annually collect \$2.5 million in property tax revenue to maintain and repair its 12 occupied school buildings.

□ Audience members left the forum dejected, reported Carole Carlson of the *Post-Tribune*. One woman who graduated from the school in 1984 said the "the education of our kids" is "a bigger issue" than whether Roosevelt ever reopens (Roosevelt has been closed since February and its students have been relocated to the Gary Career Center). Others asked whether the school district would allow alumni to purchase Roosevelt or whether the state would pay for construction of a brand new facility.

IN Administration . . .

- The Board of Trustees of the Oregon-Davis School Corporation narrowly defeated a proposal to have the superintendent absorb the responsibilities of the junior/senior high school principal. The superintendent had offered to take on the additional duties without a pay increase in order to save \$110,000. Teachers in the O-D schools have not received a raise in 10 years.

□ The school board met again a week later and approved the plan but signaled that it expected this to be just a one-year arrangement.

● An English cocker spaniel skilled at sniffing out narcotics will patrol Warsaw Community High School during the upcoming school year as a full-time K-9 school resource officer.

IN Budgets & Finance . . .

● The fiscal strain and facilities challenges facing the South Dearborn Community School Corporation threaten to divide the community, as throngs of residents vow to fight for the preservation of the elementary schools in Dillsboro and Moores Hill. The divisions were on display at a school board meeting this month as board members battled over whether to close one or more elementary schools or keep the elementary schools open but close the middle school. Mike Perleberg of Eagle Country 99.3-FM in Lawrenceburg reports, "Discussions are continuing, but by the end of the meeting it appeared the school board could be moving toward a November or May ballot referendum to increase property taxes in the school district. The amount could range from \$600,000 up to \$2 million each year for eight years to help the corporation balance its budget. Essentially, the taxpayers may be asked to put their money where their mouth is. If a tax increase does not pass, South Dearborn could have no choice but to close one or more schools in order to stay out of the red. But board members and some citizens who spoke Monday are concerned how a referendum might divide the community. Many feel that was done by a 2017 petition and remonstrance against a failed tax increase to fund South Dearborn High School improvements – those included an artificial turf multi-purpose field and an activity building. 'I don't think anybody up here ran to close a school, but we have to make the tough decisions,' stated member Brett Fehrman, who advocated for pursuing a referendum. 'Give people the opportunity to subsidize and keep things open for a period of time.' However, it may be too late to place a referendum on the November ballot, according to school corporation business manager Shawn Spindler, citing his discussion with the bonding company the school has used. Advertising, a vote, and other steps toward a ballot referendum must be completed before August 1 in order to get it on the November ballot. Waiting until May for a referendum would mean South Dearborn would start its next budget year with the deficit, but superintendent (Eric) Lows said there could be areas to cut and make it work."

● The Town of Brownstown agrees to give the Brownstown Central Community School Corporation two seats at the table on the redevelopment commission established to oversee the creation and maintenance of a Tax Increment Financing district. The two school district representatives will be joined on the redevelopment commission by the five town council members.

● The City of Columbus redevelopment commission agrees to provide \$750,000 in Tax Increment Financing revenue to the Bartholomew Consolidated School Corporation to support STEM initiatives, the iGrad program for students at risk of dropping out, and transition planning for students with special needs.

● Recent and upcoming bond issues: July 16 - Western School Corporation General Obligation Bonds, Series 2019, \$2,975,000, Robert W. Baird & Company, Inc. as lead manager . . . July 17 - Alexandria Community School Corporation First Mortgage Bonds, Series 2019, \$10,385,000, Baker Tilly Municipal Advisors as lead manager . . . July 18 - Indianapolis Public Schools Multi-School Building Corporation First Mortgage Bonds, Series 2019, \$27,000,000, Baker Tilly Municipal Advisors as lead manager . . .

IN Contracts & Compensation . . .

● The seven-person Next Level Teacher Compensation Commission that Governor Eric Holcomb (R) appointed in February schedules public input sessions for August 19 in Indianapolis, August 24 in Evansville, and August 27 in Elkhart. The Commission and its seven-member advisory council have been meeting periodically in private to develop recommendations for the Governor and General Assembly prior to the 2021 legislative session.

□ For the 2017-2018 school year, approximately 90% of Indiana's public school teachers received a base salary increase. The average base salary increase was \$1,453. In addition, about 38% of teachers received a one-time stipend that averaged \$1,147. Indiana schools spent \$94 million on teacher base salary increases in 2017-2018 and \$15 million on one-time stipends.

□ Between 2015 and 2018, the average amount paid by Indiana school districts for health insurance coverage for a teacher on a single plan increased by 16%, while the average amount paid by districts per enrollee on a family plan rose by 17%, according to the Indiana Education Employment Relations Board.

● The Carmel Clay Schools tempts its elementary school teachers with an opportunity to earn an additional \$18,000 a year on top of their teaching salary – by becoming a school bus driver. About half-a-dozen elementary teachers in the CCS are training for a CDL license so they can pull double-duty during the upcoming school year as bus drivers, reports the *Indy Star*. Like many districts, CCS has been struggling to cope with a bus driver shortage. Officials mentioned to teachers that driving a bus for the corporation is likely to be more convenient than other second jobs that might be available.

● Indianapolis Public Schools Superintendent Aleesia Johnson is set to earn a base salary of \$238,000 in her first year, with the benefit package pushing her total compensation to \$301,000.

□ Superintendent Johnson's contract stipulates that her pay will increase annually by the same percentage as the average increase received by teachers.

● The Northeast Dubois County School Corporation approves a resolution confirming that the \$46,000 in savings realized in the 2019-2020 school year from the reduction in the district's contribution rate to the Teachers' Retirement Fund will go back to teacher salaries.

● The Angola Classroom Teachers Association lodges an unfair labor practice complaint with the Indiana Education Employment Relations Board against the Metropolitan School District of Steuben County. ACTA has requested monetary damages of \$5,000 each for two alleged violations in 2018 and 2019.

IN Charter Schools . . .

● The 2019 cohort of The Mind Trust Innovation School Fellows propose to design and launch three new elementary schools in Indianapolis.

● Indiana Charter School Board Executive Director James Betley tells Dan Carden of the *Times of Northwest Indiana* that the Steel City Academy in Gary is heading in the right direction after a few rocky financial years. The charter school entered into a payment plan for more than \$240,000 owed to government agencies for payroll taxes withheld from employee paychecks but not remitted as required. Steel City is focused on growing student enrollment to approximately 600 from 443, reports Carden.

IN Non-Public Schools . . .

● Joshua Payne-Elliott, the teacher terminated by Cathedral High School in Indianapolis because of his same-sex marriage (to a teacher at Brebeuf Jesuit Preparatory School that cost that school its Catholic status), files a lawsuit against the Archdiocese of Indianapolis alleging discrimination.

□ The Archdiocese had warned Cathedral that the school would forfeit its Catholic identity if it continued to employ Payne-Elliott, who had announced his same sex marriage on social media in 2017. The Archdiocese said in a statement, "This issue is not about sexual orientation; rather, it is about our expectation that all personnel inside a Catholic school - who are ministers of the faith - abide by all Church teachings, including the nature of marriage." But Kathleen DeLaney, attorney for Payne-Elliott (and the daughter of Rep. Ed DeLaney (D) of Indianapolis) argues that he's not a "minister" since he taught language and social studies, and was not involved in religious education.

IN Programs & Curriculum . . .

● The Madison County Board of Commissioners is considering a request to provide \$1 million in funding for a robotics training program that would be located at the Hinds Career Center in Elwood.

● North Central Health Services has awarded more than \$3.8 million in Resilient Youth Initiative implementation grants to 19 school corporations in Indiana. The grants will support schools in seven counties launching evidenced-based youth resiliency programs.



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IN Policy . . .

- The Anderson Community School Corporation enacts a new attendance policy requiring high school students to be present for 90% of each grading period in order to be eligible to attend school functions outside of school hours.

- A computer simulation of the 1999 school shooting at Columbine High School created by the Purdue University Homeland Security Institute found that running away from the shooter was the best option for survival, reports WIBC 93.1-FM in Indianapolis. The Institute “plans further research on how much distance from a gunman tips the balance toward being able to run. The Columbine simulation found running was the clear choice at more than 20 feet away, while if you’re within arm’s length, the best option may be to fight,” according to the report.

- The Perry Township Schools contracts with ParentSquare for mass notification and urgent alerts, teacher and classroom communication, and newsletter templates. The system replaces its previous contract with School Messenger/Skylert.

- The Manchester Community Schools abolishes the practice of serving peanut butter and jelly sandwiches and milk to elementary school students with a deficit in their lunch account, reports the *Wabash Plain Dealer*. Students without lunch funds had received an alternate lunch ticket. “There used to be little blue tickets, and the kids had to do the walk of shame to come down and get it,” the elementary school principal told the Paxton Media Group publication.

IN Referenda . . .

- The Carmel Clay Schools receives approval from the Board of School Trustees to ask voters to approve a school safety referendum of 5¢ per \$100 of property value, generating an estimated \$5 million per year. Funding would support placement of a highly trained school resource officer in each elementary school, contracting out in-school mental health counseling, and programs for school social workers.

- The Board of School Trustees of the Vigo County School Corporation approve a referendum of \$0.1622 per \$100 of assessed valuation to raise approximately \$7 million annually to fund the safe transportation of students, safe and secure schools, class size reductions, and to attract and retain teachers and staff.

- The Hamilton Community Schools will ask for a property tax increase of 44¢ per \$100 of property value on election day in November – the same amount that voters approved at a 2012 referendum. Last year, residents defeated a referendum on a 71-cent tax increase. The original 44¢ referendum expires at the end of 2019, and if it’s not extended, the district may not make it. Enrollment has dwindled from 659 students in 2005-2006 to 291 students in 2018-2019.

IN Construction & Facilities . . .

- After an internal Title IX investigation concluded that female athletes “felt neither respected nor supported in the district,” the M.S.D. of Martinsville Board of School Trustees commits \$400,000 to upgrading the girls’ sports facilities, according to the *Martinsville Times-Reporter*. The first project on tap is construction of a locker room for the softball team.

- The Westfield Washington Schools expects the first round of bids for the construction of a new natatorium to come before the school board for approval at its August meeting. WWS will finance the project through the issuance of \$15 million in General Obligation bonds.

- The M.S.D. of Warren Township plans to award the first of two bid packages for additions and renovations to Lowell Elementary School on August 21, with construction anticipated to commence September 9.

- The Goshen Community Schools receives school board approval to issue \$5.1 million in General Obligation bonds to fix HVAC systems and install LED lighting.

- The bill for building improvements in the Sunman-Dearborn Community School Corporation exceeds \$40 million, according to estimates from Lancer + Beebe. That includes projects priced at approximately \$5 million per elementary school, \$10 million at the middle school, and between \$10 million and \$20 million at the high school. Given the retirement schedule for the existing debt, up to about \$42 million in improvements could be accomplished without increasing the property tax rate above its current level. Public presentations on the scope of the building project are scheduled for August 5 and 6, as the district prepares for a possible referendum.

- The Northwestern Consolidated School District of Shelby County unanimously approves spending \$3 million to expand the Triton Central High School fieldhouse and make parking improvements. “That thing was built to be a practice facility when we built it,” explains Superintendent Chris Hoke, according to the *Shelbyville News*. “It does an incredibly good job at fulfilling that purpose. None of us could, with any real honesty, say we ever anticipated it would become a revenue center for us, that it would host 35-40 events a year, that it would (generate) revenue somewhere in the ballpark of \$40,000, that it would be the single best thing we could have for marketing and branding for our school.”

- The Southwestern Consolidated School District of Shelby County approves bonding for \$5.225 million to construct a new auxiliary fieldhouse.

- The Bartholomew Consolidated School Corporation approves spending \$3.8 million to renovate the auditorium at Columbus East High School and bring it up to par with Columbus North.

- The Southern Wells Community Schools plans to issue bonds for pay for updates to the HVAC system at the elementary school (\$2 million), re-roofing the elementary (\$950,000), a 3,000 square foot expansion for athletics concessions and restrooms (\$650,000), and doubling the size of the kitchen freezer and cooler (\$250,000).

□ The total cost comes in just under the threshold for a petition/remonstrance race. Assuming school board approvals are obtained in August and September, bonds will be sold in October.

- The Northeast Dubois County School Corporation hurdles a required public hearing on \$4.69 million in improvements to the high school. Bids are scheduled to go out in September.



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- The Franklin County Community School Corporation opens dialogue with Ross Sinclair Associates and Stair and Associates on a bond issue in Spring 2020 of no more than \$5 million to remodel the high school, which is approaching its 30th year.

- The North Judson-San Pierre School Corporation is considering a series of upgrades to North Judson-San Pierre Elementary School over a two-year period proposed by the architectural firm Fanning Howey. According to WKVI *K99.3-FM* in Knox, “potential improvements may include upgrades to the windows, roof, and exterior doors, along with flashing and tuck-pointing work. Inside the elementary school, the architects noted that the gym, cafeteria, and some of the classrooms are too small, and some of the rooms need to be repurposed. They also recommended renovating the restrooms, replacing the gym bleachers, and upgrading plumbing, electrical, and mechanical systems. Flooring, walls, and ceilings may get improvements, as well.” Fanning Howey also suggested improvements to the bus garage and equipment maintenance area.

□ Look for details and cost estimates to be discussed during the school board’s August meeting, with the objective being “to do the work without raising the school district’s property taxes.”

IN Transition . . .

- Andrew Bernlohr has been promoted from director of legal affairs to general counsel at the Indiana Department of Education.

- Superintendent Vicki McGuire retires July 31 from the Community School Corporation of Eastern Hancock County, despite having two years remaining on her contract.

- Mike Pettibone will serve as interim superintendent of the South Adams Schools for the first four months of the upcoming school year. Scott Litwiler recently retired and will be taking up mission work in Texas. Pettibone spent a decade as superintendent of the Adams Central Community Schools and recently served a stint as interim superintendent of the Manchester Community Schools.

- Stephanie Fairchild will be the new director of special services for the Carmel Clay Schools. She has 25 years of experience in education, including the past several years as assistant director for exceptional learners for the M.S.D. of Warren Township.

- Kareemah Fowler, who was elected clerk for the city of South Bend in 2015, will become the new chief financial officer for the South Bend Community School Corporation.

- Amanda May has been hired as the new principal of Mitchell Junior High School. She replaces Jennifer Caruso, who passed away earlier this year.

- Stacey Swan leaves her position as principal of Noblesville West Middle School – the site of the 2018 shooting incidents – to join the Carmel Clay Schools as principal of Fall Creek Valley Junior High School.

□ The new principal of Noblesville West Middle School will be Westfield Middle School Principal Ryan Haughey.

- Craig McCaffrey has been promoted from assistant principal to interim principal at Noblesville High School.

- The Vigo County School Corporation approves a change of assignment for Steve Joseph from principal at Woodrow Wilson Middle School to principal at Terre Haute North Vigo High School.

- Geoff Walmer, assistant principal at Warsaw Community High School, has been named the new principal of Wawasee High School.

□ John Snyder, former principal of Whitko High School, has been named assistant principal of Wawasee High School.

- Cheryl Nneka Camacho has been selected as director of the empowerment zone that will oversee five academically-challenged schools in the South Bend Community School Corporation. The Teach for America alum currently works as a special assistant to the commissioner on equity for the Massachusetts department of education.

- The new principal of Tri-County Junior/Senior High School will be James Haskins, former athletic director and assistant principal at Covington High School. He replaces Cathy Rowe, who left to become superintendent of the North Newton School Corporation.

- The Marion Community Schools welcomes Stephanie Lockwood as director of secondary instruction for the 2019-20 school year. She will segue into the role of principal of McCulloch Junior High School beginning with the 2020-21 school year. Lockwood has most recently been principal at Northview Elementary in Gas City and is a former principal at Mississinewa High School.

- Tom Oestreich has been named assistant superintendent of the M.S.D. of Washington Township, replacing Jon Milleman, who left to become superintendent of the Lebanon Community Schools. Oestreich was principal of Lawrence Central High School before moving to the M.S.D. of Washington Township in 2012 to lead human resources.

- Steven Pelych, former principal of Cardinal Ritter High School, is the new principal of Northview Middle School in the M.S.D. of Washington Township. Prior to Cardinal Ritter he was principal at Indianapolis Lighthouse Academies.

- The Perry Central School Corporation will elevate Assistant Superintendent Tara Bishop to the position of superintendent on January 1, 2020, to replace Mary Roberson, who is retiring after 17 years as chief executive and 30+ years of service overall with the Leopold district.

- Jennifer Matasovsky has been named the new principal of Franklin Central High School. She was most recently assistant principal at Hamilton Southeastern High School.

IN Government . . .

- Grassroots supporters of tougher anti-bullying laws are floating a parent accountability proposal for consideration during the 2020 legislative session that would authorize fines for parents of repeat bullies, reports Kara Kenney of WRTV-TV *rtv6* in Indianapolis.

□ Kenney reports, “Angie Stagge, a Fairland mother who helped pass the 2013 law, said the proposal would fine parents between \$100 to \$500 after the bully’s 3rd offense – after the student had been suspended, counseled and performed community service.” The TV station reports that other ideas on the table include “requiring classes for students on the impact of social media and suicide prevention, a new cyberbullying law that would carry time behind bars for violators, as well as requiring parents to sign their school’s anti-bullying policy when registering their child for school.”

● The State Board of Education took action in July against Indiana Virtual School and Indiana Virtual Pathways Academy and their authorizer Daleville Community Schools in response to State Board of Accounts audit findings showing that the charter schools’ ADM count was inflated by at least 50% for three years. SBOE voted to direct the Indiana Department of Education to engage in the recovery of overpaid funds that were distributed to the charter schools and to the Daleville Community Schools. Recovery will be accomplished in part by withholding all future state funding payments until an estimated \$47 million in excess state funding has been recouped. SBOE further recommended that IDOE appoint a prosecutor to pursue additional clawback. The Attorney General’s Office, after receiving a charge report from the State Board of Accounts, may also file suit against the appropriate school official(s) to recover funds. Pursuant to a closure agreement the charters entered into with Daleville on June 19, Indiana Virtual will close before the 2019-2020 school year and Indiana Virtual Pathways Academy will close after the 2019-2020 school year. “Is this getting into the realm of criminal?” SBOE’s David Freitas asked State Examiner Paul Joyce, who replied, “I would say yes.”

□ Daleville, represented by attorneys from Lewis & Kappes, P.C., asserts that the State cannot recovery any part of the authorizer fee payments that the charter schools made to Daleville. But even if the State does have the statutory authority to recover the authorizer fee payments, it should not do so because Daleville accepted the fee payments in good faith and without malfeasance. Daleville claims it could not have verified the accuracy of the ADM information submitted by the charter schools to the state because, despite its responsibilities as an authorizer, Daleville maintains that it did not even have access to the charter schools’ data until July 1, 2018.

□ Dr. Percy Clark, superintendent of the charter schools, wrote in a letter to SBOE that the administrative proceedings constitute a “miscarriage of justice,” and he blasts IDOE, SBOE, and the General Assembly as having “abjectly failed in the performance of their regulatory duties.” The outcome of the SBOE hearing will likely be the immediate closure of both charter schools, writes Dr. Clark, who was the M.S.D. of Lawrence Township superintendent the from 1982 - 1996.

● RISE INDY PAC of Indianapolis registers with the Indiana Election Division with the stated purpose of “Electing candidates for Indianapolis School Board, City Council, and the Indiana General Assembly who have a kids first agenda in education policy.” Charity Stowe, a senior account manager at Hiron and former deputy director of legislative affairs for the Indiana House Democratic Caucus, is the treasurer.

IN Courts & Conduct . . .

● An assistant wrestling coach at South Dearborn Middle School has been arrested for allegedly receiving nude photos from a 12-year-old female on the school wrestling team that he coached. The investigation began with Facebook notifying the National Center for Missing and Exploited Children.

● William T. Drake, a teacher and coach at Hagerstown Jr./Sr. High School for 40 years until his termination several months ago, has been arrested and charged with sexual misconduct with a minor after being accused by a 14-year-old female student of inappropriate and unwanted sexual touching in the classroom and during a recent school dance.

● The Northeastern Wayne School Corporation will pay former high school principal Wes Wisner \$50,000 to settle a federal lawsuit he filed last year against the district alleging breach of contract, age discrimination, defamation, and invasion of privacy stemming from the school board’s 2017 vote to cancel his teaching and administrative contracts for alleged insubordination and intimidation (Which we were first to tell you about).

● The retaliation and gender discrimination lawsuit *Ulrey v. Bd. of School Trustees of Manchester Comm’ty Schools, No. 3:19-cv-00524*, has been removed from Wabash County Superior Court to the U.S. District Court for the Northern Division of Indiana. Lisa Ulrey contends that Jon Lippe, as principal of Manchester Junior-Senior High School, refused to select her for the position of assistant principal in retaliation for her filing of a lawsuit against former superintendent William Reichart and the school board in April 2016 and because she is a female.

IN Higher Education

IN General . . .

● Between 2005 and 2017, the percentage of 25 to 64 year olds with an associate or bachelor’s degree increased by 7.8 percentage points in Indiana – the third-largest gain among all states behind only Maine and Iowa, according to an analysis by Ithaka S+R, a nonprofit research group, and the Joyce Foundation. According to the study, Indiana’s attainment rate growth appears to stem primarily from “older residents who returned to college after the Great Recession limited their labor market opportunities.”

● Purdue University Fort Wayne has closed on the \$3.85 million acquisition of a facility that previously housed the campus of Brown Mackie. PFW plans to use the building as the new site of its Doermer School of Business, career services, development office space, some student support services, and a welcome center for the eastside of campus. The facility is already basically classroom ready. PFW could begin offering classes there beginning in Fall 2020.

● Purdue University plans to use \$6.5 million in proceeds left over from a \$53 million bond issue originally approved by the General Assembly back in 2007 to connect the main power plant on West Lafayette campus to a new 16 Mega Watt power plant proposed by Duke Energy. Duke is building the \$55 million power plant on one acre of land that Duke will lease from Purdue for \$100 for 35 years.

□ Purdue will purchase steam from Duke at a rate lower than Purdue can generate it. Duke's plan is pending before the Indiana Utility Regulatory Commission.

- Purdue University will spend \$6.7 million to purchase one of the larger office buildings in the West Lafayette area – the former regional headquarters of State Farm Insurance. Purdue will use the 255,000 gross square feet of space to centralize functions that are currently dispersed across campus. Notably, Purdue will move the campus data center out of the basement of the math building.

- With another year of near-record enrollment this Fall, Purdue University is considering spending \$2.7 million to lease 86 suite-style apartments containing 340 beds at the new Aspire complex located in the Discovery Park District. The leased space will accommodate the overflow of enrollment for one year until new residence hall space comes online in 2020. Purdue is also looking to lease space additional residence space at Salisbury Campus Apartments, Blackbird Farms, and The Cottages in West Lafayette.

- Purdue University West Lafayette ranks sixth among public schools in CNBC/Payscale.com's the top 25 public U.S. universities that pay off the most (return on investment).

IN Programs & Policy . . .

- The Indiana State Board of Nursing votes to approve initial accreditation for an Associate of Science in Nursing program to be offered by Denmark College in Merrillville.

- The Ball Brothers Foundation provides a grant to Purdue Polytechnic Institute to collaborate with the Muncie Community Schools on creating a certificate in engineering technology program.

- Ivy Tech Community College receives a five-year, \$500,000 donation from Old National Bank Foundation (ONBF) to support innovative programs that enhance the quality of life within the communities that Ivy Tech serves. The grant will help fund dual enrollment classes taken by high school students that lead to college completion, as well as additional College Connection coaches to work closely with students to counsel, guide and assist them in career exploration and college enrollment.

- Ivy Tech Community College Evansville partners with the Evansville Vanderburgh School Corporation to roll out Pathways Plus – a new program that allows students to complete a college certificate or degree by the time they graduate from high school. Pathways Plus combines existing dual credit courses already offered in the high schools and at the Southern Indiana Career & Technical Center with dual enrollment courses offered at Ivy Tech. The collaboration will provide “an intentional college pathway,” emphasizes Ivy Tech Evansville Chancellor Jonathan Weinzapfel.

- The University of Southern Indiana College of Nursing and Health Professions receives federal grants from the U.S. Department of Health and Human Services worth \$3.7 million to support the Geriatrics Workforce Enhancement Program and \$1.7 million for a residency program for nurse practitioners in rural and under-served communities.

- Purdue University Northwest has been accepted as a full member of NCAA Division II beginning with the 2019-2020 season after advancing through the three-year process as a provisional member.

- Indiana University has established a new Higher Education Financial Wellness Alliance to scale effective interventions such as student loan debt letters that improve students' financial decision-making and reduce the impact of student loan debt on students' lives. The alliance will provide online and in-person programming to train staff, a coaching program to help develop on-campus financial wellness initiatives, and other support services to help develop national best practices related to financial wellness.

IN Gifts & Fundraising . . .

- Trine University receives a \$1.5 million pledge from the James Foundation toward a planned \$8.5 million expansion to Fawick Hall, home to several of the university's engineering departments. The expansion will provide added space and resources for Trine's biomedical, chemical, civil, mechanical, and electrical engineering programs, as well as design engineering technology and the university's new School of Computing.

- Indiana State University raised \$8.9 million during the 2019 fiscal year, an increase over the prior year of 40% (\$2.5 million).

- Purdue University collected \$517.6 million in donations during the 2019 fiscal year, an all-time high and the first-ever fiscal year above \$500 million. Fiscal Year 2018 marked the first time that contributions topped \$400 million, and FY 2017 was the first year they exceeded \$300 million.

IN Research & Technology . . .

- Purdue University generated \$520.6 million in research funding for Fiscal Year 2019, shattering last year's record of \$454.5 million and marking the fifth consecutive year of record funding.

- Purdue University researchers disclosed a record 360 inventions during fiscal year 2019.

- The U.S. Nuclear Regulatory Commission licenses Purdue University Reactor Number One as the nation's first entirely digital nuclear reactor instrumentation and control system.

IN Construction & Facilities . . .

- The Purdue University Board of Trustees approves plans for the construction of the Engineering and Polytechnic Gateway on the West Lafayette campus. The project will replace the current Nuclear Engineering Building and Michael Golden Laboratories with a new facility to serve both the College of Engineering and the Purdue Polytechnic Institute.

- Ball State University leases 5,000 square-feet of space at the site of the former Angie's List campus on the Washington Street corridor to serve as the new home of its College of Architecture and Planning Indianapolis Center. Ball State CAP: INDY serves students in the master of architecture and master of urban design programs.

- Indiana University Bloomington will spend \$400,000 to remove more than 300 ceramic hallway tiles which feature swastikas located inside the old Men's Gymnasium, reports the *Bloomington Herald-Times*. The tiles were installed during the original construction of the facility in 1917, many years before the symbol became tainted by its association with the Nazis. Still, IU regularly receives complaints about the display of the symbol.

□ The *H-T* published an editorial taking IU to task for how the work was conducted, explaining, “The university undertook the \$400,000 project without input from budgetary affairs committees of faculty governance councils. Nor was the work included in the campus construction alert list. We hesitate to use the word ‘secret’ so how about this: ‘quiet.’ The newspaper was alerted by a number of staff members at IU concerned about the historic nature of the tiles and by the lack of information from university officials.”

● The University of Evansville receives a major contribution from German American Bank to renovate the Aces baseball stadium, which will be named German American Bank Field at Charles H. Braun Stadium. Included in the renovations will be a full Astroturf field, padded walls throughout the entire stadium with new fence lines down the first and third base lines, dugout and bullpen renovations as well as a new LED scoreboard.

□ Groundbreaking for the project is scheduled to take place in early Fall, and the renovations are planned to take between two and three months. The work is expected to be completed well in advance of the Aces’ 2020 baseball campaign.

IN Government . . .

● U.S. Rep. Jim Banks (R) issued a statement pouncing on an article published by POLITICO revealing that the U.S. Department of Education intends to ramp up its scrutiny of foreign gifts to U.S. colleges and universities. Rep. Banks is the lead sponsor of the “Project Our Universities Act,” which outlines new disclosure requirements to shed light on the influence of foreign governments within academia.

□ “For many years, companies and individuals alike have donated large sums of money to colleges and universities to exert soft power and influence their decision making,” said Rep. Banks, a graduate of Indiana University Bloomington. “Recently, Chinese sources have donated hundreds of millions of dollars to influence and equip academics and researchers tasked with handling sensitive government information – that is extremely concerning.” He says he is pleased with the steps being taken by the Department, yet Rep. Banks cautions that “Government officials and school administrators must be clear-eyed and about the threats posed by government intelligence agencies masquerading as private businesses.”

□ Rep. Banks says he hopes the U.S. Department of Education will specifically address the following three concerns: (1) Provide a full list of institutions involved with any partnership with Huawei, including those receiving less than \$250,000 in Title IV funding per calendar year; (2) Provide information regarding any research personnel (including Chinese nationals involved in the Talents program) at institutions that are involved in research activities connected to Huawei; and (3) Specify if and when the Department will convene a senior-level working group to understand China’s efforts to gather the United States technology and intellectual property on American college campuses and develop recommendations to protect the U.S. technological advantage.

● U.S. Sen. Todd Young (R) and three colleagues, Sens. Mark Warner (D-VA), Marco Rubio (R-FL), and Chris Coons (D-DE) introduce the ISA Student Protection Act to provide a consumer protection framework for the expansion of Income Share Agreements (ISAs).

□ “Government-provided student loan debt continues to skyrocket while the average household income decreases,” observed Sen. Young. “That’s why I have introduced a bill to offer students from all backgrounds with a private – or philanthropically – funded, debt-free financing option catered to their own income needs through the use of Income Share Agreements (ISAs). If we strengthen the framework of ISAs, we can help colleges and career and technical schools prepare Americans for rewarding careers, all without any additional cost to taxpayers.”

□ The bipartisan measure would codify the following safeguards and consumer protections for ISA recipients:

– Individuals earning less than 200% of the Federal Poverty Level (\$24,980 in 2019) would be exempt from making payments towards their ISA.

– ISA providers would be barred from making agreements with students that require payments higher than 20% percent of income for shorter-term contracts, with the cap decreasing to 7.5% for the longest contracts allowed (30 years).

– ISAs would be dischargeable in bankruptcy.

– Funders would be required disclose to students how monthly payments would compare under the ISA to payments on a private or federal loan for the same amount of money and number of payments.

– Federal consumer protection laws (i.e. Fair Credit Reporting Act, Fair Debt Collection Practices Act, Military Lending Act, Servicemembers Civil Relief Act, Equal Credit Opportunity Act) would be applied to ISAs, and the Consumer Financial Protection Bureau would have oversight authority over ISAs.

– The tax treatment of ISA contributions for both funders and recipients would be clarified.

● The Indiana Commission for Higher Education’s annual College Completion Report shows Indiana University Bloomington leads the state with a 68.5% on-time graduation rate, followed by Purdue University West Lafayette at 60.5% and Ball State University at 54.2% . . . while among black students, Purdue University West Lafayette graduated a state-best 47.0% on time, followed by Indiana University Bloomington at 44.0% and 43.3% for Ball State University.

IN Transition . . .

● Oakland City University selects Dr. Ron D. Dempsey as the 10th president of the university. An ordained Baptist minister with 30 years of experience in higher education, he currently serves as vice president for university advancement at Winona State University. Dempsey succeeds Ray G. Barber, who retires after serving as president since 2008.

● David Balkin, regional development director at the University of Notre Dame, and Lori Handy, vice chancellor and campus operations officer at the Indianapolis campus of Ivy Tech Community College are the two finalists to be the next chancellor of the South Bend and Elkhart campuses of Ivy Tech Community College. Community forums are scheduled for July 24 and 25.

● Ivy Tech Community College has named Thomas Riebe as chief technology officer. Riebe, who has been with Ivy Tech since 2003, served as associate vice president of information security and has been interim chief technology officer since January 2019.

- The President intends to nominate **Lisa Hershman**, vice chair of the Indiana Commission for Higher Education, to be the chief management officer for the U.S. Department of Defense – third in line at the Pentagon – elevating her from her current post as deputy CMO and interim CMO. The management consultant is the wife of former Senate Majority Floor Leader **Brandt Hershman (R)** of Buck Creek.

- **Alan Finn** will serve as Ball State University's next vice president for business affairs and treasurer, effective August 15. Finn is currently vice president for business and finance and treasurer at Lewis and Clark College in Oregon, where he has worked since 2015. He has also served at Portland (Oregon) State University and the State University of New York, and he has held various roles in the private sector.

- Martin University appoints **Lashun Aron-Smith** as vice president for academic affairs. She most recently served as director of academic initiatives in the School of Business at the University of Indianapolis.

- Taylor University eliminates some administrative posts in an efficiency effort. In the highest profile move, **Jeff Groeling** relinquishes the vice provost position and becomes a communications professor.

- The University of Notre Dame selects **Rev. Daniel G. Groody**, associate professor of theology and global affairs, as vice president and associate provost. He will continue to serve as director of the Global Leadership Program within Notre Dame's Kellogg Institute for International Studies.

□ **Jim W. Morrison**, who serves as assistant provost for strategic initiatives, will take on an expanded role as associate provost for strategic initiatives. Morrison joined Notre Dame in 2013, serving first as senior advisor to Provost **Tom Burish** and then as senior director of academic advancement.

- **Jason Meriwether** has been appointed interim vice president for enrollment management at Humboldt State University. He comes to Humboldt from Rhode Island College, where he recently served as vice president for student success, and prior to that, he served as vice chancellor for enrollment management and student affairs at Indiana University Southeast.

- **Jesse Perez Mendez**, dean of the IUPUI School of Education, has been named dean of Texas Tech University's College of Education.

- **Thomas P. Miller & Associates** in Indianapolis names **Shelley Huffman** as the new director of education & workplace solutions. She is a former executive with the Indiana Chamber of Commerce Foundation.

- Indiana State University hires **Mark Alesia** as head of communication and media relations. He spent 16 years at the *Indianapolis Star* as a sports reporter and then as a news investigator.

- **Bob Jones**, chairman of Old National Bank, will join Butler University's Lacy School of Business as a senior advisor of ethical leadership. Jones, who also serves on the University of Evansville board, will be a part of the school's leadership team, as well as a mentor to students, faculty, and staff. He will hold office hours, present in classes, and advise the Dean. The only previous LSOB senior advisor was **Andre B. Lacy**.

- The newest member of the Trine University Board of Trustees is **Jeff Turner**, senior vice president of administration and corporate secretary at Metal Technologies, Inc., in Auburn. He serves as chair for the Northeast Indiana Regional Partnership and board member (and past chair) for the Northeast Indiana Regional Development Authority, and ran unsuccessfully for Congress in a 1989 special Republican primary election.

IN Courts & Conduct . . .

- The Indiana Clinical and Translational Sciences Institute, Indiana University, and Purdue University have been sued over an allegedly out-of-control research study.

□ The lawsuit filed in Marion County Superior Court alleges that minor **Jane Doe** was recruited to participate in a research project on hypertension funded by an \$8.6 million grant to Purdue University from the National Institute of Health's National Heart, Lung, and Blood Institute. Research Project Dash was to have 150 pediatric participants, half boys and half girls, between the ages of 11 and 15. On July 18, 2017, while at a facility to participate in Research Project Dash, a female minor allegedly took a nude video of **Jane Doe** while **Jane Doe** was using the shower and then uploaded the video to social media. The incident occurred less than a week after it was reported that two other child participants had engaged in sexual activity at the facility and another male participant had choked one child and committed battery on a second child. On July 20, Purdue made the decision to end the study and sent most of the kids home. The suit alleges that the defendants failed to provide adequate staffing and staff training for the supervision of the children attending Research Project Dash, and that as a result, minor **Jane Doe** suffered emotional trauma. *Lauderdale v. Purdue Univ., et al.*, No. 49D05-1810-CT-040284.

- The U.S. Court of Appeals for the Seventh Circuit rules in favor of the University of Notre Dame in a breach of contract lawsuit filed by a former tenured professor who was awarded \$501,367 in back pay at the district court level. In *Collins v. Univ. of Notre Dame du Lac*, Nos. 18-2559 & 18-2579, the appellate panel reverses the ruling by Judge **Joseph Van Bokkelen** of the U.S. District Court for the Northern District of Indiana after finding that **Oliver Collins'** employment contract did not require a faculty member who participated in the informal mediation process to automatically recuse from the hearing committee.

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IDOI insures it claims title to win

Big win on Ohio company title industry case we detailed for you in 2015

The Indiana Department of Insurance (IDOI) scores a major win from a federal appellate court panel . . . and if you were a close reader of this newsletter four years ago, you would have read our analysis of the situation which proved to be spot-on, with the U.S. Court of Appeals for the Seventh Circuit precisely adopting our logic in dismissing an appeal filed by an Ohio firm against IDOI.

Four years ago we told you about IDOI entering into a settlement agreement with an Ohio title insurance firm, an example of Commissioner Stephen Robertson successfully pursuing the title industry for insurance-related overcharges. But that particular case, as we explained a few months later, turned into a test case of sorts, challenging Commissioner Robertson and IDOI for how the Department has chosen to address such alleged violations – and also fit into a broader rubric of title company enforcement actions.

Ohio-based American Homeland Title Agency, Inc. (AHT) filed a civil rights lawsuit against the Indiana Department of Insurance in federal court in Ohio (later moved to Indiana), alleging that the Indiana title insurance laws and regulations have been selectively enforced in violation of the U.S. Constitution. A portion of the claims in this case also sought “prospective relief to end a continuing violation of federal law.”

A routine January 2015 IDOI desk audit of three years worth of transactions conducted by AHT and information from a pre-audit questionnaire revealed what IDOI contends were “significant violations” that included unlicensed agents performing functions that require an Indiana title producer’s license. AHT also was said to have failed to properly disclose and collect Indiana title fees. The IDOI audit additionally revealed that AHT overcharged Indiana consumers on government fees and insurance premiums and added unnecessary endorsements to policies which significantly increased the amount Hoosiers had to pay to close on their property transactions. Excess fees ranged from \$75 to \$625 per transaction and totaled more than \$42,000. Finally, IDOI concluded that the firm failed to remit and issue a significant number of title policies within a reasonable amount of time after the transaction closed. AHT seemed to have effectively failed on just about every audit benchmark, as we explained to readers.

In lieu of an administrative hearing – which would have provided an opportunity for AHT to deny and defend their actions in a public forum – AHT opted for an Agreed Entry to resolve the violations identified during the audit. In the Agreed Entry, AHT offered its consent to reimburse consumers (identified by transaction files) \$42,202 for overcharges of fees and premiums and to pay \$70,082 in administrative fines and penalties. Additionally, both of the firm’s owners agreed to permanent suspensions of their Indiana title producer license and the agency’s title producer license.

AHT contended in its federal lawsuit, however, that IDOI failed to follow Indiana state law. According to AHT’s attorneys, “IDOI did not allow AHT the opportunity to receive and to rebut the findings of the audit. AHT decided to settle with the State of Indiana rather than risk the entire company on a protracted legal fight. AHT compensated consumers, paid a hefty fine, and agreed to not compete for Indiana business.”

For more, please see the following page . . .

Fracking exposure Emerges

INPRS faces Ch. 11 investment setback

Emerge Energy Services LP, a Texas-based limited partnership engaged in mining, producing, and distributing silica sand, a key input for the hydraulic fracturing of oil and natural gas wells, filed for chapter 11 bankruptcy reorganization last week, leaving the Indiana Public Retirement System with exposure. *In re: EmERGE Energy Services LP, et al.*, No. 19-11563.

Emerge had signed a restructuring agreement in April – INPRS was one of 17 creditors consenting – but a Tuesday court filing in Delaware explained bankruptcy was necessary after negotiations with railcar and terminal providers proved unsuccessful at freeing it from “burdensome” contracts and leases.

INPRS has an unspecified stake in Merge Energy courtesy of investment manager Oak Hill Advisors, L.P., whose general counsel signed off on the restructuring agreement on behalf of INPRS fewer than three months before the bankruptcy filing. The agreement intentionally omits the principal amount of both revolving loan obligations and notes purchase obligations, so there is no way of knowing just how much INPRS has invested in EmERGE through Oak Hill, particularly given that there is no elaboration of the investment in the most recent INPRS annual report.



In one instance, AHT claims that it was threatened with a \$9.5 million fine, \$10,000 fines for employees, and that corporate license forfeiture would be a condition precedent to any settlement. AHT alleged it “was told that its effort to negotiate or make a ‘counter-offer’ for a reduced fine had insulted” state officials. The company also claims that it was told “that hiring an attorney would be harmful to the negotiation process and would probably lead to a greater fine.”

According to the original 2015 federal lawsuit, IDOI officials allegedly told AHT, “If you guys were not writing this (title insurance) business in Indiana, people in Indiana would be writing it.” AHT contends that the company and its officers “have been subject to purposeful discrimination in the form of more aggressive enforcement and less favorable treatment based on the fact that it is an out-of-state company providing title services in Indiana,” and this constitutes “unconstitutional discrimination against out-of-state title companies in favor of in-state title companies.”

AHT’s attorneys asserted that “Approximately two months after settlement with AHT, IDOI issued a press release which contained false statements. It became clear Indiana was willing to put the West Chester, Ohio company out of business. It was at this point in time that AHT decided to file its federal lawsuit.”

Attorneys for AHT said in announcing the lawsuit’s filing that “It appears that the IDOI Commissioner has been targeting out-of-state title insurance companies for vigorous enforcement to protect Indiana businesses from competition.”

Department staff tell us that while it is no secret that Commissioner Robertson has pursued several cases against the title industry for insurance violations, “his aim is clearly to protect Indiana consumers from a practice of overcharging rather than to protect Indiana businesses from out-of-state competition.”

Robertson, we told you in 2015 – and nothing has changed our mind since – “has taken a particularly tough stance in pursuing underwriters for effectively turning their heads when agents overcharge.”

The federal lawsuit added that “Since the settlement, AHT has learned that IDOI has targeted other out-of-state title companies for aggressive enforcement in order to protect in-state Indiana businesses.” According to AHT’s top executive back then, “It appears that the IDOI Commissioner has been targeting out-of-state title insurance companies for vigorous enforcement to protect Indiana businesses from competition.”

AHT had alleged that through the first five months of 2015:

- 83% of all \$10,000.00+ fines against title insurance companies by IDOI have been against out-of-state title companies;
- 63% of all enforcement actions have been against out-of-state title companies;
- 100% of press releases touting enforcement by IDOI have been against Cincinnati, Ohio area title companies;
- Almost all enforcement actions against Ohio title insurance companies have been for multiple violations while all actions against Indiana title companies have been for single violations; and
- Fines against out-of-state title companies under IDOI’s most popular fine have averaged over 1100% higher as opposed to what IDOI assesses against in-state title companies.

After the lawsuit was filed, AHT and its attorneys issued a statement saying that “Many Cincinnati area title companies have decided that it is too risky to continue to do business in Indiana. A few other major Cincinnati area title companies have made a business decision to cease doing business in Indiana for fear of being targeted next by IDOI.”

We cautioned you back then, however, that “The American Homeland Title numbers may, however, not tell the whole story. They seem to conflate agencies and underwriters under the ‘companies’ label, making the numbers redound to their benefit because most of the underwriters are out-of-state entities. AHT is an agency.”

IDOI provided your favorite newsletter information at the time that painted a different picture.

We wrote in 2015 that “Since 2012, nine agency licenses have been suspended or revoked, with six of those being Indiana agencies and only three were non-resident agencies. There are 264 resident title insurance agencies currently operating in Indiana and 375 non-resident title agencies operating in Indiana . . . and IDOI thus suggests that AHT’s allegation of disparate treatment for non-resident agencies by the Department of Insurance is meritless. Larger fines have also been assessed against underwriters than agencies.”

And here’s where you really need to start paying attention.

We told you in 2015 that “One line also stuck out to us in the settlement agreement: ‘Respondent voluntarily and freely waives the right to judicial review of this Order.’ This appears to be the equivalent of a covenant not to sue, and in addition to any substantive defense the State offers, we would assume that OAG will take the position that ‘judicial review’ applies to more than a simple appeal of the Order, and should bar AHT’s ‘as-applied’ lawsuit over the law and/or settlement.”

And we added that “Both of the title insurance company principals are attorneys, so we anticipate that the settlement language will prove a major hurdle to their chances of pursuing their action on constitutionality”

Well, last week, the U.S. Court of Appeals for the Seventh Circuit, in *American Homeland Title Agency, Inc., et al., v. Robertson*, No. 18-3293, upheld a ruling by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana granting summary judgment to Commissioner Robertson in this matter.

Writing for the court, Judge Diane Sykes – one of those on the President’s short list for potential nomination to serve on the Supreme Court of the United States – explains, “We need not reach the merits of that discrimination claim. In its agreement with the Department, American Homeland consented to the same penalties it now challenges. It hasn’t provided a valid reason to void that agreement, so judicial review is unavailable. We therefore affirm summary judgment in favor of Robertson.”

She continued, “In 2015 the Department randomly audited American Homeland’s files and found hundreds of code violations, none of which American Homeland denies. The Department’s examiners recommended that the Commissioner fine American Homeland \$70,082 and order \$42,202 in consumer reimbursements.”

Judge Sykes then serves up key details: “To calculate those penalties, the examiners started with what their guidelines recommended but then deviated upward. The guidelines are fully advisory, so everyone agrees that the examiners had the discretion to do so. The parties then went through several rounds of negotiation. But not only did the examiners refuse to adjust the fines, they added a new sanction: [its owners, both attorneys] would lose their licenses to do business in Indiana. Later, one of the Department’s attorneys informed American Homeland that if it refused to agree to the penalties, it could seek administrative review. But if American Homeland did that, it could face the maximum fine of \$9.5 million. Fearing that exposure,” the appellate judge notes, “American Homeland agreed to the recommended sanctions.”

Judge Sykes channels precisely what we told you four years ago as she concludes, “In sum, American Homeland has offered no meaningful reason to ignore the Agreed Entry. Because the company waived its right to judicial review of the penalties, its claims are foreclosed. As a result, we need not reach the merits of American Homeland’s equal-protection claim.”

IN Politics

Federal Office Races . . .

● The Federal Election Commission decides a pair of complaints filed by the American Democracy Legal Fund arising from the 2018 Republican U.S. Senate primary, one against former U.S. Rep. Luke Messer (R), his campaign committee, and treasurer Craig Kunkle (who now handles the same duties for the leadership PAC of U.S. Rep. Greg Pence (R)) . . . and the second against former U.S. Rep. Todd Rokita (R) and his campaign committee and treasurer. The respective complaints alleged that the two men and their committees violated the registration and reporting requirements of the Federal Election Campaign Act by failing to file a statement of candidacy in connection with testing-the-waters activities that they each undertook in connection with their separate 2018 campaigns for Indiana’s U.S. Senate seat. The Commission exercised its prosecutorial discretion and “dismissed the allegations in consideration of Commission priorities.”

□ Chair Ellen Weintraub, Vice Chair Matthew Petersen, and commissioners Caroline Hunter and Steven Walther issued a formal Statement of Reasons applicable to both cases explaining that evidence “indicates that both candidates conducted their exploratory activities out of their respective House re-election committees, but that the funds raised and spent in connection with testing-the-waters activities were not clearly identified as such on the committees’ disclosure reports. Based upon the failure to distinguish Senate activities from House activities, the Office of General Counsel (‘OGC’) recommended that the Commission find reason to believe that both committees violated [federal law] by failing to accurately disclose receipts and disbursements for the candidates’ House and Senate campaigns and [violated federal regulations] by failing to maintain separate campaign organizations.”

□ However, “the Commission exercises its prosecutorial discretion and dismisses these matters.” Why did it do so? “The Act does not address whether individuals who have declared their candidacies for one federal office and are testing the waters for a second federal office need to establish separate campaign committees. Nor has the Commission addressed this precise issue in prior matters . . . There is no allegation that respondents failed to comply with the regulations that require that testing-the-waters activities be funded with money that complies with the restrictions and limitations of the Act/. Additionally, although the testing-the-waters activities were not clearly identified as such in the disclosure reports, the underlying activity was reported. Based on these facts and the lack of explicit guidance on this issue, the Commission has chosen to exercise our prosecutorial discretion to dismiss these matters. OGC also noted that Rokita filed a late Statement of Candidacy for his House re-election campaign and Messer may have triggered his Senate candidacy prior to his official announcement. In light of our finding above, however, we do not believe that either of these potential violations merit the use of additional agency resources. Therefore these allegations are also dismissed.”

● The vote by U.S. Rep. Susan Brooks (R) to condemn the President’s July 14 tweets about “The Squad” could prove to be a plus – or a minus – for Republicans seeking to replace her in CD 05. Her vote makes it safe for a more moderate or establishment Republican candidate to take issue with the President (or at least his *modus operandi*, making it look like they are willing to take issue with a president of their party), while at the same time allows a candidate from the right to stand with the President and against the outgoing incumbent, and stake out a position potentially more acceptable to the more hardcore GOP base. Although in this district Republican primary voters

are probably more moderate than in any other Republican-leaning district statewide, there are likely to be fewer 2020 GOP primary candidates on the far right than in the middle, allowing a candidate from the right to potentially emerge because of split votes in a larger moderate field – and this could be the point of coalescence of such a candidate from that end of the spectrum.

□ Former Rep. Christina Hale (D), who entered the CD 05 open seat race on July 11, reported raising \$100,000 in fewer than 100 hours. The 2016 lieutenant governor nominee raised more money in less than one week of campaigning than did 2018 CD 05 nominee Dee Thornton (D) by the end of the second quarter of 2018. Thornton didn’t hit the six-figure mark until the third quarter of the election year. As no doubt intended, the Hale haul announcement overshadowed Thornton’s campaign kickoff. She says she will concentrate on health care and the environment; Hale is focusing on middle-class issues . . . Ellen (Elle) Kizik, a Butler University alum and research assistant at Anacore, Inc., opens a campaign committee for the CD 05 seat as a write-in candidate.



● CD 06 challenger **Jeannine Lee Lake (R)** comes out of the box swinging in her campaign to take on U.S. Rep. **Greg Pence (R)**, to whom she lost overwhelmingly in her 2018 open-seat bid (and that was a non-presidential year, with only one Pence on the ballot). She staked out the Governor's re-election announcement in Knightstown (in CD 06), waiting for Rep. Pence to exit the rally. She tried to politely engage him to, as she framed it, "answer questions about children being put in cages at the southern border. He refused to debate me in the 2018 campaign - and is still evading me." Rep. Pence greeted her by name, and then turned and walked away without answering her queries. "I'm rested and ready to take on him, his famous name and the cruel administration he supports!" writes Lake on her Facebook page . . . Rep. Pence's Greg Pence Victory joint fundraising committee has raised \$338,152 during the first half of 2020, made \$337,252 in expenditures, and began July with \$56,700 in cash on hand. Among the disbursements made in the last week of June: \$123,074 to his congressional campaign committee; \$11,945 to his Mustang PAC leadership political action committee (after \$17,070 in March); \$14,786 to the National Republican Congressional Committee; and \$10,741 to the Great America Committee, the political action committee operated for the benefit of his brother, the Vice President . . . Rep. Pence's Mustang PAC collected \$39,180 during the first six months of 2019, spent \$14,111, and began July with \$43,086 in cash on hand.

● Here are your second quarter campaign finance numbers for congressional candidates (period ending June 30):

		Cycle Net		Cash Left
CD	Candidate	Contribs.	Expend.	
01	Visclosky (D)	\$ 390,169	\$ 250,341	\$ 493,621
02	Walorski (R)	\$ 447,710	\$ 258,258	\$ 580,923
02	Hackett (D)	\$ - 0 -	\$ 2,332	\$ 479,452
03	Banks (R)	\$ 291,423	\$ 195,745	\$ 110,861
04	Baird (R)	\$ 82,625	\$ 39,601	\$ 133,323
05	Brooks (R)	\$ 199,239	\$ 241,742	\$ 858,965
05	Beckwith (R)	\$ 8,400	\$ 3,582	\$ 14,995
05	Thornton (D)	\$ 15,582	\$ 30,656	\$ 39,410
05	Hale (D)	- No Report on File -		
05	Christie (D)	\$ 2,595	\$ 96	\$ 4,716
06	Pence (R)	\$ 468,985	\$ 560,219	\$ 407,838
06	Lake (D)	- No Report on File -		
07	Carson (D)	\$ 157,909	\$ 196,593	\$ 863,151
08	Bucshon (R)	\$ 250,825	\$ 143,345	\$ 312,935
09	Hollingsworth (R)	\$ 434,650	\$ 197,048	\$ 326,057

		Q2 Net	
Candidate		Contributions	Debt
Walorski (R)		\$ 265,774	
Hollingsworth (R)		\$ 246,200	\$ 606,402
Pence (R)		\$ 246,038	
Visclosky (D)		\$ 234,328	
Bucshon (R)		\$ 166,525	
Banks (R)		\$ 128,064	\$ 29,421
Carson (D)		\$ 97,021	
Baird (R)		\$ 55,375	\$ 170,000
Brooks (R)		\$ 36,777	
Beckwith (R)		\$ 8,400	\$ 1,682
Thornton (D)		\$ 4,241	
Christie (D)		\$ 2,595	
Hackett (D)		- 0 -	

□ Former U.S. Rep. **Dan Burton (R)** entered July with a cash-on-hand balance of \$105,985 in his campaign treasury, while former U.S. Rep. **Baron Hill (D)** posted a balance of \$91,890, former U.S. Rep. **Luke Messer (R)** retains only \$6,225, and former U.S. Rep. **Todd Rokita (R)** is sitting on \$49,380 (and his state political committee had \$2,151 at mid-year) Former U.S. Sen. **Joe Donnelly (D)** retains \$344,176 . . . former Sen. **Brent Waltz (R)** still is owed \$120,844 from loans he made to his 2016 CD 09 primary campaign . . . **Jonathan Lamb (R)** still owes himself \$470,000 from loans he made to his 2018 CD 06 primary effort . . . Dr. **Richard Moss (R)** still owes himself \$81,199 from loans made to his various unsuccessful CD 08 primary campaigns . . . U.S. Rep. **Trey Hollingsworth (R)** still has not been repaid \$606,401.66 in loans he has made to his CD 09 campaign . . . U.S. Rep. **Susan Brooks (R)**, who decided not to seek re-election, made \$27,700 in contribution refunds during the second quarter. She also transferred \$30,000 to the National Republican Congressional Committee, and another \$5,000 to the Majority Committee PAC, the leadership political action committee of U.S. House Republican Leader **Kevin McCarthy (R-CA)** . . . 2018 CD 02 candidate **Mel Hall (D)** boasts a \$91,889 cash balance as of July 1 . . . U.S. Rep. **Greg Pence (R)** is the only Republican member of the House delegation seeking re-election whose campaign spent more in the second quarter than it brought in, largely because of extremely high fundraising-related expenses.

State Office Races . . .

● Governor **Eric Holcomb (R)** launches his 2020 re-election campaign with a new theme. "Putting People First" will be focused around Hoosiers, their stories, and "how Governor Holcomb's work is making a real difference in real Hoosier lives." Democrats complain that he's focused more on the business world than people, and you can expect them to hit hard on health and education issues: Department of Child Services shortcomings, the lack of a statewide teacher pay raise, the lack of spending on (and attention to) tobacco cessation efforts, work requirements for some Healthy Indiana Program recipients, early childhood education programs, and infant mortality rates . . . all items the Guv plans to attack in Term II.

□ **Kyle Hupfer** will serve as the Guv's campaign manager. Hupfer will play a dual role, overseeing the campaign and continuing to chair the Indiana Republican Party. This could prove to make the fight for the attorney general nomination (and election) even more interesting.

□ The Governor's campaign committee adds a \$15,000 July 10 contribution from **Krieg Devault LLP** and \$10,000 two days later from Beck's Superior Hybrids top exec **Sonny Beck**, a Purdue University trustee since 2013.

IN Legislative Races . . .

● Add Marion City Councilmember **Steve Henderson (R)** to those declaring for the HD 31 vacancy selection caucus July 30. **Ann Vermilion (R)**, a former Marion General Hospital top administrator was the first to officially jump in.

IN the Presidential Race . . .

● Several Democratic presidential candidates will converge on Indianapolis July 24-27 to speak at the National Urban League's 2019 Conference at the Indiana Convention Center. Among the speakers will likely be former vice president **Joe Biden (D)**; U.S. Sens. **Cory Booker (D-NJ)**, **Kamala Harris (D-CA)**, and **Amy Klobuchar (D-MN)**; South Bend Mayor **Pete Buttigieg (D)**; U.S. Rep. **Tim Ryan (D-OH)**; and former U.S. Rep. **John Delaney (D-MD)**.

● South Bend Mayor Pete Buttigieg (D) is down one point over the prior week in the most recent Morning Consult poll of prospective Democratic primary voters, and at five percent, he is in fifth place, top among the candidates not polling in the double-digit percentages (he is at seven percent among Democratic primary voters in a largely contemporaneous *Wall Street Journal*/NBC News poll). A CNN poll conducted by the University of New Hampshire of likely Democratic primary voters July 8-15 in the First State finds Buttigieg placing fourth with 10% (but a 5.0% margin of error means the top four are all potentially in second place to former vice president Joe Biden (D)). Morning Consult finds that he is not the second choice of those who prefer any of the other six leading candidates, but is the third choice of those polled who back U.S. Sen. Kamala Harris (D-CA) – whom Buttigieg leads by one point in New Hampshire . . . with all of the second quarter campaign finance reports now publicly available, not only does Mayor Pete lead all candidates with a \$24.9 million Q2 haul, but he also paces the field in attracting more campaign cash from individual donors than any other Democratic hopeful. Hizzoner also did not have the ability to transfer in funds from a federal campaign account as nine of his primary opponents did during the first half of the year . . . Mayor Pete's campaign spent \$8.8 million during the quarter, and cash-on-hand numbers at the beginning of July show his campaign with \$22.7 million, more than any other Democratic candidate than U.S. Sen. Bernie Sanders (D-VT). His campaign has already raised more than \$31 million in the first half of 2019 alone (approaching 10% of the overall 2019 City of South Bend budget of approximately \$388 million) . . . the Buttigieg campaign points out that he has raised more than twice as much money – \$2.35 million – from New York City residents during the second quarter than the \$1.1 million that New York City Mayor Bill de Blasio (D-NY) raised in total, nationwide, during his entire campaign . . . the President took on Mayor Pete directly at his nationally televised South Carolina Wednesday, contending that the contender “runs a failed city,” and that “His city is doing so badly African-Americans literally were so angry at him for the lousy job, and he's supposed to be a hot young star,” the President adds. The President also said Vice President Mike Pence (R), who never had a publicly negative word about Mayor Pete's administration (just the religious-based criticism), spoke with him about Buttigieg, “And Mike said, ‘He never did a good job. I'm so shocked to see him running,’ he says.” . . . Morning Consult finds that during Q2, Buttigieg – a Harvard classmate of Facebook's Mark Zuckerberg – received \$121,973 from 214 employees at Facebook Inc., Amazon.com Inc., Alphabet Inc. and Apple Inc., more cash than any other candidate raised from the big four tech companies . . . two new key Team Pete hires: Buttigieg hires: Jess O'Connell, a former Democratic National Committee CEO signs on as a senior advisor, and Georgetown University's Sonal Shah, an economist and director of the Office of Social Innovation and Civic Participation in the Obama White House, as national policy director.

IN Political News . . .

● New Morning Consult approval numbers (January - March polling for governor; April through June for U.S. Senate), for which we added historical data for U.S. Sen. Todd Young (R):

	Approve	Disapprove	Don't Know
Holcomb	50%	22%	28%
Young	40%	25%	35%
Braun	42%	27%	31%

Sen. Young Q2	2019	2018	2017	2016
Approve	40%	42%	48%	48%
Disapprove	25%	28%	28%	25%
DK/No Opinion	35%	30%	24%	27%

□ There are 22 governors with higher approval ratings than Indiana Governor Eric Holcomb (R), an unusually high set of approval numbers for governors generally, but 28% of Hoosiers still don't venture an opinion of his work, a figure topped by only two other governors nationally – one of whom ascended to office in mid-term as a result of the resignation of the governor originally elected in 2016 and the other just elected in 2018 without having previously served statewide . . . Sens. Young and Mike Braun (R) are in the lower half of the overall Senate approval numbers . . . Sen. Young's historical approval numbers have dropped, but have lodged in the “Don't Know/No Opinion” column instead of becoming disapprovals.

● The Oakland, California-based ColorOfChange PAC registers its federal political action committee with the Indiana Election Division with the stated purpose of “Mobilizing Black voters to shape the political agenda in Indiana” . . . the Outdoor Advertising Association of Indiana, Inc.'s Outdoor Advertising Political Action Committee registers with the state, seeking to “Enhance outdoor advertising industry for better service to advertisers. Issues: Transportation, taxes, regulation” . . . RISE INDY PAC of Indianapolis registers with the state with the stated purpose of “Electing candidates for Indianapolis School Board, City Council, and the Indiana General Assembly who have a kids first agenda in education policy.” Charity Stowe of Hiron, a former legislative affairs staffer for the House Democratic Caucus, is the treasurer.

IN Brief

IN Federal Circles . . .

● A sharp-eyed reader last week caught that we had somehow wrongly included former U.S. Rep. Bill Hudnut (R) among those who had served with U.S. Rep. Pete Visclosky (D), the longest-serving member of the House delegation (first elected in 1985) in Hoosier history . . . despite the fact that Hudnut had been out of Congress for a decade before Visclosky was first elected. That means we need to recalculate, and tell you that Rep. Visclosky has served with 37 other Hoosier members of Congress (25 Republicans and 12 Democrats) . . . a number that will increase by at least one in 2021 if he is re-elected.



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● U.S. Sen. **Todd Young** (R) joins U.S. Sens. **Pat Toomey** (R-PA), and **Tom Cotton** (R-AR), in introducing the “Government Bailout Prevention Act,” legislation that would ensure federal dollars will not be used to help insolvent state, territory, or local governments – such as Puerto Rico today – pay off their obligations. Under this bill, no arm of the federal government, including the Federal Reserve System and the U.S. Treasury Department, can pay or guarantee state and local obligations if that state or local government entity has filed bankruptcy, has defaulted on its debts, or is at risk of bankruptcy or default. “Unfortunately, a number of state and local governments continue to spend more money than they bring in and are racking up dangerous levels of debt,” said Sen. Young. “It is unfair for Hoosiers to be expected to pay taxes to bail out this fiscal irresponsibility. These governments need to be on notice that they can’t continue down their fiscally risky path and expect federal taxpayers to pick up the check” . . . taking a page from Purdue University’s innovative financing tool for students pursuing postsecondary education, Sen. Young teams with U.S. Sens. **Mark Warner** (D-VA), **Marco Rubio** (R-FL), and **Chris Coons** (D-DE) to introduce the “Income Share Agreement (ISA) Student Protection Act” to impose consumer protections and improve ISA effectiveness – protecting students and ensuring their success in the workforce. ISAs provide opportunities for students to design financial aid suited to their needs based on their future income and job success. Under an ISA, a student agrees to pay a percentage of their income over a given time period in exchange for tuition payments from nongovernmental sources. When the agreed timeframe ends, the student stops payments regardless of whether the initial amount was paid back to the ISA funder. “Far too often I hear of students and their families being forced to endure financial hardship in exchange for a quality education,” says Sen. Young. “Government-provided student loan debt continues to skyrocket while the average household income decreases. That’s why I have introduced a bill to offer students from all backgrounds with a private – or philanthropically – funded, debt-free financing option catered to their own income needs through the use of Income Share Agreements. If we strengthen the framework of ISAs, we can help colleges and career and technical schools prepare Americans for rewarding careers, all without any additional cost to taxpayers.” In the last session of Congress, Sens. Young and Rubio introduced a version of this bill, the “Investing in Student Success Act” (other versions were introduced in the House and Senate). This is the first Senate version to win bipartisan support. The bipartisan measure would codify the these safeguards and consumer protections for ISA recipients:

- Individuals earning less than 200% of the Federal Poverty Level (\$24,980 in 2019) would be exempt from making payments towards their ISA.
- ISA providers would be barred from making agreements with students that require payments higher than 20% percent of income for shorter-term contracts, with the cap decreasing to 7.5% for the longest contracts allowed (30 years).
- ISAs would be dischargeable in bankruptcy.
- Funders would be required disclose to students how monthly payments would compare under the ISA to payments on a private or federal loan for the same amount of money and number of payments.
- Federal consumer protection laws (i.e. Fair Credit Reporting Act, Fair Debt Collection Practices Act, Military Lending Act, Servicemembers Civil Relief Act, Equal Credit Opportunity Act) would be applied to ISAs, and the Consumer Financial Protection Bureau would have oversight authority over ISAs.
- The tax treatment of ISA contributions for both funders and recipients would be clarified.

● U.S. Sen. **Mike Braun** (R) reflected on the legacy of Ross Perot, describing him as an outsider candidate who helped pave the way for his own “outsider businessman” run for Senate. “Ross Perot was right about the dangers of NAFTA and runaway government spending because he spoke from real experience – not as a career politician – and paved the way for entrepreneurs like me and President Trump to shake the system in D.C.” . . . the U.S. Senate passed the “Payment Integrity Information Act of 2019,” on Tuesday, a bipartisan bill introduced by Sen. Braun and U.S. Sens. **Tom Carper** (D-DE), **Ron Johnson** (R-WI), and **Gary Peters** (D-MI). The legislation aims to cut down on government waste and improper payments made by the federal government – including overpayments, underpayments, payments made to ineligible recipients or payments that were not properly documented. “As a former entrepreneur who left Main Street to help President Trump drain the swamp of corruption in Washington, I’m proud to spearhead the Payment Integrity Information Act of 2019 which will reduce billions of dollars of improper payments from the federal government,” said Sen. Braun . . . Sen. Braun told a gaggle of reporters in D.C. that he wasn’t thrilled about the President’s tweets about “The Squad.” “The President is better than that. He knows better,” said Sen. Braun. “I didn’t like the content of it.” He added, “I don’t think he’s a racist. I think he’s a guy that says what comes to his mind, and a lot of times we then have to spend time to talk about it.” He told POLITICO, “I don’t think he’s got a racist bone in his body. He’s got an approach that might let the other side talk about it. That’s what I don’t like.”

● U.S. Rep. **Greg Pence** (R) talks about the President’s tweets about “The Squad” with *Eagle Country* 99.3-FM News Director **Mike Perleberg** Thursday morning, telling listeners in the Lawrenceburg area, “I don’t think the President is a racist. I don’t speak for the administration. I thought the President the day after that clarified what he meant, but it sure became an opportunity for the national media and the Democrats to just go back to the name-calling, the ugly words.”

● U.S. Rep. **Trey Hollingsworth** (R) poses his question of the week to constituents: “Do you support continued investment in space exploration, including an effort to land on Mars?”

● U.S. Rep. **Jackie Walorski** (R) voted against H.R. 2500, what her office portrayed as “a partisan version of the National Defense Authorization Act (NDAA) that would harm military readiness.” Rep. Walorski herself explained, “Congress’ most important responsibility is to provide for the national defense and support our brave men and women in uniform. Sadly, the NDAA passed by the House . . . falls short of these goals and breaks a longstanding tradition of bipartisan cooperation. While the Senate passed its bill with overwhelming support from both parties, House Democratic leaders offered a partisan proposal that underfunds our national defense, undercuts military readiness, and reverses prohibitions on transferring terrorist detainees from Gitmo. I hope they will put politics aside and pass a commonsense, bipartisan national defense bill, including two provisions I authored to encourage adoption of military working dogs by their former handlers and connect more wounded warriors to service dogs” . . . Rep. Walorski tweeted Monday about the President’s tweets and comments regarding “The Squad” of female freshmen Democrats: “As Americans, we can disagree on fundamental issues and condemn radical ideas without resorting to personal attacks on our fellow citizens. In order to find commonsense solutions to the challenges people face, both parties need to put aside divisive rhetoric and engage in a civil debate that reflects our nation’s values.”



● U.S. Rep. Susan Brooks (R) “Supports Senate Version of National Defense Authorization Act,” is how her office characterized the Brooks vote against the House version of the National Defense Authorization Act (NDAA) and her backing “for the bipartisan Senate version of the NDAA,” which passed the Senate 86-8. Rep. Brooks said “It is critically important to provide the men and women in our armed forces the resources and tools they need in order to safely defend and protect our country. For 58 years, the Armed Services Committee has passed a bipartisan NDAA. I am disappointed [this] House version of the NDAA is extremely partisan, endangers U.S. national security and undercuts authorities’ abilities to combat serious threats on an international level, including combating terrorism. This bill cuts critical programs designed to deter Russia and China, cuts personnel accounts by over one billion dollars, cuts nuclear deterrent programs and cuts readiness recovery. Keeping Americans safe is government’s first job, and that is why we must have a military that is properly equipped to keep us safe at home and abroad. As the legislative process continues, I urge House leadership to consider the Senate’s version of the bill because it rises above partisan politics in order to prioritize our national security and provide needed funding in order to increase military readiness” . . . on Monday morning, Rep. Brooks posted a statement on Facebook and Twitter in reference to the President’s remarks about “The Squad.” She commented that “As Americans, there is more that unites us than divides us. The President’s remarks to my colleagues across the aisle are inappropriate and do not reflect American values. ALL of our elected officials need to raise their level of civility in order to address the serious issues facing our country.” Then, on Tuesday afternoon, Rep. Brooks became one of only four Republican House members to vote for a House resolution denouncing the President for “racist comments” in his Sunday, July 21 tweets. Said Rep. Brooks Tuesday evening: “Yesterday, I issued a statement regarding the President’s recent inappropriate remarks because I believe they do not reflect American values. I believe our diverse backgrounds as Americans make our country greater and stronger. These differences should be celebrated by all of us. Today, I voted to condemn the racially offensive remarks the leader of our country made. However, I remain disappointed that the Democrats refuse to hold their own members accountable for their targeted, anti-Semitic and hateful speech. The lack of civility between the executive and legislative branches has reached an unacceptable low. We must remember our words matter and carry great weight. Our words and the ways in which we deliver them have a lasting impact on those who hear them. My hope for our country is that we can move beyond divisive rhetoric in order to more effectively govern.”

● U.S. Rep. Jim Banks (R) tweeted Monday afternoon about the presidential tweets regarding “the Squad”: “Until House Dems remove Rep. Ilhan Omar from the Foreign Affairs Committee or address her anti-Semitic remarks in any way, it’s hard to take any of their efforts to condemn the President, or anyone else, seriously” . . . Rep. Banks serves up kudos for the U.S. Department of Education’s recent scrutiny of, and investigations into, the reporting of foreign gifts to U.S. colleges and universities. Rep. Banks is the lead sponsor of the “Protect Our Universities Act,” which would outline new ways to disclose and examine the influence of foreign governments in our nation’s academia, including the students and entities with access to sensitive information. Said Rep. Banks, “Money talks. For many years, companies and individuals alike have donated large sums of money to colleges and universities to exert soft power and influence their decision making. Recently, Chinese sources have donated hundreds of millions of dollars

to influence and equip academics and researchers tasked with handling sensitive government information – that is extremely concerning.” He continues, “I am glad to see the Department of Education follow up on concerns that I’ve highlighted over the past year. In March 2019, I asked the Department of Education to clarify their policy on Confucius Institutes and Department of Defense research, as funding streams and personnel support between the two programs could pose national security concerns.” Additionally, in July and September of 2018, he asked USDOE to clarify policies regarding private donations made to universities, and adds that he still hopes that these concerns will also soon be addressed by the Department. He wants USDOE to:

- Provide a full list of institutions involved with any partnership with Huawei, including those receiving less than \$250,000 in Title IV funding per calendar year;
- Provide information regarding any research personnel (including Chinese nationals involved in the “Talents” program) at institutions that are involved in research activities connected to Huawei;
- Specify if and when the Department will convene a senior-level working group to understand China’s efforts to gather the United States technology and intellectual property on American college campuses and develop recommendations to protect the U.S. technological advantage.

“While there is additional work to be done on this issue, I’m pleased that Secretary DeVos and the Department of Education are taking steps to investigate these foreign contributions and craft new rules to more thoroughly report such gifts,” says Rep. Banks, who concludes, “Government officials and school administrators must be clear-eyed and about the threats posed by government intelligence agencies masquerading as private businesses. It is a danger that no sum of money can mitigate.”

● U.S. Rep. Larry Bucshon (R) “Votes Against House Democrats Partisan National Defense Authorization Act,” is how his office portrayed his vote against the National Defense Authorization Act (NDAA) (H.R. 2500) “due to the lack of adequate allocation of resources requested and blatant partisanship.” Rep. Bucshon explains, “Traditionally, the NDAA process has been light on partisanship with Republicans and Democrats coming together to advance policies that support our troops and strengthen our national defense. Unfortunately, House Democrats are risking the safety and security of our freedom at home and abroad with this partisan legislation that they intend to use as a political tool. While there are important measures within the NDAA for Hoosiers, the overall bill does not address our national security needs so I must vote to protect our military personnel, our safety, and our way of life. I urge Speaker Pelosi and House Democrats to abandon their partisanship with this NDAA and put the safety of our nation first” . . . after voting Thursday against what he called the “Raising Unemployment for Americans Workers Act,” which his office characterized as “legislation put forth by House Democrats that mandates a 107-percent increase of the minimum wage that could eliminate 3.7 millions jobs,” Rep. Bucshon had this to say about H.R. 582: “Thanks to the conservative, pro-growth economic agenda put forth by the Trump Administration and House Republicans in Congress for two years, the American prosperity economy is flourishing. After nearly a decade of stagnation, family incomes and job opportunities are finally rising once again. In the past few months, the unemployment rate has hit near record lows, wages have increased – particularly for lower-income workers, and there are more job openings than there are unemployed workers. This short-sided attempt by House Democrats to artificially raise the minimum

wage will reverse the economic progress made over the past couple of years and hurt American workers. In fact, the American workers who will be hurt the most will be those looking to get onto or move up from the bottom step on the ladder of economic success – which are those that Democrats claim they are trying to help. The irreversible damage done by this bill could result in an estimated 3.7 million Americans losing their jobs and move our economy backwards and be a crushing blow to small businesses. Instead of focusing on minimum wage policies, we should instead be focused on policies that maximize economic opportunities for Americans.”

● U.S. Rep. André Carson (D) responded to what his office characterized as “the GOP’s latest efforts to strike down protections for people with pre-existing conditions, as well as every last benefit and protection provided by the Affordable Care Act” as the U.S. Court of Appeals for the Fifth Circuit heard oral arguments Tuesday in the *Texas v. U.S.* lawsuit, to which Indiana is an *amicus* party, seeking to repeal the Affordable Care Act. “Hoosiers want their representatives in Washington to strengthen and expand critical care that helps working families thrive,” Rep. Carson said. “But this disastrous lawsuit, if successful, could rip coverage away from millions of Americans and destroy life-saving protections for people with pre-existing conditions. For years, Republicans have worked to overturn, weaken, and downright sabotage the Affordable Care Act, which has culminated in this lawsuit” . . . Rep. Carson joined CNN live Monday evening on *Erin Burnett OutFront* to tell host Erin Burnett that the President’s tweets the day before were “racist” and “possibly Islamophobic.” He explained, “His remarks coming from the highest office in the land, they’re destructive, they’re hurtful, and – dare I say – they’re anti-American.” He suggested the President’s tweets were “a Hail Mary” to reassure his political base. “He’s speaking to that particular segment, that very toxic segment of our society,” Rep. Carson told the national audience. Rep. Carson tweeted shortly after that “President Trump’s remarks telling my colleagues to ‘go back where they came from’ further reveals his narrow-minded ideas about who belongs in this country. They are principled Americans who belong right where they are – in Congress – pushing back against his dangerous agenda” . . . “At a time when this president is ignoring the truth about domestic terrorism and his administration is concealing and hiding the proliferation of white supremacist-inspired incidents, Congress and the public urgently need more information to better understand and prevent domestic terrorism,” Rep. Carson, a senior member of the House Permanent Select Committee on Intelligence, told his colleagues on the House floor Tuesday night as he pushed for passage of a measure requiring an annual report on domestic terrorism. “It is important that we acknowledge domestic terrorism as a very serious threat and we must do more than just talk about it as a societal problem.” He also urged passage of his amendment to the Intelligence Authorization Act with U.S. Rep. Elise Stefanik (R-NY) that he tweeted “protects the American supply chain from threats to our national security. I also praised the long-overdue steps taken in this bill to tackle domestic terrorism.” The Carson amendment would require the National Counterintelligence and Security Center to develop a plan to improve defenses against foreign exploitation of the domestic business supply chain . . . Rep. Carson was scheduled to host an event Friday afternoon, July 19, after we headed to press with this issue, with U.S. House Speaker Nancy Pelosi (D-CA) at the Indianapolis Central Library. The two lawmakers were slated to lead a conversation on women’s equality, health care, the economy and the minimum wage.

IN State Circles . . .

● Attorney General Curtis Hill (R) decides that rather than appeal the June 28 preliminary injunction issued by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana against Indiana’s ban on dilation and evacuation, or “dismemberment” abortion, he will focus his office’s resources on the larger issue proceeding to summary judgment or trial – the inherent constitutionality of the second-trimester procedure ban itself.

□ The Office of the Attorney General notes that the Supreme Court of the United States “recently declined to hear a case involving an Alabama ban on dismemberment abortions held to be unconstitutional by a federal appellate court, but five other states – Texas, Arkansas, Kentucky, Louisiana and Ohio – have ongoing cases concerning dismemberment bans.” “I remain committed to protecting the value and dignity of fetal life by defending Indiana’s law banning this brutal and inhumane procedure,” General Hill says. “At this juncture, I believe our best path forward in this case is to proceed to summary judgment as we continue to gather evidence and formulate strategy.”

● We told you a few months ago to watch for county consolidation of services – potentially in part to avoid larger consolidations – and now Pulaski County is considering “sharing” a county engineer from another county to qualify for another \$40,000 in Motor Vehicle Highway Account funding.

● Indiana’s alcohol laws are being challenged again, this time in federal court by a discrete group of plaintiffs that include a former Senate Democratic leader and represented by an Indiana University School of Law professor who has handled alcohol sales cases before the Supreme Court of the United States. In *The Chicago Wine Co., et al., v. Holcomb, et al.*, No. 1:19-cv-02785-TWP-DML, the plaintiffs (the Dennis Neary of Indianapolis who is a named plaintiff is not former Senate minority leader Dennis Neary (D) now of Indianapolis), who are represented by attorneys from Epstein Cohen Seif & Porter of Indianapolis, including experienced alcohol law litigator and high-profile appellate advocate Alex Tanford, challenge the constitutionality of Indiana law, practices, and regulations that allow in-state wine retailers to sell and deliver wine directly to consumers but prohibit out-of-state wine retailers from doing so.

□ A the plaintiffs frame it, “This is a civil rights action brought pursuant to 42 U.S.C. § 1983 challenging An out-of-state wine retailer, such as The Chicago Wine Company, and many other wine internet sellers throughout the United States, cannot sell, ship, and deliver to Indiana consumers because Indiana makes this practice illegal. The plaintiffs seek a declaratory judgment that this regulatory scheme is unconstitutional for Case two reasons: (1) it violates the Commerce Clause because it discriminates against out-of-state wine retailers engaged in interstate commerce and constitutes unlawful economic protectionism, and (2) it violates the Privileges and Immunities Clause of Article IV, section 2, because it denies nonresident wine merchants the privilege of engaging in their occupation in Indiana on terms equivalent to those given to citizens of Indiana.” In addition, they seek an injunction barring the defendants from enforcing these laws, practices and regulations, and requiring them to allow out-of-state wine retailers to sell, ship, and deliver wine to Indiana consumers upon equivalent terms as in-state wine retailers. Judge Tanya Walton Pratt of the U.S. District Court for the Southern District of Indiana is assigned the case.

□ The plaintiffs are Hoosiers who are legally permitted to purchase, receive, possess, and drink wine at their respective residences, and have been unable to have their orders for delivery processed by at least three named online sales sites after entering Indiana as the state of residence. The Chicago Wine Company is an Illinois company that operates a retail store and engages in internet sales and makes deliveries nationwide in states where it is legal to do so. Many of its customers live in Indiana, and “It has developed long-term relationships with customers for whom it makes special purchases. It has received requests that it sell, ship, and deliver wine to Indiana from customers, but is unable to do so because Indiana law makes such interstate sales and deliveries unlawful. It intends to sell, ship, and deliver wines directly to consumers in Indiana if the rules and regulations prohibiting such sales and shipments are removed or declared unconstitutional.”

□ The plaintiffs allege that “By refusing to allow it to sell and deliver wine upon the same terms as retail in-state wine dealers, the State of Indiana is discriminating against interstate commerce and protecting the economic interest of local businesses by shielding them from competition, in violation of the Commerce Clause of the United States Constitution.” Because state law requires “retail wine dealers to deliver to consumers using their own vehicles and employees, and forbidding the use of common carriers, Indiana is assuring that only in-state wine dealers will be able to make home deliveries and is protecting them from competition from out-of-state wine sellers, in violation of the Commerce Clause of the United States Constitution.” Finally, claim the plaintiffs, “No substantial reason exists for denying citizens of Illinois the same privilege to consult about, advise on, obtain, sell, ship, and deliver wine to Indiana consumers as is given to citizens of Indiana. Indiana’s ban on wine sales and deliveries by out-of-state merchants denies Mr. Warner the privilege to engage in his occupation in the state upon the same terms as Indiana citizens, and therefore violates the Privileges and Immunities Clause in Article IV of the United States Constitution.”

□ The plaintiffs ask Judge Pratt to declare “Ind. Code §§ 7.1-3-21-3, 7.1-5-11-1.5, and other related laws, practices and regulations that prohibit out-of-state win retailers from selling, delivering, and shipping wine directly to Indiana consumers unconstitutional as a violation of the Commerce Clause,” and “Indiana’s law, practices and regulations that prohibit a nonresident from obtaining a license to sell, ship, and deliver wine directly to Indiana consumers unconstitutional as a violation of the Privileges and Immunities Clause.” They also seek an injunction prohibiting the State “from enforcing those rules and regulations and requiring them to allow out-of-state wine retailers to obtain licenses and to sell, ship, and deliver wine directly to customers in Indiana. Plaintiffs do not request that the State be enjoined from collecting any tax due on the sale of wine.”

□ Similarly . . . in the U.S. District Court for the District of Western Kentucky, the Epstein law firm and Tanford join forces again in *Tannins of Indianapolis, LLC, et al. v. Bevin, et al.*, No. 3:19-cv-00504, a lawsuit filed against the governor of Kentucky and other commonwealth officials that largely mirrors the Indiana action. This lawsuit is also a civil rights action brought pursuant to 42 U.S.C. § 1983 challenging the constitutionality of Kentucky law, practices, and regulations that allow in-state wine retailers to sell, deliver, and ship wine directly to consumers but prohibit out-of-state wine retailers from doing so.

□ An out-of-state wine retailer, such as Tannins’ Tastings – A Wine Experience, a wine bar it owns and operates in downtown Indianapolis, and other wine internet sellers throughout the United States, cannot sell, ship, and deliver to Kentucky consumers because Kentucky laws make this practice illegal. “The plaintiffs seek a declaratory judgment that this regulatory scheme is unconstitutional for two reasons: (1) it violates the Commerce Clause of the United States Constitution because it discriminates against out-of-state wine retailers engaged in interstate commerce, and (2) it violates the Privileges and Immunities Clause of Article IV, section 2 of the United States Constitution, because it denies non-resident wine merchants the privilege of engaging in their occupation in Kentucky on terms equivalent to those given to citizens of Kentucky. The plaintiffs seek a permanent injunction barring the defendants from enforcing these practices and regulations and requiring them to allow out-of-state wine retailers to sell, ship, and deliver wine to Kentucky consumers upon the same terms as in-state wine retailers.”

- Indiana’s state health commissioner, Dr. Kristina Box, on Monday signed what was described as a “statewide standing order” that will enable Hoosiers to obtain all tobacco-cessation products from Indiana pharmacists without a prescription, and also eliminate Medicaid recipient co-pay requirements for stop-smoking products used by pregnant women or women who are one year post-partum. The Medicaid program will also cover tobacco counseling during maternity care.

- Austin, the effective Ground Zero for the opioid (and AIDS and hepatitis) epidemic in Indiana, finally joins in the wave of federal litigation against opioid manufacturers, as *City of Austin v. Purdue Pharma L.P. et al.*, No. 4:19-cv-00155, is filed on Wednesday in U.S. District Court for the District of Southern Indiana, removed from Scott County Superior Court 1 at Purdue Pharma’s request (Endo Pharmaceuticals Inc. is also a defendant). Frost Brown Todd LLC is the lead firm for the City of Austin.

- Despite all the attention directed to high-profile fatalities on I-65 and I-70, the almost 300-mile stretch of U.S. from the Illinois state line in Chicago to Evansville takes the title as the deadliest road in Indiana, with the 111 deaths between 2008 and 2017 on this road which parallels the Illinois border (about 10 per year) proving higher than the number of fatal accidents on any other road in Indiana. The numbers are derived by the driving data (fleet management software and GPS vehicle tracking devices) company Geotab from National Highway Traffic Safety Administration data.

- Expect the Request for Qualifications for the I-69 Section 6 Contract 5 project to be advertised July 26. This work includes the construction of I-69 from Fairview Road (equidistant between Smith Valley Road to the South and County Line Road to the north) in Johnson County’s White River Township to I-465, a system interchange at I-465 and I-69, and additional improvements on I-465 to I-70 to the west to I-65 to the east. This project is being procured as a Design-Build-Best Value contract . . . and construction is estimated to occur in calendar years 2021-2024.

- The Department of Correction promulgates an emergency rule that temporarily adds a noncode provision to authorize a community corrections program director or designee to deprive earned good time credit from a person placed in a community corrections program for any violation of one or more rules or conditions of the program.

● The Natural Resources Commission Tuesday unanimously declined a citizen petition for a rule change to amend the definition of “state park,” in 312 IAC 8-1.5-21-5.

□ The goal of the petition was to re-designate Salamonie River State Forest as Salamonie River State Park, and to identify Frances Slocum State Forest as a “small state park” – or transfer it back to status as a state recreation area. The unstated goal of the petition was to manage those state forests as state parks, a change which would exclude them from all forest management.

□ In a report presented to the Commission, the Department of Natural Resources multi-division committee that studied the proposal recommended the petition be denied, finding “no synergies or advantages, in terms of fiscal or resource management, with the request ... the reality is making such a change may actually reduce recreational opportunities, since hunting, various types of collecting and firewood cutting are not allowed or are limited under state park management.”

● The opening lines of the State’s two-page motion to dismiss (accompanied by an 18-page memorandum in support) the sexual harassment lawsuit filed against Attorney General Curtis Hill (R) and the State of Indiana: “The State of Indiana and Curtis T. Hill, Jr., in his official capacity as the Indiana Attorney General, by counsel, move to dismiss Counts I, II, VI, and VII against the State, as well as Counts III through V against the Attorney General, inasmuch as Plaintiffs actually bring claims against him in his official capacity. These counts should be dismissed under 12(b)(1) and 12(b)(6) of the Federal Rules of Civil Procedure.” The response asserts that some of the claims “are barred by sovereign immunity and because the State of Indiana is not a ‘person’ for purposes of § 1983” of the Civil Rights Act of 1964, and the plaintiffs are also not covered by Title VII of the Civil Rights Act because “with respect to Plaintiffs who are legislative employees and an elected official, Indiana law explicitly provides that they are excluded from the State Civil Service System.”

□ The memo also argues that the allegations against the AG fail to meet the legal standard of a misuse of official power.

□ Perhaps of particular interest and importance in other unrelated proceedings going forward is that the State’s response suggests that the three plaintiffs who are House and Senate staffers “could be ‘personal staff’ of legislators,” which raises interesting implications for things such as public records laws and personnel discipline and pensions if taken to the extreme (despite prior case law).

IN the Economy

● We brought you the year-end numbers in our last issue, but here are the details for the June revenue collections. Revenues exceeded estimates (from the mid-April forecast) in every category except sales tax, driving General Fund revenue collections to the highest June level in state history. General Fund coffers received \$2.044 billion during June, exceeding expectations by \$85.5 million (4.4%). June revenue collections increased on a year-over-year basis, soaring over June 2018 by \$127.6 million (6.7%). June 2019 posted higher individual and corporate income tax receipts than any prior month of June in state history. As a result, FY 2019 total General Fund revenues rocketed to a fiscal year-end record high of \$16.406 billion – with fiscal year-end estimates exceeded by \$266.8 million (1.7%).

□ Sales tax collections for June fell below the monthly estimate by \$8.4 million (- 1.2%), totaling \$675.7 million for the month, while also suffering a year-over-year shortfall of \$4.2 million (- 0.6%). June becomes the only month of the fiscal year in which sales tax numbers failed to improve on a year-over-year basis. Sales taxes in FY 2019 reeled in a solid \$7.915 billion – \$51 million (0.6%) above year-end estimates from April – as well as posting a \$252.4 million (3.2%) year-over-year increase from FY 2018.

□ Individual income taxes generated \$604.6 million for the General Fund in June, which is \$38.1 (6.7%) above the most recent monthly estimate, and \$124 million (25.8%) north of June 2018 numbers. While individual income taxes met their monthly expectations during only half the months in FY 2019, the category finished the fiscal year with \$99 million (1.7%) more than estimated, a total of \$6.057 billion – up by \$240.9 million (4.0%) from the FY 2018 tally.

□ Corporate tax collections registered \$290.6 million during June, \$42.3 million (17.1%) above the April forecast, and up on a year-over-year basis by \$45 million (18.3%) from June 2018. Fiscal year-end corporate tax revenues equaled \$948.3 million, \$77.2 million (8.9%) above estimations and a staggering \$287.9 million (30.4%) higher than in FY 2018, representing the highest corporate tax fiscal year-end collection numbers in state history ... despite continuing rate cuts.

□ Riverboat and racino wagering taxes in June hit their high for the fiscal year, with gaming contributing \$53.7 million to state General Fund coffers – beating the April forecast by \$16.8 million (4.5%); however, the two categories combined for an over-the-year decline of \$45.3 million (- 45.8%). FY 2019 year-over-year performance for gaming taxes took a dip as well – though not as dramatic as the month of June – dropping by \$1.1 million (- 0.26%) from FY 2018.

● The Governor requests a U.S. Department of Agriculture disaster designation for 88 counties – all but Benton, Rush, Shelby, and Warren counties – due to losses caused by flooding and excessive rain this planting season. A USDA disaster designation can be requested when at least 30% of one crop is damaged or lost in a county. The designation would allow emergency low-interest loans to be made available to farmers. The low-interest financing can also be made to counties contiguous to counties in the disaster zone, effectively adding the remaining four counties. The request was signed by the Governor, Lieutenant Governor, and Indiana Farm Service Agency Executive Director **Steve Brown** – whose home county, Warren, was ironically one of the four not included in the disaster declaration.

● In an important Hoosier economic metric that we’ve been tracking for you, the RV Industry Association’s May survey of manufacturers finds that total RV shipments ended the month with 39,724 wholesale shipments, a decrease of 14.2% from the 40,966 units shipped in April. Motorhomes finished the month with 4,886 units, down (-8.8%) compared to the May 2018 total of 5,356 units.

□ For the first five months of 2019, RV shipments have reached only 179,943 units, down by 22.1% from the 230,850 units at this same January - May point last year. The first five months of 2018 had all showed improvements over the prior year. July 2018 is now the last month in which RV shipments exceeded those of the same month in the previous year.

● Earthjustice, on behalf of Southwestern Indiana Citizens for Quality of Life and Valley Watch, appeals the Indiana Department of Environmental Management's grant of an air quality permit for the proposed \$2.5 billion Riverview Energy coal-to-diesel plant (C2D) in Spencer County. As we've told you, this would be the nation's first C2D direct coal-hydrogenation project. The appellants contend that the 1.6 million tons of coal projected to be used each year "would emit massive amounts of hazardous air pollution every year, including known carcinogens like benzene and polycyclic aromatic hydrocarbons, in addition to significant amounts of particulate matter and other pollutants that contribute to asthma. The refinery also would emit more than two million tons of greenhouse gases every year." They contend that this would adversely impact the health of those in the area.

□ The appeal alleges IDEM acted unlawfully in granting the air permit, contending:

- Issuance violated public participation requirements
- IDEM has no basis to determine the air pollution impacts
- Approval relied upon deficient and erroneous emissions calculations and deficient and inaccurate air quality models
- Permit requirements do not mandate the best available control technology for certain pollutants
- The permit fails to adequately address flaring emissions.

● A federal court in Ohio late last week approved a modified decree allowing American Electric Power Company to retire AEP's coal-fired plants in Indiana. AEP says the modification – the fifth amendment to a deal it originally reached in 2007 with regulators and other parties – will accelerate emission reduction from AEP's remaining coal-fired power plants in the Midwest; eliminate a requirement to install emission reduction equipment at the company's plant in Rockport; and retire unit 1 of the Rockport plant by the end of 2028.

● Indiana is one of 17 states receiving a grade of "A" from the Volcker Alliance, which examined the rainy day fund balances and related policies and practices of all 50 states. *Rainy Day Fund Strategies: A CALL TO ACTION*, serves up 10 "best-practice" recommendations for how states can strengthen their respective fiscal stability.

□ Indiana is cited as a "Best-Practice Example" for rules governing withdrawals from Rainy Day funds. "The statute governing Indiana's Counter-Cyclical Revenue and Economic Stabilization Fund requires a transfer into the general fund when the annual growth rate of that fund for the current fiscal year drops by 2 percent or more from the previous one. After the state auditor and budget director certify that condition, the state treasurer makes the transfer."

● ERAPSCO, joint venture of Sparton and USSI of Columbia City, is awarded a not-to-exceed \$1,041,042,690 Naval Air Systems Command contract for the manufacture and delivery of a maximum quantity of 37,500 AN/SSQ-36B, 685,000 AN/SSQ-53G, 120,000 AN/SSQ-62F, and 90,000 AN/SSQ-101B production sonobuoys for fiscal years 2019-2023. Sonobuoys are air-launched expendable, electro-mechanical anti-submarine warfare acoustic sensors designed to relay underwater sounds associated with ships and subs. Columbia City will be the site of 49% of the work to be performed by September 2025.

● There were high hopes in St. Joseph County when Seres Automotive (SF Motors) purchased the hulking former AM General commercial assembly plant in Mishawaka, planning to invest \$160 million in purchasing and retooling the purpose-built 675,500 square-foot facility on 35 acres so that the subsidiary of Chinese automaker Sokon Industry Group could establish "intelligent" electric vehicle manufacturing operations domestically. Seres planned to create up to 467 new jobs by 2020 and promised to hire many of the displaced workers from AM General. The Governor even attended the announcement in Mishawaka, and the Indiana Economic Development Corporation dangled up to \$3.847 million in (performance-based) tax credits and up to \$500,000 in training grants based on the company's job creation plans. IEDC also offered up to \$653,000 in conditional tax credits from the Industrial Recovery Tax Credit ("DINO") program, which encourages companies to invest in former industrial facilities requiring significant rehabilitation or remodeling expenses. St. Joseph County offered additional incentives. But after only 85 employees were brought aboard, those employees were told this month by Seres that the promised new SF5 electric SUV for the domestic market "is on hold," with the SF Motors chief explaining to them, "The uncertain outcome of the U.S.-China trade tariffs has already forced many business decision makers to announce cancellations, delays or change their current plans."

□ Seres becomes the latest in a litany of (purported) electric vehicle manufacturers who have received state or local incentives to site in Indiana, only to fail – or, at best, to fail to meet any of the promised performance metrics (recall that many of these companies were start-up ventures that sought to set up shop in Anderson, Elkhart, Goshen, Muncie, and New Castle, among others, in part with funding from the 2009 federal economic stimulus package).

□ CleanTechnica writes, "How utterly confounding it must be for the people of Indiana to find that the person they expected to reinvigorate the local economy has instead killed opportunities for new industry to develop in the area."

● Grace College trims its workforce, eliminating 12 full- and part-time staff jobs, another nine vacant jobs face attrition, and several faculty members have been offered early retirement.

● TOC Logistics International, a global logistics management organization which develops custom solutions that result in efficient global supply chains for a variety of industries, plans to invest more than \$1.8 million to double its Indianapolis headquarters footprint, expecting to create more than 85 new jobs locally by the end of 2023. The Indiana Economic Development Corporation offers TOC Logistics International up to \$940,000 in performance-based tax credits... Brookfield, Illinois-based Sweetener Supply Corporation, a manufacturer of food ingredients such as sugars, corn sweeteners, and honey plans to invest \$20 million to construct a 150,000 square-foot facility on 15 acres in the Mid-America Commerce Park within which to establish operations in White County. The company it expects to employ about 30 people during the first year of operation, beginning in late 2022. White County offers a 10-year property tax abatement, and a rail spur will be built by short line railroad operator Genesee & Wyoming Inc. to connect a nearby rail line to the planned facility... expect the GM Bedford Casting Operation in Bedford to ramp up even

further with the launch of two new products later this year that will mean the addition of almost 50 new hourly workers and 20 more salaried employees . . . MXD Process, formerly Mixer Direct, a comprehensive supplier of process engineering and equipment, plans to invest \$1.8 million to move from Louisville to a new leased facility in Jeffersonville, expecting to create 40 new full-time jobs by the end of 2023. IEDC offers MXD Process up to \$320,000 in performance-based tax credits, and the Jeffersonville City Council approved a property tax abatement Monday . . . expect to learn soon that a \$2.75 million shell building on 20 acres at Miami County's Grissom Aeroplex built on spec in 2015 by the Miami County Economic Development Authority to attract business will be the site of a new high-tech medical production and scientific research facility that will house a 140-ton cyclotron for production of medical isotopes (Noblesville is home to the only other such facility in the nation). The manufacturing company plans to invest more than \$44 million in the project - including expanding it by about 30,000 square feet - after receiving a Tax Increment Financing district designation and a 10-year business personal property tax abatement. The company expects to employ some 40 people with an annual payroll topping \$4.1 million, and work expected to begin late this year . . . Daifuku Wynright Corporation, a manufacturer of material handling systems, plans to invest \$26 million to move its headquarters in Elk Grove Village, Illinois and another facility in Oak Lawn, Illinois to a 320,400 square-foot facility on 44 acres in the Northwind Crossings business park along I-65 in Hobart. The company expects to create more than 580 new jobs by 2021 (all current employees were offered the opportunity to relocate - beginning in August - and more than 80% have reportedly committed to doing so). IEDC offers DWC up to \$5.9 million in performance-based tax credits, and up to \$100,000 in training grants. plans. The City of Hobart and NIPSCO are also offering incentives.

IN Transition

- The President intends to nominate **Lisa Hershman** to be the chief management officer for the U.S. Department of Defense - third in line at the Pentagon - elevating her from her current post as deputy CMO and interim CMO (a post which, as we've told you, she has held since late last year). The former telecom and business management consultant is the wife of former Sen. **Brandt Hershman** (R), and vice chair of the Indiana Commission for Higher Education .

- For the second time in less than one year, the President nominates **Aurelia Skipwith** of Indiana to be director of the United States Fish and Wildlife Service. The Purdue University alum spent more than six years as a lab technician and a molecular analyst at Monsanto.

- **Kara Kenney** of WRTV-TV *rtv6* in Indianapolis reports that a high-profile hire at the Department of Child Services is out, as are a number of other top DCS attorneys. "Former Boone County prosecutor **Todd Meyer** resigned his Associate Director position, effective July 16. Meyer joined the Indiana Department of Child Services on June 18, 2018 to implement recommendations made by The Child Welfare Policy and Practice Group, a consultant that released its report in summer 2018 and criticized the agency for its turnover and overwhelming caseloads."

- Kenney also reports that "Meyer's departure is the latest in a shake-up of higher-ups at DCS. **Dianna Mehia**, DCS Deputy General Counsel, was terminated on May 2, and Assistant General Counsel for Northern Regions **John Shanahan** retired the same day, records show. **Becky St. John**, Assistant General Counsel for Southern Regions, also resigned on May 2, according to SPD."

- **Catherine O'Connor**, a top gubernatorial policy aide in the O'Bannon and Kernan administrations, plans to retire from her post as CEO of the Julian Center at year's end after an almost six-year stint at the Indianapolis domestic-violence shelter and services provider.

- **Andrew Bernlohr** is promoted from director of legal affairs to general counsel at the Indiana Department of Education.

- Indiana University alumnus **Trevor Shirley** is a new Washington correspondent for Nexstar Media Group, the current parent company of WISH-TV in Indianapolis and WTWO-TV in Terre Haute. In the past year Shirley has reported and anchored for WXIN-TV *Fox 59* . . . and then WRTV-TV *rtv6* in Indianapolis.

IN the Lobby

- Hobart Hallaway & Quayle Ventures, LLC files a federal lobby registration on behalf of Navistar Defense, LLC of Melrose Park, Illinois, a defense vehicle manufacturer, to lobby Congress on "Issues associated with Congressional notifications of proposed foreign military and direct commercial sales."

- The firm is also retained by Stored Value Cards, Inc. of Carlsbad, California, a "financial services" company, to lobby Congress on "prepaid card issues."

- Faegre Baker Daniels Consulting files a federal lobby registration on behalf of Ur-Energy USA Inc., a Casper, Wyoming-based company involved in "Domestic uranium mining," to lobby Congress on the "Domestic uranium supply."

- Former Pence gubernatorial chief of staff **Bill Smith** and his Sextons Creek are retained by "Computer Software Manufacturer" Microsoft Corporation to lobby Congress on "General technology issues."

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[IBJ- Time for GOP to loosen grip on surplus.pdf](#)
[IBJ- Early learning panelists say state has ways to go.pdf](#)
[LegInsight 8-9-19.pdf](#)

Pillar 1- Diversify our economy

Inside IN Business- [Northeast Indiana Awarded Grant for Business Development](#)
Tribune Star- [Latest action in U.S.-China trade war a blow to Valley farmers](#)
Kokomo Tribune- [Seminar to help farmers following dismal planting season](#)
Inside IN Business- [SBA Economic Disaster Loans Available in Indiana](#)
Indy Star- [Trump's trade war tough for Indiana farmers](#)
KPC News- [Manufacturing slowing, but local impacts minor](#)
Inside IN Business- [Chamber hosts ex-offender pitch competition](#)
Inside IN Business- [Grand Opening Set for Promenade Park](#)
Journal Gazette- [Regional Partnership gets \\$100,000 grant](#)
Inside IN Business- [Demand Fueling New Industrial Park](#)
Pharos Tribune- [Madison County bucking a trend](#)

Pillar 2- Upgrade our infrastructure

IN Public Media- [S.R. 37 Lane, Ramp Closures Begin Next Week](#)
WLFI- [INDOT closing portion of Interstate 465 Friday for 15 days](#)
Indy Star- [Southbound I-465 near I-69 reopens after cleanup of semi fire](#)
CBS4- [Road construction continues throughout Marion County in August](#)
My Wabash Valley- [New traffic light now active on U.S Highway 41](#)
Times Herald- [Long shot road project now moving forward](#)
Inside IN Business- [Rural Indiana Utilities Receive USDA Funding](#)
RTV6- [5,000+ people in Central Indiana without power after storms](#)
Inside IN Business- [Groundbreaking on Shelbyville Water Infrastructure](#)
WBIW- [USDA Invests in Water Infrastructure in the City of Princeton](#)

Pillar 3- Strengthen our workforce

WBIW- [Federal Grant to Boost Re-Entry Jobs Program](#)
Inside IN Business- [Wabash Heartland Awards Grants for Innovation](#)
Inside IN Business- [Project Lead The Way, Ascension Urge STEM Studies](#)

Pillar 4- Attack the drug epidemic

WBOI- [Indiana Officials Call Meth Emerging Drug Crisis](#)
WBAA- [Indiana Officials Call Meth Emerging Drug Crisis](#)
WSBT- [Indiana gets \\$8.4M from feds to fight opioid epidemic](#)
WTHR- [Indiana gets \\$8.4M from feds to fight opioid epidemic](#)
Republic- [Indiana gets \\$8.4M from feds to fight opioid epidemic](#)
Inside IN Business- [IU Researchers Awarded \\$1.6M for Opioid Study](#)
IN Public Media- [A Welcome Drop in Drug Overdose Related Deaths](#)

Medical Daily- [OD-Reversing Drug Linked To Drop In Overdose Deaths](#)
CBS4- [Drug treatment program starts in Bartholomew County Jail](#)
News Examiner- [Syringe exchange gets strong support](#)

Broadband Announcement

IN Public Media- [Telecoms Will Receive \\$22 Million From State To Bolster Broadband Coverage](#)
Republic- [Burgers and broadband: Governor announces broadband infrastructure projects](#)
14 News- [Gov. Holcomb announces more than \\$22m for broadband expansion](#)
WBIW- [Holcomb Announces more than \\$22 million for Broadband Expansion](#)
Hoosier Ag Today- [Holcomb Announces Over \\$22M for Broadband Expansion](#)
Tristate Homepage- [Governor Holcomb pledges millions for better internet](#)
Inside IN Business- [Holcomb Announces \\$22M for Broadband Expansion](#)

Inspector General's Report

Indy Star- [Inspector general OKs casino boss's private flights for Gov. Eric Holcomb](#)
NWI Times- [Holcomb cleared of ethics accusations tied to casino-funded private flights](#)
Perspective- [Holcomb cleared of ethics accusations tied to casino-funded private flights](#)
SB Tribune- [Holcomb cleared of any wrongdoing in accepting jet flights from casino magnate](#)
Tribune Star- [Governor cleared in state ethics probe involving casino firm](#)
IN Public Media- [No Wrongdoing Found In Holcomb's Private Jet Flights](#)
Journal Gazette- [No wrongdoing found in Holcomb's private jet flights](#)
RTV6- [Inspector finds no wrongdoing in Gov. Holcomb's free flights](#)

Misc.

SB Tribune- [Do "red flag" laws stop mass homicides? Maybe not](#)
RTV6- [Federal lawmakers look to Indiana for gun law changes](#)
WISHTV- [Lawsuit filed against leader of Indiana National Guard](#)
WIBC- [Lawsuit Accuses Indiana Nat'l Guard Leader Of Retaliation](#)
IN Public Media- [Democrats press for study on virtual charter schools](#)
Tribune Star- [Democrats call for summer study of virtual schools](#)
WBIW- [Blind siblings sue state agencies, rights were violated](#)
WBOI- [Legislators Discuss Money For Beach Erosion Study](#)
Inside IN Business- [Banner Year for IU Research Funding](#)

Sincerely,

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BRAUN, YOUNG BALK AT EXPANDED BACKGROUND CHECKS: Both of Indiana's U.S. Senators balk at support for universal background checks for all gun sales. That comes amid renewed debate over gun regulations in the wake of mass shootings in Texas and Ohio (Smith, [Indiana Public Media](#)). Federal background checks for gun purchases don't apply to many sales, including online. Legislation approved by the U.S. House would greatly expand the number of sales required to go through background checks. Sen. Todd Young (R-Ind.) won't say whether he'd support that expansion. "We are, of course, dealing with a constitutional right here, in the Second Amendment – recognizing that every single right has its limitations," Young says. Many gun regulation advocates want Congress to revive a federal ban on assault weapons. Sen. Mike Braun hinted he's open to that possibility. "We gotta do common sense things so that those of us that believe in the Second Amendment don't have harsher restrictions that get put in place," Braun says.

McCONNELL RECONSIDERS BACKGROUND CHECKS: Under intense pressure to take action on gun safety in the wake of two weekend massacres, Senator Mitch McConnell, the majority leader, expressed a new willingness Thursday to consider a measure expanding background checks for all gun purchasers, saying it will be "front and center" in a coming Senate debate on how to respond to gun violence ([New York Times](#)). "There is a lot of support for that," he said. Mr. McConnell, who has strongly opposed background checks in the past, made his remarks in an interview with a Kentucky radio host, Terry Meiners of WHAS in Louisville. While he did not support a bill requiring background checks, his remarks appeared to underscore the possibility of a shift in the politics of Washington's divisive gun debate. Mr. McConnell has refused to take up a background checks bill passed by the House because President Trump has threatened to veto it. But Mr. Trump appears increasingly open to the idea and said recently there is "great appetite for it." Mr. McConnell told Mr. Meiners that he had spoken with Mr. Trump and said the president was "very much open to this discussion."

INDIANA'S RED FLAG LAW STUDIED: In the wake of two shootings last weekend that killed a total of 31 people in El Paso and in Dayton, Ohio, momentum is building in Congress for legislation that would offer federal grants to states to help them pass and enforce red flag laws ([New York Times](#)). The few statistical studies of the effects of red flag laws have focused on Connecticut and Indiana, the first and second states to pass them. Connecticut's law was enacted in 1999, following a shooting at the state lottery headquarters in which five people, including the gunman, were killed. Jeff Swanson, a psychiatry and behavioral sciences professor at Duke University who worked on the studies, said researchers found that for every 10 to 20 gun-removal actions, one life was saved by averting a suicide. He said he believes the laws have probably also averted mass shootings, but that as a scientist, he does not know for sure, because that is something inherently almost impossible to study. "They're certainly not a panacea," Mr. Swanson said of the laws. "But I think they are one piece of the puzzle of gun-violence prevention."

COUNTRIES ISSUE TRAVEL WARNINGS FOR U.S.: Venezuela, Uruguay and Japan issued traveler warnings about U.S. gun violence after this weekend's massacres, [AP](#) reports. Japan's consulate in Detroit warned its citizens that the U.S. is a "gun society," and advised its citizens to pay attention to the potential for gunfire "everywhere" in the U.S.

HOLCOMB ANNOUNCES \$22M FOR BROADBAND EXPANSION: Gov. Eric J. Holcomb today announced \$22.1 million in funding for 11 broadband expansion infrastructure projects across the state as a part of the initial round of the Next Level Broadband program. "Hoosiers need affordable, quality internet regardless of where they live, work or go to school," Gov. Holcomb said (*Howey Politics Indiana*). "Access to broadband brings countless opportunities and that's why I'm excited to see these key infrastructure projects positively impact economic development, health, agriculture and quality of life." This funding will provide broadband infrastructure to more than 4,800 homes and commercial locations in 12 counties. The \$100 million Next Level Broadband program is the largest single state investment in broadband. For the initial round of funding, service providers could apply for up to \$5 million per project to expand service to unserved areas if they provided at least a 20 percent match. Unserved areas are those without at least one telecommunication provider offering internet fast enough to provide the most basic services – at least 10 Mbps download and 1 Mbps upload. In addition to the \$22.1 million awarded through Next Level Broadband, the seven telecommunications providers and utility cooperatives contributed \$14 million in matching funds, resulting in \$36.1 million total investment for broadband. "I'm thrilled to think about how many communities in unserved areas will get access to broadband through this grant program," Lieutenant Governor Suzanne Crouch said. "Gov. Holcomb's Next Level Connections initiative is a significant step towards bridging the digital divide and bringing greater opportunities for all Hoosiers."

HOLCOMB CLEARED OF ETHICS ACCUSATION OVER FLIGHTS: The Indiana inspector general has concluded no state laws or ethics rules were violated when Gov. Eric Holcomb last year flew to two Republican Governors Association meetings on private planes paid for by the parent company of Gary's Majestic Star casinos (Carden, [NWI Times](#)). In an investigative report released this week, Inspector General Lori Torres determined Holcomb was under no obligation to list the trips as gifts on his state financial disclosure statement because the flights were arranged by the RGA, intended to benefit the RGA, and

reported, as required, to federal tax authorities as in-kind contributions to the Republican governors group. According to the IG report, Spectacle Entertainment, formerly known as Centaur Gaming, spent \$21,486.15 to fly the governor and wife Janet Holcomb to the July 22-25 RGA meeting in Aspen, Colorado, and \$33,961.95 to take the Holcombs to the Nov. 27-29 RGA meeting in Scottsdale, Arizona. "Although it is likely that the governor's attendance at the RGA meetings, and therefore the flights, had some benefit to the governor and/or first lady, the OIG found no evidence to dispute the claim that the flights primarily benefited the RGA," Torres said.

WABASH VALLEY FARMERS FRET TRADE WAR: Chinese companies have ceased purchases of U.S. agricultural products, a blow to Wabash Valley and Midwestern farmers in an intensifying trade war with the United States (Greninger, [Terre Haute Tribune-Star](#)). China's commerce ministry said Tuesday the measure was in response to President Trump's announcement last week of new tariffs on Chinese imports. The new 10 percent tariffs on \$300 billion of retail goods such as clothes, shoes and toys, are set to take effect Sept. 1. "Every third soybean grown in the U.S. went to China, but now they are not taking any, so it is a big deal," said Brad Burbrink, an owner in BE N AG Family Farm in southeastern Vigo County, which farms 6,000 acres. "The problem is China has not been taking anything now from us probably for the last nine months," Burbrink said, especially in soybeans. "Exports are dead right now and I don't know how much worse it is going to get, but it is definitely an issue. It would sure spur the agricultural market and make a huge difference if we had China on board" to take agricultural products, he said. The action taken by China in the trade war "is a devastating blow," said Jeff Gormong, who serves as the District 7 director on the Indiana Farm Bureau Inc. board of directors, Indiana's largest farm organization. "We were already having a very tough year and this will cut into our market. But, I think farmers for the most part understand and believe that China has to be dealt with" due to alleged unfair trade practices, Gormong said.

TRUMP LASHES OUT AT LOCAL LEADERS IN DAYTON, EL PASO: On a day when President Trump vowed to tone down his rhetoric and help the country heal following two mass slayings, he did the opposite — lacing his visits Wednesday to El Paso and Dayton, Ohio, with a flurry of attacks on local leaders and memorializing his trips with grinning thumbs-up photos ([Washington Post](#)). In his only public remarks during the trip, Trump lashed out at Sen. Sherrod Brown of Ohio and Dayton Mayor Nan Whaley, both Democrats, over their characterization of his visit with hospital patients in Dayton. He alleged that their news conference immediately after the president's visit "was a fraud." As he departed the White House on Wednesday morning en route to Ohio, Trump told reporters he would refrain from attacking his adversaries during the trip. "I would like to stay out of the political fray," the president said. Asked about his rhetoric, he said he thinks it "brings people together" and added, "I think we have toned it down." That detente lasted only a few minutes. Answering a reporter's question about Biden, Trump pounced. "Joe is a pretty incompetent guy," the president said. "Joe Biden has truly lost his fastball, that I can tell you." By the time the president had left Dayton, he was back on Twitter and sniping at Democrats, a tirade triggered by his consumption of cable television news aboard Air Force One. "Watching Sleepy Joe Biden making a speech. Sooo Boring! The LameStream Media will die in the ratings and clicks with this guy," the president wrote.

INDOT TO CLOSE I-465 SOUTHEAST THIS WEEKEND: The Indiana Department of Transportation (INDOT) will continue road work around Marion County this weekend with I-465 closing on the southeast side this weekend ([CBS4](#)). INDOT says contractors will work to repair winter damage and improve pavement conditions in five different zones around Indianapolis interstates. Full closures: I-465 EB/NB from I-65 to I-70

ALL LANES CLOSED Friday, August 9 at 9 p.m. to August 24. Detour: Thru traffic is asked to take I-70 EB through Indianapolis back to I-465 NB. From I-74 WB: Take I-465 SB to I-65 NB to I-70 EB back to I-465 NB.

CHISOX, YANKEES TO PLAY ON FIELD OF DREAMS: If you build it, the White Sox and Yankees will come. The Sox and Yankees will play a regular season game at the "Field of Dreams" diamond next season in Dyersville, Iowa, where the award-winning baseball movie was filmed in 1988 ([Chicago Sun-Times](#)). Construction on a temporary 8,000 seat ballpark at the site will begin later this month. The Sox-Yankees game will be the first major-league contest played at the popular tourist destination. The ballpark's design will pay homage to the original Comiskey Park, home of the White Sox from 1910-1990, including the shape of the outfield and bullpens beyond the center-field fence. The game will be played on a Thursday and televised nationally on Fox at 6 p.m. (CT).

HPI DAILY ANALYSIS: If anything happens on gun reforms, it will all come down to President Trump. And as we've seen in so many other cases, where the president ends up often depends on who he talks to last. So we've seen Trump float the idea of expanded background checks, Senate Majority Leader McConnell say he would consider such legislation after the summer recess, but the NRA's Wayne LaPierre will oppose. And he has considerable clout with the president. So we're likely to witness a lot of rhetoric and no action until Trump decides what to do. And we'll repeat all of this after the next massacre (which might have been avoided last night at a Missouri Walmart). - *Brian A. Howey*

BUTTIGIEG ROLLS OUT RURAL HEALTH PLAN: Democratic presidential candidate Pete Buttigieg on Friday rolled out a sweeping plan to expand access to health services in rural communities, while addressing drug addiction and tackling rising maternal mortality rates across the country ([Politico](#)). "We need to lift rural communities up as places of opportunity, both for this generation and future ones. That work begins with securing the health of all rural residents," Buttigieg, the mayor of South Bend, Ind., said in a statement. Buttigieg proposes to expand access to health care in rural areas by implementing a "Medicare for All Who Want It" approach and increasing federal subsidies for plans sold through the Obamacare exchanges. He aims to beef up the health workforce through loan forgiveness programs and proposes increasing Medicare reimbursement rates specifically for providers in underserved communities.

WARREN 2ND IN IOWA POLL; BUTTIGIEG AT 8%: Joe Biden leads the field in the Monmouth poll in Iowa, the first DNC-approved poll in the key early state taken since the second round of debates last month. He has 28 percent to Warren's 19 percent ([Politico](#)). Harris is in third with 11 percent, Sanders has 9 percent and Buttigieg has 8 percent. Andrew Yang, the entrepreneur running an outsider presidential campaign centered on the promise of a universal basic income, has qualified for the fall Democratic primary debates. Yang crossed the second of two required debate thresholds on Thursday, when he polled at 2 percent in a Monmouth University poll in Iowa. He had previously received at least 2 percent in three other polls approved by the Democratic National Committee and has hit the required 130,000 unique donor mark. At the other end of the spectrum, onetime Democratic phenom Beto O'Rourke was outperformed in the poll by Yang, clocking in at under 1 percent.

BIDEN DEFENDS REMARKS: Joe Biden on Thursday adamantly defended his assertions that President Donald Trump embraced white supremacists after a deadly demonstration in Charlottesville, Va., engaging in an animated exchange after his public remarks here ([Politico](#)). After the former vice president's turn on the soap box at the Iowa State Fair on Thursday, a Breitbart reporter confronted Biden, accusing him of mischaracterizing Trump's remarks after the 2017 demonstrations. At the suggestion that Trump had condemned the actions of marching white supremacists, Biden grew adamant, wagging his finger as he described the demonstrators as hate-filled with "veins bulging." "No he did not, he walked out and he said — let's get this straight — he said there were very fine people in both groups," Biden said as he slogged through a scrum of media and supporters at the fair. "They were chanting anti-Semitic slogans, carrying flags."

TRUMP CAMPAIGN EMBRACES WHITE SUPREMACIST CHARGE: What's new: Trump campaign officials and sources close to the president tell Axios that they believe Democrats' extraordinary charge that the president is a "white supremacist" will actually help him win in 2020, Axios' Alayna Treene reports ([Axios](#)). Why it matters: These Trump allies tell us that the claim by Democratic opponents is not only emboldening his base, but also alienating some mainstream Republicans who think Democrats have gone too far. At least six Democratic presidential contenders have called President Trump a white supremacist, and several others are suggesting the same. A Trump campaign official said: "They're trying to make the case that anyone who supports this president is a racist. They're talking about [nearly] half the country." AP's Jonathan Lemire quotes former aide Anthony Scaramucci as saying Trump is "feeling smug. He doesn't think he is facing any challenges. His attitude is, 'The economy is doing great, I am putting the hammer down on China, the rest is just noise.'" "The media is against him, his supporters are for him."

DEMOCRATS WHO HAVE CALLED TRUMP A WHITE SUPREMACIST: Sens. Elizabeth Warren, Bernie Sanders and Kirsten Gillibrand, as well as Beto O'Rourke and Pete Buttigieg, have all publicly called the president a white supremacist since Saturday's El Paso massacre ([Axios](#)). Buttigieg asked if he thinks Trump is a white supremacist: "Yes, I do. At best, he's emboldening people with that intention."

BUTTIGIEG CITES 'WHITE PROBLEM': Presidential candidate Pete Buttigieg said Thursday "systemic racism is a white problem," adding that the United States isn't "even halfway done dealing with" it ([Fox News](#)). The South Bend mayor made the comments in front of the National Association of Black Journalists conference in Miami days after a shooting in El Paso, Texas, that is being investigated as a hate crime. "I think a president like this one is not even possible unless something is already deeply wrong in our country," he said about President Trump's rhetoric, which is under scrutiny in the wake of the shooting in the city that killed 22 people. "The story in my region and the story for my generation reflects those deeper problems growing up in an era of endless war and school shootings."

ROSS FRETS FALLOUT FROM TRUMP FUNDRAISER: Billionaire New York real estate developer Stephen Ross privately expressed qualms about going ahead with his Hamptons fundraiser for President Trump today, [Axios'](#) Jonathan Swan reports. Liberal customers had threatened to boycott Equinox and SoulCycle, the high-end fitness brands owned by a parent company that Ross chairs. Ross, who also owns the NFL's Miami Dolphins, "freaked out" at the backlash, a source said, adding that Trump associates persuaded him to go ahead with the event at his Southampton mansion. "Stay strong, it's not going to be that bad. Not that many people are going to boycott the gym," was another source's paraphrasing of what Trump's associates conveyed to Ross.

Congress

YOUNG DISCUSSES FORT WAYNE HOUSING EVICTIONS: A roundtable discussion Wednesday generated plenty of ideas for shrinking Fort Wayne's home eviction rate, the 13th highest among the nation's large cities. Among the suggestions: Increase funding for affordable housing from the public and private sectors (Francisco, [Fort Wayne Journal Gazette](#)). Improve legal protections for tenants. Provide better support services for low-income renters. Use lower-cost manufactured housing. Persuade landlords and tenants to take advantage of available options for education and training on their rights and responsibilities. U.S. Sen. Young, R-Ind., said the nation suffers from a "housing affordability crisis." He has introduced bills addressing it, including legislation signed into law that aims to help public housing voucher recipients relocate to lower-poverty areas. "Getting people into safe and stable housing saves on health care and education expenses and public safety and corrections," Young said.

TWITTER SUSPENDS MCCONNELL ACCOUNT: Twitter has suspended Senate Majority Leader Mitch McConnell's reelection campaign account Thursday after posting a video showing threats against the long-time Kentucky Republican. McConnell's campaign spokesperson, Kevin Golden, called out the social platform for its decision in a statement to [CBS News](#). The Republican Party, Trump campaign and other GOP organizations are halting their Twitter spending in response.

General Assembly

DeLANEY PUSHES FOR VIRTUAL SCHOOL STUDY: Democrats at the statehouse want legislative leaders to take a closer look at virtual charter schools in Indiana as two scandal-ridden schools prepare to close (Lindsay, [Indiana Public Media](#)). Rep. Ed DeLaney (D-Indianapolis) is frustrated by the state of virtual learning in Indiana, especially because of the problems facing the two closing virtual charter schools, Indiana Virtual School and Indiana Virtual Pathways Academy. Now he and other House Democrats are asking legislative leaders to study the risks and rewards of virtual schools as part of lawmakers' summer study committees. DeLaney says it's especially crucial since lawmakers have allocated millions of dollars in state funding to the schools. Early findings of a state audit recently revealed the schools owe the state more than \$40 million in tuition support. "The money was lost or wasted and it's our responsibility to figure out how, and to make sure that doesn't happen again," he says.

PORTAGE NEEDS FUNDS TO COMBAT RISING LAKE MICHIGAN: A bipartisan panel of Hoosier lawmakers agrees that both urgent and long-term funding is needed to prevent further destruction of Portage lakefront visitor amenities and to address Lake Michigan beach erosion in Indiana generally (Carden, [NWI Times](#)). But despite hearing nearly four hours of increasingly dire testimony on the issue Wednesday, the General Assembly's Interim Study Committee on Agriculture and Natural Resources won't actually be doing anything about it. Portage Mayor John Cannon said that could be too late for the \$17 million city-managed lakefront pavilion that's the gateway for many of the 3.6 million annual visitors to the Indiana Dunes National Park. He noted that beach erosion, rising lake levels and strong storms already have dramatically shrunk the beach, destroyed a concrete walkway to it and toppled a handicap-accessible observation deck. Now, without \$2 million in immediate sand replenishment, the 3,500-square-foot Portage lakefront pavilion could meet the same fate in the next 10 years, Cannon warned. "We don't have that kind of revenue," he said.

STUDY COMMITTEES PROBE VIRTUAL SCHOOLS: State Rep. Tonya Pfaff, D-Terre Haute, is among a group of legislators calling upon the state Legislative Council to assign issues surrounding virtual charter schools to a summer study committee (Loughlin, [Terre Haute Tribune-Star](#)). The letter, addressed to House Speaker Brian Bosma, was signed by Pfaff, and representatives Vernon Smith, Edward DeLaney and Sheila Klinker; all four are Democrats who serve on the House Education Committee during legislative session. "Recent scandals surrounding both Indiana Virtual School and Indiana Virtual Pathways Academy highlight the need for swift action from the General Assembly to increase oversight and accountability in Indiana's virtual charter program," the letter states. Recently-passed legislation, HEA 1400, urged the Legislative Council to assign the topic to study committee, but that did not happen. The legislation received broad bipartisan support, passing the House by a vote of 93-0 and Senate by a vote of 48-0, according to the letter. The four legislators "urge the Legislative Council to reconsider."

State

GOVERNOR: HOLCOMB DINES AT THE BRICK - Gov. Eric Holcomb gave local residents a preview of an announcement of \$22.1 million in funding for 11 broadband expansion infrastructure projects around the state, including Bartholomew County (East, [Columbus Republic](#)). And since The Brick was on his way to the announcement in Perry County, he stopped by the iconic restaurant for one of his favorite cheeseburgers with lettuce, tomato, pickle, and grilled onion and side of chips. It was a surprise to The Brick customers who don't see Indiana's governor drop by for lunch, but they took the media attention in stride. According to Holcomb's staff, Thursday's visit to The Brick was a highlight of his week.

GOVERNOR: UTILITIES GET BROADBAND FUNDS - Indiana Gov. Eric Holcomb announced Thursday two Indiana electric cooperatives and their partner organizations will receive nearly \$7 million in grants from the Next Level Connections Broadband Grant Program. The program, in its first phase of awards, is designed to foster broadband infrastructure investment in unserved areas of the state (*Howey Politics Indiana*). "Several of Indiana's electric cooperatives are responding to this need and are making significant investments to bring this essential service to the Hoosiers they serve," said John Gastrom, CEO of Indiana Electric Cooperatives. "These grants help cooperatives as they continue to find ways to close the rural digital divide." The two Indiana electric cooperatives and their partners received a total of \$6,944,558 in this phase of the grant program include: Southern Indiana Power and Perry-Spencer Rural Telephone Cooperative, Inc.: \$6,500,000 serving Perry and Spencer Counties. Tipmont REMC: \$444,558 serving northwestern Tippecanoe County.

HEALTH: DROP IN OVERDOSE DEATHS - Indiana health experts say a sharp increase in naloxone prescriptions may be responsible for a minor drop in overdose-related deaths in the state (Hogan, [Indiana Public Media](#)). Following a nationwide trend, the number of naloxone prescriptions nearly doubled from 10,460 in 2017 to 19,472 in 2018. The total number of Hoosiers who died because of drug overdoses dropped from roughly 1,846 in 2017 to just over 1,600 in 2018. That's about a 13% decline according to The Center for Disease Control data. Dan Rusyniak is the Chief Medical officer for the Family and Social Services Administration. He says Indiana has been tackling the epidemic on all fronts. "I think one of the more important goals is to realize what impact we can have when we focus on a problem," Rusyniak says. "And the problem with opioid use disorder has really come into public attention because the number of deaths but the bigger problem really is the addiction epidemic."

HEALTH: INDIANA RECEIVES \$8.4M FROM HSS FOR OPIOIDS - A federal agency has awarded Indiana \$8.4 million to help fight the opioid epidemic by boosting access to substance abuse treatment and mental health services ([AP](#)). The funding was announced Thursday by the U.S. Department of Health and Human Services. The agency says the funding will enable academic institutions and community health centers funded by the federal Health Resources and Services Administration to expand access to both treatment and mental health services. The funding will also help organizations fight the opioid crisis in Indiana's rural areas. The new funding supports the Health and Human Services' Five-Point Opioid Strategy drafted in 2017.

HEALTH: LITTLE DATA ON RED FLAG LAWS - While many states have passed "red flag" gun laws in the aftermath of mass shootings, there is no data to support that they reduce homicides, experts say. "Red flag" laws allow guns to be temporarily taken away from individuals who may be dangerous to themselves or others (Hurt, [Statehouse File](#)). "Every state that's put a "red flag" law on the books has done so in response to a homicide, usually a mass homicide," said Aaron Kivisto, associate professor of clinical psychology at the University of Indianapolis. "And to date, we have no research that has looked at whether these laws have any effect on homicide let alone mass homicide." Indiana's law allows law enforcement to seize and temporarily keep firearms from mentally unstable or dangerous individuals without a warrant or judge's signature.

NATIONAL GUARD: GEN. CARR FACES DEFAMATION LAWSUIT - Maj. Gen. Courtney Carr, Adjutant General of the Indiana National Guard, is being sued in Marion County Superior Court. Carr is accused of having an affair with a subordinate, then having the woman who reported the affair harassed and intimidated (Darling and Davis, [WIBC](#)). The woman who filed the lawsuit, Shari McLaughlin, who was a contract employee working with the Indiana National Guard, accuses Carr of getting her fired from her subsequent job after she had resigned from her contractor job with the Guard because of harassment. McLaughlin said in the court filing that Carr "intentionally induced breach of McLaughlin's contract" with Alutiiq Global Solutions "without legal justification and for personal reasons of a vendetta" against her. While she worked for Skyline Unlimited, a contracting firm working with the Guard, she said Carr was going after her for having reported a sexual affair he was having with her "mentor". The court documents also detail McLaughlin's knowledge of other sexual relationships going on between some of her co-workers and active-duty members of the Indiana National Guard. The filing accuses Carr of threatening to pull a contract with Alutiiq if they continued to employ McLaughlin. She said Alutiiq "accommodated Carr's request" and fired her. McLaughlin is suing for damages, lost wages, pain and suffering, and defamation. She also requests a trial by jury.

EDUCATION: IU HAS RECORD YEAR IN RESEARCH FUNDING - Indiana University President Michael McRobbie says the university broke a record in the amount of research money it received in 2019. During a presentation to the IU Board of Trustees, McRobbie said the university took in \$680 million in external funding, representing more than 2,800 IU research proposals (Mills, [Inside Indiana Business](#)). "This is a truly extraordinary accomplishment," said McRobbie "It reflects the excellence and importance of IU faculty research in a funding environment that continues to grow increasingly more competitive." IU says the previous external funding record for the school was \$614 million set in fiscal year 2016. McRobbie

said outside dollars for research from both public and private sources have increased nearly 45-percent since FY 2009. The university says 66 percent of all IU's research dollars came from federal sources in FY 2019. Of that amount, \$235 million came from the National Institutes of Health supports health sciences research. Much of that money goes to fund research at the IU School of Medicine.

EDUCATION: MOLD AT FOSTER, McNUTT QUADS AT IU - Students at Indiana University will move into their dorms in a little over a week ([CBS4](#)). But thousands of students won't be in the dorm they originally planned. That's because IU is still renovating several dorms and working to remedy a mold outbreak that happened last year. The two dorms affected are Foster and McNutt Quads. Mold issues started in those dorms last year.

MEDIA: WTHR-TV SALE FINALIZED - The sale of WTHR-TV in Indianapolis has been finalized in a cash deal worth \$535 million. Virginia-based broadcast company TEGNA Inc. (NYSE: TGNA) announced it has completed the acquisition of Dispatch Broadcast Group's TV and radio stations in Indy and Columbus, Ohio (Mills, [Inside Indiana Business](#)). WTHR and its sister station in Columbus, WBNS-TV, have long been powerhouse television stations in the Midwest. "WTHR and WBNS are broadcasters of the highest caliber, and a natural fit for TEGNA as we expand our portfolio of Big Four affiliates in top markets," said Dave Lougee, president and CEO of TEGNA. "These acquisitions further enhance our commitment to excellence in local journalism while creating value for our shareholders." In addition to the TV stations, Tegna also purchased WBNS radio in Columbus.

MEDIA: JACK HOWEY FUNERAL SATURDAY - Funeral services for the late Indiana journalist Jack E. Howey will take place at 2 p.m. Saturday at Union Chapel United Methodist Church, 2720 E 86th St, Indianapolis. Howey was an editor of *Howey Politics Indiana*.

SPORTS: UPLAND BEER TO BE SOLD AT IU FOOTBALL GAMES - Sports fans may want to pack an Upland Brewing Co. koozie the next time they're gearing up for a game at Indiana University's gridiron or putting green ([AP](#)). The Monroe County Alcoholic Beverage Board gave Upland permission Wednesday to sell alcohol at Indiana University's Memorial Stadium and golf course. Football fans will be able to buy beer and wine in Memorial Stadium as soon as this fall, but golfers will have to wait until next spring to grab a brew at Upland's pared-down restaurant concept in the golf course's new clubhouse. "This is an extension of an ongoing and really strong partnership with IU," said Upland President David Bower. "It's not just beer and sports. It runs deep."

Nation

WHITE HOUSE: GORDON OUT AT DNI - President Trump on Thursday abruptly decided to install Joseph Maguire, the director of the National Counterterrorism Center, as the acting director of national intelligence after Dan Coats steps down from the post next week ([New York Times](#)). Mr. Trump announced his decision to elevate Mr. Maguire, a retired vice admiral who once led the Navy's Special Warfare Command, on Twitter shortly after confirming that Sue Gordon, the nation's No. 2 intelligence official — who by law had been in line to temporarily take over as director — would instead depart with Mr. Coats on Aug. 15. Ms. Gordon, who served more than 30 years in intelligence posts at the C.I.A. and other agencies, informed Mr. Trump of her decision to retire in a letter on Thursday after it became clear that he would not permit her to rise to the position of acting director.

WHITE HOUSE: TRUMP MAY COMMUTE BLAGO'S SENTENCE - President Donald Trump says he's "very strongly" considering commuting the sentence of former Illinois Gov. Rod Blagojevich, who is serving a 14-year prison term on multiple federal corruption convictions ([AP](#)). Trump suggested more than a year ago that he was considering a commutation for Blagojevich, who then filed paperwork requesting a commutation. The Republican president told reporters Wednesday night while returning to Washington aboard Air Force One that he thought Blagojevich, a Democrat, had been treated "unbelievably unfairly."

WHITE HOUSE: SUMMIT ON ONLINE EXTREMISM TODAY - The White House has invited tech giants including Facebook, Google and Twitter to a discussion Friday about the rise of violent online extremism, one of the Trump administration's first major engagements on the issue despite years of warnings that racial and ethnic animus on social media is linked to some of the country's deadliest attacks (*Washington Post*). But President Trump's own attendance isn't certain — he's scheduled to be in New York raising campaign cash — leaving some to question the sincerity of the effort after months during which Trump has chastised social-media companies as his political foes.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 9:30 a.m. en route to Westhampton Beach, N.Y., where he will attend a roundtable with supporters and fundraising lunch. At 1:20 p.m., the president will depart for Water Mill, N.Y., where he will deliver remarks at another fundraiser. He will leave at 3:05 p.m. en route to Bedminster, N.J.

MEDIA: SUNDAY TALK - CBS "Face the Nation": Sen. Bernie Sanders (I-Vt.), Sen. Michael Bennet (D-Colo.), Michael Bloomberg, House Minority Whip Steve Scalise (R-La.). **NBC "Meet the Press":** Panel: Bob Costa, Hugh Hewitt, María Teresa Kumar and Kristen Welker. **ABC "This Week":** Rahm Emanuel, Chris Christie, Patrick Gaspard and Sara Fagen. **"Fox News Sunday":** Panel: Charlie Hurt, Howie Kurtz, Donna Brazile and Kristen Soltis Anderson. Power player (re-run): Kathleen Kennedy Townsend on Robert F. Kennedy's most famous speeches. **CNN "State of the Union":** Panel: Mitch Landrieu, Mia Love, Xochitl Hinojosa and Adolfo Franco. **CNN "Inside Politics":** Eliana Johnson, Mike Bender, Sahil Kapur and Molly Ball. (Phil Mattingly guest hosts)

IMMIGRATION: BORDER ARRESTS FALL IN JULY - Border Patrol arrested roughly 72,000 migrants at the southwestern border in July, according to statistics published Thursday by Customs and Border Protection ([Politico](#)). The latest statistics represent a 24 percent drop compared with June and mark the second month in a row in which border arrests declined.

ECONOMY: RECESSION ODDS RISE - The likelihood of a U.S. recession in the next 12 months rose to 35% in an August survey of economists, from 31% forecast previously, as global trade tensions fuel economic uncertainty ([Bloomberg](#)). Growth in the world's biggest economy will average 2.3% this year, down from 2.5% seen in a July survey. Gross domestic product expansion is forecast to slow to a 1.8% annualized pace in the third quarter, from 3.1% in the first three months of the year and 2.1% in the second quarter. "Trade tensions are needlessly roiling financial markets, which could eventually destabilize a stable economy," Parul Jain, chief investment strategist at Macrofin Analytics LLC in Wayne, New Jersey, said in comments attached to her survey response.

MEDIA: FACEBOOK TO PAY FOR CONTENT - Facebook Inc. FB 2.71% is offering news outlets millions of dollars for the rights to put their content in a news section that the company hopes to launch later this year, according to people familiar with the matter ([Wall Street Journal](#)). Representatives from Facebook have told news executives they would be willing to pay as much as \$3 million a year to license entire stories, headlines and previews of articles from news outlets, the people said. The outlets pitched by Facebook on its news tab include Walt Disney Co.'s ABC News, Wall Street Journal parent Dow Jones, The Washington Post and Bloomberg, the people said.

MISSISSIPPI: ICE RAIDS LEAVE KIDS WITH NO PARENTS - Mississippi residents rallied around terrified children left with no parents and migrants locked themselves in their homes for fear of being arrested yesterday, a day after the country's largest immigration raid in a decade, [AP](#) reports. 680 people were arrested, but more than 300 had been released by yesterday with notices to appear before immigration judges. Those released included 18 juveniles, with the youngest being 14 years old. "The children are scared," said Ronaldo Tomas, speaking in Spanish, who said his cousin with two children was detained in one of the raids. 150 students were absent yesterday from the county's 4,000-student district. School officials are trying to coax parents into letting their children return through phone calls and home visits.

MISSOURI: MAN IN BODY ARMOR ARRESTED AT WALMART - Police are investigating after an "armed individual" was arrested at a Missouri Walmart Neighborhood Market on Thursday evening ([Tribune Media](#)). The incident happened at 3150 W. Republic Rd., according to a Facebook post from the Springfield Police Department. Police said the man was wearing body armor and military fatigues when he walked into the store around 4:30 p.m., according to a report from KYTV. He was carrying a rifle, roughly 100 rounds of ammunition and was walking around the store recording video with a cellphone. "His intent was not to cause peace or comfort ... He's lucky he's alive still, to be honest," Lt. Mike Lucas told KYTV. A store manager pulled the fire alarm to evacuate shoppers in the store, the report states. An off-duty firefighter held the man at gunpoint until police could arrive and detain him.

Local

CITIES: STUDENT BROUGHT GUN TO TECH HS - A weapon was discovered in a student's backpack at Arsenal Technical High School on Thursday ([Fox59](#)). Indianapolis Public Schools says IPS Police were immediately called and IPS protocol was followed, but didn't say what that protocol is. According to the school district, no other students were around when the weapon was discovered. "Student safety and security will continue to be our priority as we provide a positive educational experience," IPS wrote in a statement.

CITIES: VIGIL AGAINST VIOLENCE IN MUNCIE - Two mass shootings in Ohio and Texas and a close call in Muncie after an armed student was arrested near a school became a reason for people to unite on Thursday for a vigil on the Ball State campus. Muncie residents gathered to honor lives lost and connect the community as a new school year begins ([WRTV](#)). Standing side by side, a crowd gathered on Ball State's campus to remember and reflect on the lives of 31 people killed in mass shootings in Dayton and El Paso. "This is becoming all too familiar. We are all just folks, aren't we?" Sarah Mahboudi, a Ball State alumna, said. "We are all just muddling through this life and trying to make it better. And our motto should be to respect each other and to realize this is not normal. This should not become our new normal." The vigil came just a day after learning about an armed student arrested near Muncie Central High School makes unifying now more critical than ever before. "It's all too close; it's all too close. If you think of humanity as your neighbors, of all of humanity as your neighborhood, and your brothers and sisters around the world — it's all too close," Mahboudi said.

CITIES: HOGSETT WANTS SLUR INVESTIGATED - Indianapolis Mayor Joe Hogsett has called for an independent investigation into a derogatory slur aimed at his newly hired public housing director and for an outside review of how public housing is organized in Indianapolis. [FOX59](#) obtained a letter dated July 30 that Hogsett sent to Indianapolis Housing Agency (IHA) Executive Director John Hall after the mayor became aware of an allegation that a member of the board of Insight Development Corporation, IHA's development arm, used a slur to describe Hall during a conversation with an employee. At the time of the insult, the board member was reportedly belittling Hall's attempts to reform the agency. "The nature of these allegations is unacceptable and, if proven true, I can assure you and your viewers that action will be taken," the mayor told FOX59 in an exclusive interview in which he backed Hall. "He's a reformer and I'm sure that decisions he is making are changing things at IHA and human nature being what it is perhaps he's engaged some people who are trying to push back."

CITIES: DAV COMMANDER COULD FACE TRIAL - A former Disabled American Veterans commander accused of swiping about \$40,000 from a Crown Point chapter said he wants to see his criminal case go to trial, but his defense attorney has some hesitations ([NWI Times](#)). Kent M. Proctor, 69, of Gary, appeared before Judge Clarence Murray on Thursday in Lake Criminal Court on one level 6 felony theft count. During the hearing, which comes a week after Lake Criminal Court Judge Pro Tempore Kathleen Sullivan granted a continuance in the case, defense attorney Susan Severtson said Proctor's case first appeared in Lake County Veterans Treatment Court in 2017, but "things didn't work out for him, unfortunately," and the case was sent back to Lake Criminal Court.

CITIES: COLUMBUS COUNCIL EYES TAX ABATEMENT - A Columbus-based manufacturer may receive a 10-year tax abatement for its \$1 million investment in new manufacturing equipment if the request is approved by Columbus City Council later this month ([Columbus Republic](#)). The council approved the tax abatement resolution Tuesday for Rightway Fasteners Inc. for new manufacturing equipment to accommodate an increase in production volume. The \$1 million investment includes one cold forging machine, four sorting machines and two shot blast machines, company officials said. The planned purchase and installation would result in 385 retained jobs and seven new positions by the end of 2019.

COUNTIES: FIGHT COMING OVER VIGO JAIL DESIGN - With the rezoning of property approved and the final purchase of property imminent, Vigo County commissioners are looking forward to the next phase of jail planning and construction. But an outspoken citizens group isn't ready to give up its fight for a less costly jail just yet ([Terre Haute Tribune-Star](#)). Commissioner Judy Anderson said she's glad to have rezoning of property behind the commissioners and to be moving on in the jail debate that's been ongoing for years. The Terre Haute City Council voted 6-3 Aug. 1 in favor of rezoning just more than 22 acres at 500 W. Honey Creek Drive for a new Vigo County jail.

Cris Johnston: Healthy reserves protect essential government services

August 9, 2019 | [Cris Johnston](#) / Special to IBJ

KEYWORDS

the debate: How important is it that Indiana maintain a surplus?



Because of the strong economic stewardship of Gov. Eric J. Holcomb and our partners in the General Assembly, the state of Indiana closed the fiscal books earlier this month with more than \$2 billion in reserves. This is great news for Hoosier taxpayers.

The general fund budget adopted in April appropriates over \$34 billion over the next two years for programs and services to Hoosiers, including Medicaid and child protective services. More than half of the budget goes to our K-12 schools.

Many families create emergency funds for unexpected disruptions in monthly budgets. Similarly, states maintain reserves to pay for services when tax revenue, primarily sales and income taxes decline, but more Hoosiers require government services. Yes, \$2 billion in reserves is a significant amount of money, yet it translates into running the government for roughly 43 days.

Sustained fiscal discipline creates the flexibility to consider how future investments are made. Holcomb and the General Assembly have been presented with those opportunities recently. Earlier this year, the governor, with the support of the General Assembly, used reserves to pay off a pension liability that schools currently fund. This investment by the state will save local school districts \$140 million over the next two years, with continued savings in the years following, providing dollars that can go straight into teachers' paychecks. This is just one example of a prudent, one-time use of reserves to offset future ongoing costs.

With the closing of the books for fiscal 2019, the governor identified new opportunities for making near-term cash investments that will free up future resources. Several higher education building projects, state fairgrounds infrastructure, and finishing the free flow of U.S. 31 were approved in the most recent budget for borrowing, but now can be paid with cash. This avoids the payment of over \$100 million in interest costs over the next 20 to 25 years.

IBJ.COM EXTRA

[Click here to read Greg Porter's answer to this question.](#)

Holcomb's decision to prioritize strong reserves and a balanced budget is a key contributor to our AAA rating, the highest rating a state can receive. Indiana is one of 13 states with a AAA rating from all three rating agencies. Moody's Investors Service

recently recognized the preservation of these reserves and the governor's proposal to spend a limited portion of these reserves on one-time expenses in maintaining the state's long-term fiscal stability.

We in state government have a duty to manage taxpayers dollars responsibly so that, during a time of strength, we can retain our position as the fiscal envy of the nation, and during a time of need we can continue providing great government service to Hoosiers without interruption. •

Johnston is director of the Office of Management and Budget for Gov. Eric Holcomb's administration. Send comments to ibjedit@ibj.com.

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Greg Porter: It's time for GOP to loosen grip on surplus

August 9, 2019 | [Greg Porter / Special to IBJ](#)

KEYWORDS

the debate: How important is it that Indiana maintain a surplus?

Greg
Porter



Plain common sense would dictate the need for maintaining a savings account, whether it be for a family or the state of Indiana. None of us want to be caught short during an emergency, be it a family crisis or an economic downturn.

That is why states maintain rainy day funds and budget reserves and surpluses—to protect the interests of their citizens. Many states—including our neighbors Ohio and Michigan—choose to maintain a reserve of around 10%. In Indiana, the stated preference by our Republican fiscal leaders is up to 12%. As our House speaker has said, “More than 12% is not, I don’t think, responsible. I think that’s holding taxpayer money that should be expended.”

As I write this, Indiana has a reserve of \$2.27 billion, which translates to 14%. Because Republicans were proclaiming until the end of this year’s legislative session that our state might have shortfalls in revenue, this hefty figure should give cause for relief, clearing the way for many ideas that had fallen by the wayside to now get the support they deserve.

We can give teachers a 5% pay raise. We can fund programs to extend pre-K statewide and keep all our students safer in schools. We can make sure thousands of Hoosiers who stand to suffer if the Trump administration demolishes the Affordable Care Act can still get the health care they deserve. We can fully protect at-risk children. Heck, we can even provide the \$20,000 needed to fund a doula program to support pregnant mothers.

We are doing none of these things. Instead, we are using \$300 million to pay for projects that already are funded through the state budget. We are told we cannot fund a teacher pay increase because the matter is still being debated by a governor’s commission that just happens not to include any teachers.

This is where we start to hear things like the need not to be too hasty in case we have an economic downturn. That seems like an odd hedge from a party loyal to the work being done by their president in Washington.

We’ve heard this refrain before over the past several administrations. We cannot spend funds for a critical need because we need to study it more or because we are concerned about what could happen.

You hear it enough, and you start to wonder whether it's not so much a matter of being careful as it is that they simply don't want to spend our reserves, and they don't care enough to spend it on things like teacher pay or safe schools or health care. Their urge to spend taxpayer dollars comes only when they want to cut corporate and business taxes.

IBJ.COM EXTRA[Click here to read Cris Johnston's answer to this question.](#)

This is the kind of commitment that might win them plaudits from business magazines.

However, Indiana is failing miserably when it comes to meeting the demands of human infrastructure. Until we reach the point where our state's greatest priority is not hoarding taxpayer dollars, we will continue to fall short where it counts. That makes no sense at all. •

Porter represents District 96 in the Indiana House. He is senior vice president of external affairs for the Health and Hospital Corp. of Marion County. Send comments to ibjedit@ibj.com.

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Early learning panelists say state has ways to go

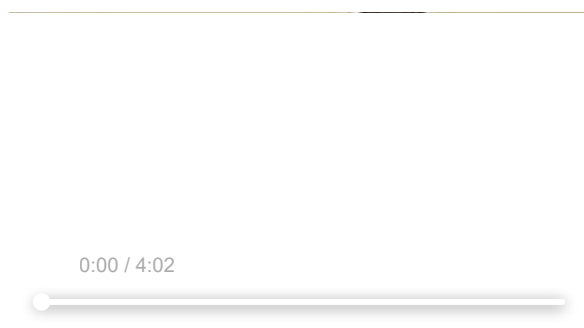
August 8, 2019 | [Samm Quinn](#)

KEYWORDS **EDUCATION & WORKFORCE DEVELOPMENT**

Indiana has made some progress in improving access to early education opportunities for Hoosier children, but the state still has a ways to go.

That was the consensus in a panel discussion presented by Early Learning Indiana and the Indianapolis Business Journal at the Marriott Indianapolis Downtown on Thursday morning focused on the importance of early education in developing the state's future workforce.

The discussion featured experts in education and child development: Dr. Paul R. Haut, chief operating officer at Riley Hospital for Children and associate professor of pediatrics at Indiana University School of Medicine; Aleesia Johnson, superintendent of Indianapolis Public Schools; Jason Kloth, president and CEO of Ascend Indiana; Ted Maple, program director of the Education Lilly Endowment Inc.; and Dr. Jennifer Walthall, secretary of the Indiana Family and Social Services Administration.



Titled "How We're Failing Tomorrow's Workforce," the event focused on why quality early education programs, like pre-kindergarten, are vital to developing a strong workforce.

But the panelists agreed that early childhood education is about more than just schooling.

By the time a child reaches 5 years old, brain architecture is largely in place, Haut said. With that in mind, he looks at early learning more broadly and said it needs to include an emphasis on health and wellness.

Toxic stresses children are exposed to early in their development—hunger, abuse, unsanitary living conditions, and a lack of love—will impact them for the rest of their lives, and constant exposure to toxic stress before a child turns 3 keeps nerve cells from developing normally, Haut said.

It's harder for children who have exposure to such stresses to develop the skills they need to be successful. So ensuring students grow up in a healthy environment is critical in preparing them for school and the workforce, he said.

Walthall said the state FSSA recognizes the impact of those stresses and has several programs in place that focus on the first five years of life.

The OB Navigator program, for example, supplies a home visitor to pregnant Hoosier mothers on Medicaid who provides in-home guidance and support during the mother's pregnancy and the first year of her baby's life.

"The commitment to starting life right, regardless of where you were born, is absolutely fundamental to what state of Indiana is committed to," Walthall said.

FSSA also manages Paths to Quality, the statewide rating system for early care and education programs. Today, 39 percent of child care centers across the state are ranked Level 1 on Paths to Quality, meaning they meet the health and safety needs of children but don't address their learning needs. Only 16 percent of centers are rated Level 4, which is the highest rating and means they meet health and safety needs while also providing a learning environment with a planned curriculum.

Child care can't just provide babysitting if the state is going to develop a skilled workforce, Haut said. So increasing the number of Level 3 and Level 4 centers is vital.

At Indianapolis Public Schools, the city school system has used Title 1 funding to start pre-K programs in several neighborhoods, Johnson said. But the district can't provide pre-K to every 4-year-old in the city, so government bodies, businesses, schools and not-for-profits will need to work together to make a difference.

Still, Indiana has made headway, the panelists said.

It wasn't all that many years ago the state had no childcare quality assessment program and no state-funded pre-kindergarten program, Maple said.

Today, Paths to Quality helps parents find quality child care and early learning centers in their communities. The state's On My Way To Pre-K is a statewide program that provides grants to low-income families to help them enroll their 4-year-olds in high quality pre-K programs.

"Most would agree we've made some positive steps in the state," Maple said. "We shouldn't take our foot off of the pedal."

And Kloth argued that shoring up early learning opportunities won't just help kids. Improving the availability and affordability of quality early learning drives economic development, he said.

In a veiled reference to the city's Amazon HQ2 bid, he said one company wanted to know how many high-quality pre-K programs there were in Indianapolis. Having many increases participation in the labor market, he said, because parents know their children

are not only safe while they're at work but also getting the educational footing they need to be successful.

Still, one of the biggest challenges in providing more early childhood learning programs rests on finding a balance between paying pre-school teachers a living wage and making programs affordable for families.

"The financial model of childcare is really a challenge," Maple said. "It's hard to pay teachers what they deserve when parents are footing most of the bill."

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Pondering prisoner population

Lots to think about given the state and local numbers and policies

There's a lot going on behind the scenes – or, more appropriately, behind the bars – than meets the eyes with respect to Indiana prison and jail population and growth.

Sharp-eyed readers may recall us telling you that the Indiana Department of Correction asked for a greater than \$13 million increase to their budget from FY 2019 during State Budget Committee hearings in December – a request that the General Assembly delivered on with their appropriations in the FY 2020-21 biennial state budget.

IDOC will receive \$758.8 million for FY 2020 and \$761.8 million for FY 2021 from the State General Fund, up from the FY 2019 appropriation of \$739.2 million. The increment was intended to cover for increases in contract expenses as well as an additional \$12.1 million each year of the biennium for the County Jail Maintenance Contingency Fund, which reimburses local sheriffs for housing DOC's level 6 offenders in local jails (the result of legislative changes under the major Criminal Code reforms that began six years ago).

However, the state is experiencing the opening stages of prison growth, stemming in part from the changes in law brought about by HEA 1006-2013, growth that is expected to continue for many years.

The law diverted the lowest level felons from state prisons but simultaneously increased the overall incarceration time for medium and high-risk offenders by reducing credit time for days served (previous state law stated for every one day served an inmate could receive one day credit time, but the new law changes the ratio to one day credit for every four days served). The effect of keeping higher risk offenders in prison for longer was not unintended, but attempts to adjust down the sentencing ranges for felonies to offset the population growth have not succeeded in curbing the growth.

Correction Commissioner Rob Carter warned the State Budget Committee about prison growth in December, explaining "As things stand, the prison population will continue to expand for the foreseeable future, and will exceed optimal capacity limits by the Summer of 2020."

By our calendar, that's less than a year away. That cautionary note also comes even as some of our neighbors are seeing decreases; the Illinois prison population doubled in the 1980s and doubled again in the next decade before peaking in early 2013, at 49,401 – and dropping sharply in subsequent years. Late last year, Illinois saw its prison population fall below 40,000 for the first time since the late '90s.

As of July 1, there were 26,881 offenders in DOC custody – up by more than 500 over the year – but there were also over 2,627 low-level felons being held in county jails around the state (the June and July numbers were record highs), and that number has not only created friction between local and state officials, it continues to grow in unsustainable amounts, according to local officials.

While the 2013 law decreased the state's prison minimum-security population (which allowed DOC to close two of its facilities for minimum-security male offenders), local jail cells have seen tremendous increases in occupancy.

For more, please see the following page . . .

Marshalling R_x resources

IN county tops in national naloxone scripts

The first national study of naloxone prescriptions dispensed by retail pharmacies finds that the highest naloxone dispensing rate in 2018 was in Marshall County.

Some 1,800 naloxone prescriptions were filled last year in Marshall County – more than the 1,200 total naloxone scripts filled *nationally* as recently as 2012 – according to Centers for Disease Control/IQVIA data on prescriptions from 50,000+ retail pharmacies across the country. The number may be even higher; only ≈ 20% of the overdose reversal drug was sold to retail pharmacies in 2017, and the figure doesn't include Narcan kits distributed by the Marshall County Health Department. Nationally, naloxone prescriptions dispensed from retail pharmacies increased by 106% from 2017 to 2018 alone.

The details come from Associated Press Medical Writer Mike Stobbe, who had access to more data than was contained in CDC's *Morbidity and Mortality Weekly Report* piece.

Substantial regional variation was found in naloxone dispensing, including a 25-fold variation across counties, with the lowest rates seen in the Midwest and rural counties, despite Marshall County's showing. Of the 30 counties with the highest rate of naloxone dispensing in 2018, 13 were in Virginia and five were in Kentucky, AP finds.



The state makes a \$35 per diem reimbursements to counties for each F6 level felon incarcerated in a county's jail, which cost the state more than \$20 million in FY 2018. The per diem for housing state prisoners in county jails was set at \$35 per day 28 years ago and "In 28 years, they haven't raised that money by one cent," complains Vanderburgh County Sheriff, Dave Wedding (D), president of the Indiana Sheriffs' Association, to a southwestern Indiana television station.

Sheriff Wedding notes that a state prisoner receives three meals per day, and the per diem must also cover laundry services for jail uniforms and bedding, - as well as plus routine medical care, but fails to account for regular maintenance and wear and tear (as well as potential increased personnel costs) nor facility upgrades or expansion.

Some Hoosier jails that do have excess capacity will often open their cell doors to federal inmates (sometimes in lieu of accepting state prisoners) because the federal government pays out at a rate of \$55 per day per inmate.

Clinton County tried to reap some Additional income from the offenders themselves, implementing a \$30 per day fee for those in jail for more than three days . . . but local pushback (including from Frankfort's Republican mayor) caused county officials to renege. Carroll County is looking into such a fee, and cites successful implementation in Porter County.

The number of state prisoners held in local jails has increased by more than 1,500 since 2016, and the population has topped 2,500 since April 2018. County sheriffs report that the state fee does nothing to maintain or expand local jails whose populations are swelling, due in large part to the state criminal code reform.

A vast majority of the counties are home to at least a double-digit number of DOC diversions, and some which house none or a minimal number do so because the local facilities are beyond capacity.

Several counties are looking at or completing expansion (Hamilton County, for example) or entirely new construction (such as Decatur County, Hancock County, Jefferson County, Jennings County, Sullivan County, and Vigo County), with others (Henry County and Madison County, for example, contemplating joint new construction on a regional facility - effectively uncharted territory, which builds on what we told you a few months ago about shared county services).

According to a report from the ACLU this Spring, Indiana's imprisonment rate grew by 18% between 2000 and 2016, a period during which the national incarceration rate dropped by eight percent.

But an interesting new national report from the Council of State Governments (CSG) Justice Center finds that a major chunk of the growth appears to be for what some might consider to be technical violations of the law - and typically those of a minor nature.

In Indiana, 53% of prison admissions were found to be a result of supervision violations (above the 45% national rate), with 32% attributable to probation violations and 21% to parole violations - something potentially as simple as like missing a curfew or skipping out on a meeting with a supervision officer (or failing a drug test).

CSG finds that "On any given day in Indiana, 7,913 people are incarcerated as a result of a supervision violation at an annual cost to the state of \$153 million. Technical supervision violations account for \$81 million of this total amount, and new offense supervision violations make up \$72 million. These figures do not account for the substantial local costs of keeping people in jail for supervision violations." CSG estimates technical probation violations account for 19% of the violations and technical probation violations are believed to be about 17% of the supervision violations, while only 17% total of the 53% of supervision violations are for new (substantive) offenses.

Some states have started to respond to these findings by implementing practices such as providing special treatment for people with mental illnesses and substance addiction, and revamping policies for how they assess, case-manage and respond to behavior of supervisees with the goal of reducing technical violations and revocations.

At the state level, since 1980 Indiana has authorized expanding prison capacity via construction 12 times, - an increase every 2¾ years from 1980 to 2012. Commissioner Carter reminded the State Budget Committee in December that the state had gone six years since the last prison expansion . . . and explained that with any new projects estimated to take between two and five years to build, even if lawmaker were to authorize new construction in 2019 (which they didn't) it will be eight or more years since Indiana's last prison capacity expansion.

Two ideas other than entirely new prison sites were floated by DOC's Carter to curb the prison overpopulation problem that threatens to swallow the state by 2020. His first option included increasing prison capacity by retrofitting existing facilities to be more efficient and capable of holding more high-security inmates, or building additional housing units within the secured perimeters of existing facilities.

The second alternative he floated looked to decrease the prison population by simplifying the education credit awards that are currently in statute and increasing evidence-based case management plans. Streamlining the education credit process would preserve credit time restrictions but could have a flattening effect on prison growth for the immediate future, and comported with DOC goals to provide more offenders with nationally recognized industry certifications and to decrease the released offender unemployment rate through the Hoosier Initiative for Re-Entry (HIRE) - also a key initiative of the Governor going forward.

IN Politics

Federal Office Races . . .

- Former Sen. Mike Delph (R) was spotted at mid-week attending a Grant County Republican Party event, adding to speculation that he's ready to pull the trigger on an open seat CD 05 bid.

IN Legislative Races . . .

- Candidates Are starting to emerge for the upcoming caucus selection in SD 18 to replace retiring Sen. Randy Head (R), who will formally vacate his seat August 12. The district includes all of Cass, Fulton, and Miami counties, and portions of Carroll, Kosciusko, and Marshall counties.

□ Flora Town Councilmember Jacob D. “Jake” Adams (R) is the first person to publicly declare an intention to seek the seat. Adams, who grew up in Delphi, spent nine years on active duty with the U.S. Marine Corps (2005-14), works for Ivy Tech Kokomo as a workforce and community development consultant, and runs Indiana Marketing Group, his own digital marketing company focused on small business social media. The IU alum with an MBA from Western Governors University was director of community development for the City of Delphi, and director of Business Services for Indiana’s Region 4 Workforce Board in Lafayette. He serves on the Greater Kokomo Economic Development Chamber Council, NIPSCO’s community advisory council, and should soon join the board of directors of the Miami County Chamber of Commerce Board in the next month. If selected, Adams looks to direct his legislative energies to job creation and workforce development.

□ Also throwing his hat in the ring for the SD 18 caucus is Jeffery Staker (R) of Peru, a long-time security officer and firefighter at Grissom Air Reserve Base and part-time real estate appraiser and real estate agent. Staker, a lifelong Hoosier, served 11 years in the Marines as a scout sniper and drill instructor, and then also spent time with the Indiana Army National Guard and Indiana Air National Guard. A member of the VFW, American Legion, AMVETS, and Disabled American Veterans, he is the founder of Hoosier Veterans for Medical Cannabis (HVMC), a nonprofit organization formed a few years ago “To inform, educate, lobby, support and maintain legislations [sic] for the ‘legal’ Medical use of Cannabis within the State of Indiana.” The 53-year-old did so after being prescribed oxycodone for eight years by Veterans Administration physicians before he learned there were potential alternatives to opioids.

□ Expect other candidates to emerge (keep your eyes on Cass County) before mid-month.

IN the Presidential Race . . .

● South Bend Mayor Pete Buttigieg (D) remains in fifth place nationally among the field of Democratic presidential candidates after the first two rounds of debates, according to Morning Consult polling, but is up by one percentage point to six percent (only U.S. Sen. Elizabeth Warren (D-MA) enjoyed a larger gain), and among all Democratic primary voters, he trails the fourth-place contender, U.S. Sen. Kamala Harris (D-CA), by only three percentage points. Among Democratic primary voters in the early states – Iowa, New Hampshire, South Carolina, and Nevada, Mayor Pete drops one percentage point and one place in the ratings, with five percent, just behind fifth-place impeachment advocate Tom Steyer (D) who earns six percent of the early-state vote (but again, he is only three points behind Sen. Harris). He is eighth in name ID

(77%), but tied for fourth in favorability (45%) and is tied for fourth in the “Very Favorable” silo (19%) . . . an August 2-3 College Reaction survey finds South Bend’s mayor, the youngest presidential hopeful, the choice of 8.0% of U.S. college students, fourth among Democratic hopefuls and fifth overall when the President is factored in. All four candidates placing above Mayor Pete are in their 70s . . . Mayor Pete on Tuesday unveiled his “action plan to combat the threat of white nationalist terrorism, abetted by weak gun laws and the gun lobby.” He tweeted Tuesday, “Weapons like the one I carried in Afghanistan have no place on our streets or in our schools – least of all in the hands of white nationalists” . . . on Tuesday, Judicial Watch filed an Access to Public Records Act (APRA) open records lawsuit against the City of South Bend for records of communications between Mayor Buttigieg’s office “related to the creation of a municipal ID card for illegal aliens that was created by La Casa de Amistad, a local not-for-profit corporation.” *Judicial Watch v. City of South Bend*, No. 71C01-1908-M1-000389. His campaign labels the suit a “political stunt that is intended to scare immigrants,” and city officials say the records were maintained by the nonprofit, and not the city, and thus inaccessible under APRA . . . in a sign of the times, the Buttigieg campaign hires Mick Braccio, who worked on cyber issues in the Obama White House and the Department of Health and Human Services” as in-house chief information security officer, “in what appears to be a first for major 2020 candidates,” according to POLITICO Cybersecurity Pro’s Tim Starks, himself a former *Evansville Courier & Press* State House reporter . . . Dayton, Ohio Mayor Nan Whaley (D-OH), in the national spotlight and presidential crosshairs last week, is a native Hoosier (Morgan County) as we told you two years ago when she announced she was running for governor of Ohio in 2018 (she dropped out before the primary,

endorsing the ultimate nominee), whose mother, former Mooresville Clerk-Treasurer Ann Whaley (D), was the Democratic nominee for state auditor in 1990, 20 years before Buttigieg made his own quixotic bid for statewide office (state treasurer). Mayor Whaley, a 1994 graduate of Immaculate Conception Academy (now Oldenburg Academy) in Batesville, was one of the mayors from outside Indiana who traveled to South Bend to endorse – and introduce – Mayor Pete at his formal April announcement . . . Mayor Pete want to retain Obamacare, with a public option . . . per Axios, Obama 2008 senior spokesperson, Hari Sevugan, later the Democratic National Committee’s national press secretary, joins Team Pete (deputy campaign manager for brand and media, based in Chicago). Staff count hits 250, and grows. Axios notes other key recent hires: Jess O’Connell as senior strategist; Michael Halle as senior advisor; Larry Grisolan and John Del Cecato of AKPD Media; and Katie Connolly of Benenson Strategy Group . . . asked Thursday at a National Association of Black Journalists event if he thinks the President is a white supremacist, hizzoner replied, “Yes, I do.”



IN Other Political News . . .

● While the President's net approval numbers in Indiana have decreased by 17 percentage points since he took office according to Morning Consult polling, his approval rating in Indiana rose by two percentage points from June to July, not only the first time this year in which his approval numbers grew, but the first time he has achieved a majority (51%) approval since last December (52%). His approval numbers locally have not been under water in two years – since July 2017. Among our surrounding states, only Kentucky (55%) gives the President a higher July approval rating,

● The National Association for Gun Rights (NAGR) will be cosponsoring a Political Leadership School in Auburn on August 24. Why should this be of broad interest? NAGR, the nation's second largest gun rights organization, took on Rep. Jim Lucas (R) in 2017 after the ardent Second Amendment advocate helped to block an amendment by Rep. Curt Nisly (R) to amend a bill to allow constitutional carry after an earlier personal dust-up between the two over a different Nisly amendment. NAGR then launched a major effort to discredit Rep. Lucas, who has been widely viewed as being the most firearm-friendly House member . . . and since then, some of the NAGR focus has shifted to House Committee on Public Policy Chair Ben Smaltz (R), who is also perceived by his colleagues as gun-friendly, but in his committee role, has slowed down some of the more far-reaching gun bills. Rep. Smaltz is from Auburn . . . site of this month's NAGR seminar.

□ Here's a snippet of what Rep. Lucas had to say about – and to – his national detractors on social media two years ago: “Hey National Association for Gun Rights, or NAGR, your group reminds me of a pack of jackals among lions. You sit back in the shadows while good people do the hard work, and then you swoop in after the hard work is done while taking credit for the kill. You are nothing more than political terrorists and have to stoop to the destructive politics of fear mongering and character assassination because you're not capable of building anything for the long haul!”

IN Brief

IN Federal Circles . . .

● Statements from the Hoosier congressional delegation on the mass murders in El Paso and Dayton:

□ U.S. Sen. Todd Young (R) said “We are all heartbroken for the victims of these terrible acts of hate. I pray for those who were injured and for the families of those who lost loved ones. And I am sincerely grateful to the first responders and law enforcement officers who acted swiftly. There is no place in this country for hate of any kind – period. The President rightfully spoke out against acts of racially motivated violence and we must, as a nation, do more. That starts by grappling with the underlying disease in our communities: ideologies of hate, mental derangement, and a loss of respect for human life.” On Monday, he added another comment on the underlying causes of gun violence: “Clearly we have multiple problems in this country – problems of hate, social alienation, and the devaluing of human life – and we're going to have to work together as a nation to address these challenges. I think Indiana has done a good job with respect to our red flag law and that's something that needs to be part of the conversation moving forward across the country” . . . U.S. Sen. Mike Braun (R) said “Maureen and I are deeply troubled by the recent shootings in El Paso and

Dayton – there is no place for hate in our great country, our prayers are with the victims of this horrific event, and I commend the swift action from law enforcement and first responders. Mass shootings and gun violence across our country is a complex situation; watching Congress do nothing is unacceptable, and I agree with President Trump's call for bipartisan legislation to address this crisis. Any bipartisan legislation needs to include: stronger background checks, red flag laws known as extreme risk protection orders that address mental illness, commonsense solutions that complement the Trump administration's ban on bump stocks so we can crack down on modifications that turn guns into military-style assault weapons, and steps that are responsive to a culture that glorifies violence. We live in the greatest country in the world, but the tone and destructive rhetoric across the ideological spectrum is tearing our country apart and we must return to a society that works towards finding common ground on issues where we disagree.”

□ U.S. Rep. Jim Baird (R) said “My prayers are with the people affected by the recent senseless acts of mass violence. Thank you to law-enforcement and first responders for their continuous dedication to our communities to protect and save lives. These acts of evil must be stopped! We can protect the Second Amendment, while also exploring the use of Red Flag laws and how we conduct background checks. Policy alone will not stop evil. We must search deeper to find what our families, neighbors and communities can do to address the root of the problem. In Congress, I am committed to working with my colleagues toward solutions that make America safer” . . . U.S. Rep. Jim Banks (R) tweeted “I deployed to Afghanistan as a response to radical Islamic terrorism. We now face a different enemy that has also emerged from the shadows but demands the same focus and determination to root out and destroy. #WhiteSupremacistTerrorism should be named, targeted and defeated” (note that this tweet came almost a full day before the President's comments on white supremacy). He added, “The violence this weekend was perpetrated by extremists from both sides of the political spectrum. It's clear that those using these tragedies to attack @potus and others are shortsighted. It's time to put politics aside, come together and address this evil with determination” . . . U.S. Rep. Susan Brooks (R) – a former U.S. Attorney – tweeted “We must and can do more to prevent these senseless acts of violence. Red flag laws, like Indiana's Jake Laird Law, save lives while ensuring due process rights. It's past time for Congress to act!” . . . U.S. Rep. Larry Bucshon (R) said “The tragic events this past weekend in El Paso, Texas and Dayton, Ohio were acts of cowardice carried out by wicked individuals trying to strike fear in our hearts. I join the President and the nation in praying for the victims and their families during this difficult time, as well as expressing my gratitude for the law enforcement personnel and first responders who leapt to action to protect and care for their fellow citizens. When it comes to preventing these senseless acts of violence, as a physician I believe that it's important to treat the disease and not the symptoms. That means as a nation we must prevent individuals from turning to violence in the first place by swiftly and soundly confronting and rooting out white supremacist terrorism – no differently than we have dealt with the threat of radical Islamic terrorism – and by improving access to mental health care and confronting the underlying glorification of violence that is unfortunately the norm in our culture today” . . . U.S. Rep. André Carson (D) tweets “My heart breaks for the victims of the shooting in El Paso, Texas and their loved ones. Though we don't know all the details of this tragedy, one thing is clear: Far too many of our fellow Americans are falling victim to gun violence, and we must take bold action to save

lives” . . . U.S. Rep. Greg Pence (R) offered this innocuous comment: “It is now time for all of us to come together and take action against evil and hate. Thank you to the swift response by law enforcement and first responders in El Paso and Dayton, who saved countless lives by putting their own on the line” . . . U.S. Rep. Jackie Walorski (R) said “After the horrific acts of violence our nation witnessed this weekend, I am praying for the innocent victims, the survivors, and their families. We must all come together as Americans to confront the evils of white supremacy, hatred, and terror in all its forms. I am committed to working with my colleagues to confront the threat of domestic terrorism, address gaps in mental health care, ensure our laws are fully enforced, and protect the rights of law-abiding citizens.” As for background checks, Rep. Walorski added that she “voted against this misguided legislation because it would turn upstanding citizens into criminals while doing nothing to prevent mass shootings or stop firearm thefts and straw purchases that are already illegal. Instead of partisan proposals that infringe on Americans’ constitutional rights, we should focus on strengthening security and law enforcement, addressing gaps in mental health care, and building on commonsense reforms like the Fix NICS Act Congress passed into law last year.”

● U.S. Sens. Todd Young (R), a member of the Senate Committee on Foreign Relations, and U.S. Sen. Mike Braun (R) are among a complement of 45 Republican senators who have sent a letter to British Prime Minister Boris Johnson pledging “unwavering” support for the United Kingdom as it exits the European Union in the coming months. The letter calls for a new bilateral trade agreement between the United States and the United Kingdom and reiterates the importance of U.S.-UK cooperation within the NATO security alliance and the “Five Eyes” intelligence partnership.

● U.S. Sen. Mike Braun (R) teams up with U.S. Sen. Joni Ernst (R-IA) to introduce the “Define WOTUS Act,” which would reassert congressional responsibility to define the term “Waters of the United States” (WOTUS). “President Trump and his Environmental Protection Agency (EPA) are working hard to fix this atrocious Obama-era rule,” says Sen. Braun. “But as the Administration has repeatedly noted, it’s Congress job to write laws. The Define WOTUS Act will solidify and amplify the Administration’s work on WOTUS. I am proud to join with President Trump who is doing a tremendous job deregulating these job-killing regulations that hurt Hoosier farmers and those who reside in the Heartland of America.” Sen. Braun explains that like the EPA’s rule, the Ernst-Braun measure would provide greater certainty to American farmers, workers, businesses, and landowners by offering landowners clear guidelines by which they can clearly determine what is regulated by the EPA and what is not with respect to their land. The bill would specifically outline what is, and is not, a federally regulated waterway. His office says that the legislation “provides a clearer definition with more obvious safeguards to protect against a runaway bureaucracy.”

● U.S. Rep. Susan Brooks (R) is a vice chair of the Congressional Diabetes Caucus, whose leaders wrote at the end of July to the Food and Drug Administration’s acting chief urging FDA to “take concrete, immediate steps to reduce or eliminate any hurdles associated with bringing lower-cost insulin to market.” “More specifically,” according to STAT’s D.C. Diagnosis, they ask “for FDA to work with manufacturers to ensure lower-cost insulins aren’t delayed from coming to market because of a regulatory change set to go into effect in March that will change the specific way the drug is classified by the agency.”

● U.S. Rep. Trey Hollingsworth (R) tells his constituents that “On April 30, 2019, Rep. Diana DeGette introduced the Tobacco to 21 Act in the House of Representatives. This legislation would prohibit the sale of tobacco products to anyone under the age of 21. The U.S. Senate has an identical bill for consideration.” He then poses his “Question of the Week: Do you support increasing the minimum age to purchase tobacco from 18 to 21?” . . . Rep. Hollingsworth joined WIBC 93.1-FM’s Rob Kendall for an Indianapolis radio interview August 2 which focused on the (growing) debt. “When I talk to Hoosiers and tour local businesses, what I hear is this deep concern is that the next generation may not live better than the last. That is disheartening,” Hollingsworth told WIBC’s Kendall. “We have got to get our spending under control in Washington. We have got to get (House Speaker) Nancy Pelosi’s purse strings under control and back focused on putting the American people and the future of the American people first, not Washington’s out of control habits first,” he added. Asked if there was pressure on him to vote for the spending bill at the end of July (he was one of five members of the Hoosier House delegation to vote against the wishes of the President and GOP congressional leadership), Rep. Hollingsworth replied, “There was a lot of pressure. What I tell them every single time is ‘Hoosiers back home don’t want to see more red ink. Hoosiers back home don’t want to see their futures mortgaged for today’s career politicians.’”

IN State Circles . . .

● We told you in our last issue to expect it, and Hammond Mayor Tom McDermott (D) follows through on his vow to sue the Lake County Convention and Visitors Bureau over its policy of appointing members. *City of Hammond, et al., v. Lake Co. Conv. & Visitors Bureau D/B/A So. Shore Conv. & Visitors Auth., et al.*, No. 45D01-1908-PL-000468. The City of Hammond files suit in Lake County Superior Court, Civil Division 1, seeking to have some of the board member appointment language in I.C. 6-9-2-3 declared unconstitutional, alleging due process concerns in its application, and claiming that it also violates the Art. 4, Sec. 23 ban on special legislation in the Indiana Constitution. The City argues that there are no similar provisions for appointment of “a member to the board of any other bureau in any other county, despite there being specific innkeepers and other local tax statutes in many counties and a uniform county innkeepers tax for other counties.”



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□ The City, which gets in some gratuitous digs against the pay and bonus package of the Bureau's top administrator, is represented by **Bryan Babb** and **Brad Dick** of Bose McKinney & Evans LLP (Babb just won a major constitutional fight for Hammond) and City Attorney **Kevin Smith**, while **Robert G. Berger** is the attorney for the Hammond Common Council.

□ Judge **John Sedia** sets a hearing on the City's request for a preliminary injunction for August 14.

● Private counsel representing Attorney General **Curtis Hill** (R) file their response to the Office of the Inspector General's motion to quash the OAG subpoena for the bulk of material compiled during the course of the IG investigation into the sexual harassment allegations (transmogrified into professional misconduct claims) against General Hill. OIG had largely argued to Supreme Court Hearing Officer **Myra Selby** that the requested materials are privileged. Hill's attorneys contend that the requested materials "are relevant and not protected by privilege," and ask her to order OIG "to produce them forthwith."

□ Hill's attorneys assert the primary reason the materials are not protected from discovery is that they are included within the investigative materials developed in a joint and coordinated investigation by a special prosecutor, OIG and the Indianapolis Metropolitan Police Department. "Although the OIG is the repository for the investigative materials, they are also investigative materials of the special prosecutor," and the special prosecutor consents to the disclosure of the materials to Hill. "The OIG cannot claim them as privileged if it has shared them with others who do not claim privilege. The statutory provisions in the statute governing the OIG do not create an evidentiary privilege. At most, they create certain confidentiality interests vis-à-vis the public that do not protect the Requested Materials from appropriate discovery under the trial rules."

□ Then the Hill legal team introduces a new wrinkle into the battle: a unique separation of powers argument. "To the extent the statute purports to uniquely exempt the OIG from discovery, it is an improper effort by the legislature to control litigation procedures which falls within the province of the Supreme Court. The bulk of the OIG's investigation fell outside the scope of its legislative authority. It is not entitled to claim protections of a statute when it did not limit its investigation to matters authorized by the General Assembly."

□ Finally, Team Hill asserts, "by issuing the unredacted IG Report, publicly identifying the individuals who requested the investigation, and identifying all witnesses by name, the OIG has waived the ability to protect the Requested Materials from discovery. Because the IG Report is an action against the respondent, the OIG may not keep him from having access to the Requested Materials. Even if the Requested Materials are otherwise protected, the respondent has a particularized need for them and cannot obtain them from another source. By asserting a blanket claim of privilege, the IG has not properly raised any privilege objections by failing to claim privilege on a document-by-document basis."

□ From a practical perspective, the AG's lawyers also tell Selby, "It is impracticable for the respondent to interview 60 witnesses between now and the hearing date. Even if he could, he would never be able to know for certain what those witnesses told the investigators who assisted the OIG and the special prosecutor. Nine months have passed since the IG Report was issued and longer since the witnesses were interviewed. Their recollections of what transpired at the *sine die* event were

fresher at the time they were interviewed, and their recollections now of what they told the OIG in the fall of 2018 will inevitably be flawed due to the passage of time. The recorded recollections of the witnesses to the *sine die* event cannot be obtained from another source. The special prosecutor has indicated that the OIG is the repository of the investigative materials that were as much his work product as the OIG's."

□ The Hill legal team also takes aim at OIG for "gratuitously weighing in on the respondent's alleged conduct at the *sine die* event and publicly and broadly disseminating a report of factual findings that had no bearing on whether the respondent engaged in ghost employment or misused state property. The IG Report tried to set the stage for this unsupported expansion of its authority by mischaracterizing its jurisdiction The bulk of the IG Report was a gratuitous and unauthorized take-down of the respondent that fell outside the OIG's legislative mandate. Now that another agency of state government, the Disciplinary Commission, has charged the respondent with professional misconduct on the same facts, after publicly excoriating the respondent in the IG Report for alleged conduct falling outside the purview of her statutory responsibilities, the IG claims that the respondent is not entitled to see the prior statements of the witnesses who the Commission has said it will call as witnesses against him in this case and potentially many witnesses who might have exculpatory testimony. The IG should be prohibited from wielding the IG Report as a sword to launch an unauthorized attack on respondent, and then hide behind the shield of Ind. Code 4-2-7-8(c) to keep the respondent from discovering the actual evidence behind the IG Report." The Hill response also contends that "Except when it comes to depriving the respondent of important information needed for his defense, the IG has run roughshod over her confidentiality rules."

□ We look for Hearing Officer Selby, a long-time proponent and practitioner of civility in the legal process, to suggest that the Hill team town down its rhetoric (there was more than we cited), but for that display not to impact her decision making. What these arguments might do is produce a ruling by Selby, a former Supreme Court justice, that could be the subject of an interlocutory appeal to the Supreme Court itself - not a typical avenue in an attorney disciplinary case - that could buy Hill more time . . . a valuable commodity for him as he prepares for the 2020 election season, and affords him more bargaining power if eventually slapped with an adverse decision that could impact his ability to practice law and remain in (or again seek) office. While Hill would benefit from more time, it is not inconceivable that a favorable ruling for him on the motion to quash might produce an interlocutory appeal as well from OIG, which might be more concerned about the long-term impact of such a ruling on its powers in what appears to be a matter of first impression (we're not sure, however, whether interlocutory appeals can even be taken from a disciplinary commission hearing officer order; whether a third-party non-participant has standing to appeal such an order; or if a state entity such as OIG has any special standing in such a messy procedure - which happens to center upon an elected state official). Get your pencils and scorecards ready . . .

● Caught by reporters at the Indiana State Fair and asked to comment about the weekend's mass shootings in El Paso and Dayton, Governor **Eric Holcomb** (R) labeled the actions as "counter-American, counter-Hoosier." He said "It's not what we stand for," adding "We ought to go after them - whether it's international or domestic terrorism - with all the resources that we have."

□ Chicago Mayor **Lori Lightfoot** (D-IL) echoed the words of her predecessor in the office by pointing to Indiana laws and practice as a factor in Windy City gun violence. Then-mayor **Rahm Emanuel** (D-IL) frequently pointed out that some 20% the guns recovered by police in Chicago were purchased in Indiana – more than one-half the amount purchased in Illinois. Mayor Lightfoot – a former federal prosecutor and Chicago Police Department administrator – questioned the effectiveness of a red flag law and background check law for Illinois, contending that a national solution was needed. “How do you have a red flag if you don’t have universal background checks? How do you have a red flag if you have this patchwork of state regulations that are not uniform?” she asked. “If the President weighs in, if he shows these Republicans that they can actually have courage, we can get this done. We are very different in Illinois than we are in Indiana and we’re neighbors. Same thing with Wisconsin and Michigan,” she added. “That’s why we need the federal government to step up and do its job to fill these voids. Of course we shouldn’t allow people who have a demonstrated track record of violence or mental illness to have guns. But that becomes increasingly difficult when every state has a different set of rules and people can travel and purchase firearms at an alarming rate.”

- AT&T’s ESInet is selected by the Indiana Statewide 911 Board as the new statewide 911 system infrastructure.

- In a Tuesday news release, Attorney General **Curtis Hill** (R) expressed support for the President’s embrace of “red flag laws” in the wake of recent mass shootings. Indiana was one of the first five states in the nation to enact such a law, back in 2005. Today, 17 states and the District of Columbia have such laws.

□ “Indiana’s red flag law is a common-sense measure that in no way inhibits the Second Amendment rights of law-abiding citizens,” General Hill said. “As President Trump takes concrete actions to stop gun violence in our country, he is wise to encourage more states to adopt these kinds of provisions.”

□ Hill’s office reports that “On a White House visit in February of 2018, Attorney General Hill touted the value of red flag laws in conversations with President Trump and other officials. He traveled to Washington D.C. again in March of 2018 to discuss red flag laws with U.S. Sen. **Lindsey Graham** of South Carolina.”

- The Office of the Inspector General clears Governor **Eric Holcomb** (R) on charges that he allegedly failed to report on his 2018 Financial Disclosure Statement a pair of 2018 flights to Republican Governors Association (RGA) events funded by Spectacle Entertainment, LLC, now the owner of two casinos, and a major mover behind changes in the casino laws during the 2019 session signed into law by the Governor. The complaint filed by an undisclosed complainant (the Indiana Democratic Party had publicly called for an investigation) “also raised concerns that the flight ‘included, and apparently required, uninterrupted access to the Governor by those seeking to lobby the State for changes in Indiana’s gaming laws.’”

□ OIG determined that the gift rule does not apply to a governor or his or her family members, and conflicts of interests and confidentiality rules also did not apply to the allegations. However, “The financial disclosure statement statute falls within the OIG’s jurisdiction and applies to state officers, such as the Governor.” Thus, OIG opened an investigation into whether Governor Holcomb failed to disclose information required by the financial disclosure statement statute.

□ The eight-page OIG report explains that records were requested and received from all relevant parties, and “The RGA explained that the flights were donated to the RGA as in-kind contributions. The RGA explained that IRS rules require them to properly capture and report all in-kind contributions made to the RGA for any in-kind flight that is utilized to benefit the RGA. The RGA reported that they received an in-kind donation in the amount of \$21,486.15 from Centaur Gaming (Centaur) for the Governor’s Aspen flight and received an in-kind donation in the amount of \$33,961.95 from Spectacle for the Governor’s Scottsdale flight. The RGA provided ... RGA’s IRS Form 8872 for the third quarter of 2018 and an amended IRS Form 8872 for part of the fourth quarter of 2018, which disclosed the in-kind contributions for the Aspen and Scottsdale flights respectively. The RGA stated that the ‘the purpose of the Governor’s travel was to benefit the RGA, and therefore the in-kind contribution in the amount of the travel was properly made to the RGA.’ The Campaign similarly stated that ‘the flights worked to the benefit of the RGA: that is why the RGA expended the flights to transport Governor Holcomb to RGA events, and that is why the RGA reported the flights, under penalty of perjury, as in-kind donations to the RGA.’” The Governor serves on RGA’s Executive Committee, and thus is part of the group’s leadership.

□ The basic OIG conclusion: The Governor received the flights “through the RGA. The Governor’s Office coordinated the travel primarily through the Campaign staff. The OIG found no evidence that the Governor’s Office worked directly with Spectacle or Centaur to arrange the flights. Moreover, according to the RGA’s IRS filings, Spectacle and Centaur provided the flights to the RGA as in-kind contributions. As a result, it appears the Governor accepted the flights from the RGA and not from Spectacle or Centaur. Furthermore, the OIG found that both the RGA and the Campaign believed the flights primarily benefitted the RGA rather than the Governor or First Lady. Although it is likely that the Governor’s attendance at the RGA meetings, and therefore the flights, had some benefit to the Governor and/or First Lady, the OIG found no evidence to dispute the claim that the flights primarily benefitted the RGA. In addition, the RGA stated that they often offer to pay for travel for governors to attend their meetings. This further supports the idea that the flights were gifts to the RGA and not to the Governor or First Lady.”

□ The bottom line: “Based on the investigation, the OIG found that neither the Governor nor the First Lady accepted the flights to the RGA events as gifts from an entity or entities with a business relationship with the Governor’s Office. As a result, [OIG] found insufficient evidence to support an allegation that the Governor failed to disclose information required on his Financial Disclosure Statement with regards to the flights. As such, the OIG is closing this case for insufficient cause.”

- A pair of Indiana Supreme Court rulings Wednesday serve up some clarity with respect to legislative changes in recent years to the sentence modification statute, I.C. 35-38-1-17. Defense attorneys were arguing that even in cases where a defendant entered into plea agreements with a fixed sentence, the statutory changes still allowed defendants to seek and trial courts to grant a sentence modification, and they found support for that notion from some panels of the Indiana Court of Appeals.

□ With its Wednesday rulings, however, the Supremes have now unanimously and definitively held that fixed-sentence guilty plea defendants cannot have such a sentence modified. “Simply stated, if the terms of the plea agreement – to which the State, defendant, and court are bound – allowed any sentencing discretion by the trial court at the time the sentence was imposed, the trial court only possesses the degree of discretion to modify a sentence that was contemplated by the terms of the original plea agreement,” writes Justice **Steven David** for the Court in *Rodriguez v. State*, No. 18S-CR-143. “As a matter of statutory interpretation, we find the decades-old rule of sentence modification remains undisturbed: courts may modify a sentence only if the new sentence would not have violated the terms of the valid plea agreement had the new sentence been originally imposed.” The bottom line, the Indiana Prosecuting Attorneys Council tells county prosecutors, is that “if a plea gave the trial court no sentencing discretion, the court also lacks discretion to modify it later.”

● Kudos to our sister Hannah newsletter, **INDIANA EDUCATION INSIGHT**, which last week published its 600th biweekly issue. The newsletter has been providing the state’s most comprehensive coverage of education policy, finance, curriculum, personnel, physical facilities, and regulation and legislation since 1997.

● While the Office of the Attorney General is seeking a six-day extension of the deadline by which it is required to respond to a lawsuit challenging the constitutionality of SEA 516-2019 – which legalizes the commercial production of hemp in Indiana, but effectively continues to criminalize smokable hemp despite federal laws declaring all hemp derivatives to be legal – their response to the request for a preliminary injunction is currently due August 15. *C. Y. Wholesale, Inc., et al., v. Holcomb*, No. 1:19-cv-02659-SEB-TAB. Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana wants the plaintiffs – the Midwest Hemp Council, Inc. and a passel of wholesalers and retailers of hemp products who wish to distribute and sell smokable hemp products declared legal under federal law (represented by attorneys from Bose McKinney & Evans LLP) – to file a reply memorandum in support of their motion by August 22, and she sets the matter for hearing on August 28.

□ And if you’re hep to the hemp world, you’re aware that the nascent industry is eagerly awaiting federal regulations covering both hemp cultivation and CBD products, which were anticipated this month . . . but now are expected to be released this Fall, for the 2020 growing season. While the most recent Farm bill authorized state-level hemp production programs, those programs are subject to strict federal oversight, and not all of the rules are in place, causing some concern for Hoosier farmers who are in the midst of making – in some cases – multi-million-dollar investments in hemp production in rural counties.

□ The new U.S. Department of Agriculture regulations are expected to address issues including testing standards, law enforcement compliance, inspections, disposal, and certification for both products and industry workers – some of which now fall into “gray areas” for Indiana stakeholders.

□ Further troubling the Hoosier hemp hopefuls: Some have viewed hemp (and related seed) production as an alternative crop to help tide them through the trade war with China and continued price and market volatility for traditional corn and soybean crops.

IN the Economy

● The State Fiscal Health initiative of the Pew Charitable Trusts crunches the numbers and learns that while the national recovery from the economic crisis late in the last decade has been extended, state economic growth, reflected in the combined personal income of all residents, lags its historic pace. Through the first quarter of 2019, total U.S. personal income rose by the equivalent of 1.9% annually year since the recession began, compared with the equivalent of 2.6% across the past 30 years, after accounting for inflation. State personal income has also increased unevenly among states, but Indiana leads its neighbors in annual growth rate for inflation-adjusted income from the fourth quarter of 2007 to the first quarter of 2009 (even as all five states lag the national recovery rate). Indiana trails Ohio and Kentucky in personal income growth from the first quarter of 2018 to the first quarter of 2019 (and again, each state lags the national average growth; 31 states outpaced U.S. growth in personal income).

State Personal Income Growth

State	Q4 2007 - Q1 2019	Q1 2018 - Q1 2019
Indiana	1.8%	1.4%
Illinois	1.0%	1.1%
Kentucky	1.4%	1.7%
Michigan	1.4%	1.1%
Ohio	1.4%	1.7%
National	1.9%	2.0%

● Our sister Hannah newsletter, **INDIANA GAMING INSIGHT**, is the bearer of some bad news this week: Indiana’s 13 commercial gaming properties reported a 2.50% decrease in semi-annual revenue, the first downturn in January-June results since 2015. For the six months ending June 30, 2019, statewide casino win amounted to just \$1.10 billion, a 14-year low . . . and we don’t think Hoosiers are just saving up their nest eggs to bet it all on football games when sports wagering goes live in Indiana beginning next month.

● The Tax Foundation find that the median property tax bill in Indiana ranges from a low of \$403 in Pulaski County to a high of \$2,343 in Hamilton County.

□ On a related note, **Fred Swift** writes in the *Hamilton County Reporter* that Hamilton County saw an increase in assessed valuation of more than \$1.4 billion to a record \$23.5 billion. “Carmel experienced the greatest gain: \$570 million, but \$195 million of that was due to annexations. Arcadia was the only unit to suffer a loss in valuation, dropping from \$38.7 million to \$37.9 million.”

● The Indianapolis Airport Authority heads to market Tuesday with a \$107 million refunding package sold via the Indianapolis Local Public Improvement Bond Bank, seeking to reduce its exposure from floating-rate debt issued in 2010 by replacing it with a fixed-rate structure.

● Peabody Indiana Services LLC’s Somerville Central Mine near Oakland City in Gibson County is slated to close in October after 19 years, ending more than 120 jobs . . . the last Sears department store in Northwest Indiana (Southlake Mall in Hobart) and one in Mishawaka (University Park Mall) are closing . . . HOYA Optical Labs of America, Inc. (formerly 3M, AO Safety, and American Optical), will permanently close its prescription safety eyewear manufacturing facility in Plymouth beginning in early October and running through next March, ending more than 80 jobs . . . the *Goshen News* reports “Plans by Lippert Components Inc. to construct a \$20 million facility on the city’s southeast side have apparently been scrapped”

● Micropulse, Inc., a company that develops and manufactures medical implants, instruments, cases and trays, and sterile packaging, plans to invest \$6.8 million building and equipping about 15,000 more square feet at its facility outside Columbia City, as well as renovating existing space. Micropulse expects to create 25 new jobs by the end of 2020 with the help of up to \$115,000 in performance-based tax credits from the Indiana Economic Development Corporation, and a 10-year property tax abatement from the Whitley County Council . . . Guardian Machine Protection, a provider of preventive maintenance services for manufacturers' industrial machinery, plans to add up to 170 new jobs in Fort Wayne. The Indiana Economic Development Corporation offers Guardian Machine Protection up to \$1 million in performance-based tax credits. Northeast Indiana Works will provide Guardian with hiring and training assistance. The Fort Wayne City Council also will consider real and business personal property tax abatements.

● Former Sen. Allen Paul (R) could face felony charges due to his alleged unregistered lobbying efforts for the Indiana Department of Veterans' Affairs (IDVA), reports **Tony Cook** in the *Indianapolis Star*. Paul, hired without fanfare by IDVA in the Pence Administration for nebulous duties, never registered as a lobbyist despite questions about his role and a request by the Indiana Lobby Registration Commission (there were also questions about his work hours and pay). After the Commission was stonewalled in its efforts to force registration and enter into a deal over fines, it referred the matter to the Marion County Prosecutor's Office. Former Sen. Brent Steele (R) is representing Paul.

IN Court

● You've probably let it slip your mind that it has been five years since the Judicial Nominating Commission last picked Indiana's Chief Justice . . . and, by law, it's time again for the Nominating Commission to select a CJ. Chief Justice **Loretta Rush** will interview with the Commission to seek reappointment. She was unanimously selected to lead the Court in 2014, becoming the first female CJ, and she had served on the Court for only 637 days at the time, the briefest amount of service for anyone selected chief justice since at least before 1970, when that title was rotated among the justices. She easily won her initial public retention vote in November 2014.

□ All current Supreme Court Justices have been invited to share their thoughts with the Commission about the qualities and attributes important in a Chief Justice during the public portion of the meeting, and each has agreed to do so before the Commission moves into executive session for discussion. Following the executive session, the Commission will convene in a public session to vote on its selection of Indiana's next Chief Justice, and there is no reason to believe that Chief Justice Rush will not retain the post, having earned high marks among the judiciary for her work on innovation, modernization, broader public access, automation, and focus on more assistance for classes which have traditionally had difficulty accessing or traversing the system. While the Court itself has been markedly less unanimous in its decision making than in recent decades (despite having all justice appointed by Republican governors), this has not been seen as a problem by judicial observers.

□ Bear in mind that there hasn't been a CJ selection process that wasn't effectively a *fait accompli* since the late 1980s.

IN Transition

● The Fort Wayne Journal Gazette details new staff joining the office of U.S. Rep. Jim Banks (R). **Mitchell Hailstone** is the new communications director, coming to the post from work as communications director for U.S. Rep. Mark Green (R-TN) . . . Rep. Banks has also hired **Buckley Carlson**, "the son of Fox News political commentator **Tucker Carlson**," who "had applied for a communications job with Banks, according to **David Keller**, his chief of staff. Keller said that Banks has never met Tucker Carlson, host of the Fox News Channel show "Tucker Carlson Tonight," and did not know that Buckley Carlson was his son when Buckley interviewed. Buckley did not disclose the relationship at the time." Carlson takes "an entry-level job as a special assistant in Banks' office." The University of Virginia alum "is answering phones, responding to correspondence from the congressman's northeast Indiana constituents and assisting with media communications"

● Former Indiana Sen. **Doug Eckerty** (R) is named by the Madison County Board of Commissioners as the county's new JobSource director, a job that pays some \$60,000 annually as well as full county benefits. Eckerty was a key player on workforce development legislation during his Senate tenure.

IN the Lobby

● **Joel Elliott** leaves his post as chief of staff to U.S. Rep. **Abby Finkenauer** (D-IA) after service as chief of staff to former U.S. Sen. **Joe Donnelly** (D) both in the House and Senate, and the former Davis Administration lieutenant gubernatorial aide joins Salesforce as its lead Democratic lobbyist. He founded Consulting for a Common Good before working for Rep. Finkenauer.

● **Eli Lilly** and Company spent \$2.3 million lobbying Congress during the second quarter of 2019 . . . which was not even enough to lift Lilly into the top 20 among the Q2 spenders.

● Expect Vincennes University to restructure the university's government relations office following the death of its longtime leader, the well-liked and respected **Phil Rath**, who led the government relations function for VU in his role as vice president for financial services and government relations under several different VU presidents. The financial services department has already been reorganized and staffed, with changes in Indianapolis representation expected soon.

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From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 8/20
Date: Tuesday, August 20, 2019 11:08:42 AM
Attachments: [Howey 8-20-19.pdf](#)
[IBJ- Teachers give Holcomb's commission ideas for increasing pay.pdf](#)
[August 2019 Leadersheet.pdf](#)

Pillar 1- Diversify our economy

NWI Times- [New entrepreneurship training program to help foster 'innovation economy' in NWI](#)
NWI Times- [Towns gear up for economic, tourism boom from Dunes' national park designation](#)
Reuters- [U.S. Steel plans to lay off hundreds of workers in Michigan, maybe Indiana](#)
WNDU- [Economist: RV industry sale declines could indicate possible recession](#)
Inside IN Business- [Report Shows 'Promising Start' for Indiana VC Investment](#)
Inside IN Business- [SoIN Tourism Approves \\$1.4M to Support Projects](#)
Inside IN Business- [Purdue: Farmland Values Decline Fifth Straight Year](#)
NWI Times- [Indiana State Fair attendance almost hits 900,000](#)
Inside IN Business- [Indiana State Fair Attendance Jumps](#)
Hoosier Ag Today- [Indiana Corn and Soybean Crop Conditions Fall](#)
Kokomo Tribune- [Professor: Farmers in trade war 'cross hairs'](#)
Journal Gazette- [Senators wary of USDA forecast](#)
Inside IN Business- [Hammond Pulls 135 Jobs from Illinois](#)
Inside IN Business- ['Transformation' Continues in Westfield](#)
Pharos Tribune- [Chamber launches 'See You in Terre Haute'](#)

Pillar 2- Upgrade our infrastructure

NWI Times- [NIPSCO upgrading Merrillville infrastructure](#)
Inside IN Business- [Notre Dame, South Bend to Build Hydroelectric Facility](#)
NWI Times- [Cyanide levels dropping near industrial spill in Portage, ArcelorMittal says](#)

Pillar 3- Strengthen our workforce

Journal Gazette- [Area jobless rate inches up](#)
DC Herald- [County shares No. 1 in July jobs report](#)
RTV6- [Kokomo native finds career success after internships](#)

Pillar 4- Attack the drug epidemic

WPTA- [11 Hoosiers with history of vaping have lung illnesses](#)
Indy Star- [Mystery illness potentially linked to vaping sickens 11 in Indiana](#)
Daily Herald- [Why teen vaping is an epidemic that needs urgent attention](#)
Time- [Nearly 100 People Have Reported Lung Diseases That May Be Linked to Vaping](#)
Inside IN Business- [IU Researchers Receive \\$3M to Study Cannabis Effects on Teens](#)
Kokomo Tribune- [Turning Point to host overdose awareness event, provide training](#)
IN Econ Digest- [Fayette County renews needle exchange program](#)
US Army- [Indiana National Guard trains with federal drug agents](#)
Times Sentinel- [U.S. drug czar speaks at Indiana State U.](#)

Pillar 5- Deliver good government service

WANE- [Indiana agency OKs cleanup plan for former hospital site](#)
Pal Item- [IDEM wants cleanup work done in 2 spots on the old Reid property](#)
IN Public Media- [Census Committee Begins Work Ahead Of Next Year's Count](#)
WIBC- [Indiana Begins Planning to Count Every Hoosier Next Year](#)
WVIK- [Is New Indiana Policy Enough To Curb Smoking?](#)

2019 Legislative Session

Inside IN Business- [Indiana Casinos to Begin Sports Betting](#)
Indy Star- [11 sportsbooks could open next month, mobile still unknown](#)
Daily News- [Rep. Frye: Remove veterans' taxes, add skilled workers](#)
ABC7- [Indiana to launch sport betting in time for NFL season](#)
Crusader- [Governor Holcomb Signs School Safety Legislation](#)

Teacher Pay Commission Meeting

Indy Politics- [Talking teacher pay](#)
Chalkbeat- [Educators bring ideas for raising teacher pay to commission](#)
WIBC- [Educators: State Needs More Revenue to Fully Fund Teacher Raises](#)
IN Public Media- [Teacher Pay Commission Meeting Highlights Educators' Concerns](#)

Misc.

Indy Politics- [How's Holcomb doing?](#)
Indy Star- [Indiana in top 5 for low vaccine exemptions](#)
NWI Times- [Indiana lawmaker under fire for posting noose picture](#)
My Wabash Valley- [Indiana lawmakers discuss payday lending ideas](#)
IN Public Media- [Indiana Approaches Forestry Like Other Professionals](#)

Sincerely,

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PENCE BLAMES MEDIA FOR ECONOMIC UNCERTAINTY: Vice President Mike Pence on Monday insisted the economy is strong and blamed many in the mainstream media for their "irresponsible rhetoric" suggesting otherwise, as some economists raise alarm bells over the U.S. economic outlook ([CBS News](#)). Pence, speaking at the Detroit Economic Club, continued the Trump administration's messaging that the economy is strong despite market volatility, and the media is to blame instead. "Despite the irresponsible rhetoric of many in the mainstream media, the American economy is strong, and the U.S. economic outlook remains strong as well," Pence told the group in Detroit Monday. "Now, last week, despite some volatility in global markets, leading retailers also reported strong sales and earnings, and consumer spending posted its strongest reading since March. And under President Trump's leadership, as a son of the heartland myself, I couldn't be more proud to say that the automotive industry is roaring back here in Michigan and all across the heartland." The "fundamentals" of the U.S. economy are solid, the White House asserted Monday, invoking an ill-fated political declaration of a decade ago amid mounting concern that a recession could imperil President Trump's reelection. Senior advisor Kellyanne Conway declared to reporters, "The fact is, the fundamentals of our economy are very strong" ([Los Angeles Times](#)). It's a phrase with a history. Republican John McCain was accused of being out of touch when he made a similar declaration during the 2008 presidential campaign just hours before investment bank Lehman Brothers filed for bankruptcy, setting off a stock market crash and global financial decline.

PROFS. DeBOER, GUELL SEE 'SOLID' SIGNALS FOR RECESSION: A recent yield-curve inversion on the bond market, widely considered a negative economic sign, may not mean an imminent recession this year but one is still a possibility through next year, say some Indiana economists (Greninger, [Terre Haute Tribune-Star](#)). Economists say that inversion is an indication that investor confidence in the economy is down, as small gains in bonds might be better than potential losses by holding stocks into a recession. "It is a relatively solid signal of an economic downturn as signals go. It hasn't been wrong, but that doesn't mean it can't be wrong now," Robert Guell, professor of economics at Indiana State University. "That has only happened in the past in advance of what has ultimately become a recession." Guell said he does "not think a recession is coming yet, but it is not out of the realm of possibility. President [Donald] Trump's trade policy is making things much more likely for a recession." During the last 50 years, yield curve inversions have occurred before each of the last seven recessions, said Larry Deboer, professor of agricultural economics at Purdue University. And each time a recession started within five to 16 months, he said. This year, the first inversion happened in May, making it possible for recession between October this year and September next year, Deboer said. "This is all a measure of confidence," Deboer said. "It is weird, in a way, because sometimes the markets act as a yield curve inversion causes a recession, but all it is really is a read on what they [investors] are really thinking."

74% OF ECONOMISTS PREDICT RECESSION: A strong majority, 74 percent, of U.S. business economists appear sufficiently concerned about the risks of some of President Donald Trump's economic policies that they expect a recession in the U.S. by the end of 2021 ([AP](#)). The economists surveyed by the National Association for Business Economics, in a report released Monday, mostly didn't share Trump's optimistic outlook for the economy, though they generally saw recession coming later than they did in a survey taken in February. Thirty-four percent of the economists surveyed said they believe a slowing economy will tip into recession in 2021. That's up from 25 percent in the February survey. An additional 38 percent of those polled predicted that recession will occur next year, down slightly from 42 percent in February. Another 2 percent of those polled expect a recession to begin this year. In February, 77 percent of the economists expected a recession either this year, next year or in 2021.

BUCHSHON TALKS TRUMP, GUNS AT TOWN HALL: U.S. Rep. Larry Bucshon finally hosted a town hall meeting Monday night in the Tri-State which is his first in a few years (Gorman, [WFIE-TV](#)). Some people in the audience call it long overdue. "And I explained this to the crowd, that I was going to do some town halls in the August recess and because of the hot political climate, the Capitol police said it's pretty hot right now, and they recommended members of congress limit this type of event," Bucshon responded when asked about the gap. Bucshon told the crowd he's optimistic about America. The first question of the night was related to the President. "The reality is I don't support him on everything," Bucshon stated. "But, if you look at his agenda, it is a right of center conservative agenda, and that's what I support as a congressman." One hot topic discussed related to his stance on gun control. "Just hypothetically, we're going to ban them," Bucshon used as an example. "Are you going to confiscate every weapon that is currently in every household in America that is that kind of weapon? Ok, I understand that. Then you are violating the constitution."

BIDEN LEAD INCREASES IN CNN POLL: Joe Biden has expanded his edge over the Democratic field in a new [CNN](#) poll conducted by SSRS, with 29% of Democratic and Democratic-leaning registered voters saying they back the former vice president. That's up 7 points compared with a late June CNN survey. No other candidate has made meaningful gains over that time. The shift returns Biden to a double-digit lead over his nearest competitors, Vermont Sen. Bernie Sanders at 15% and Massachusetts Sen. Elizabeth Warren at 14%. Their support is largely unchanged since earlier this summer. South Bend

Mayor Pete Buttigieg is at 5%. Aside from Biden's increase, the only statistically meaningful change in the candidate standings is a 12-point decline in support for California Sen. Kamala Harris, who stood at 17% support in the June poll but now has the backing of 5% of potential Democratic voters.

TEACHERS TESTIFY ABOUT PAY BEFORE NEXT LEVEL COMMISSION: When Robin Robinson stood in front of the governor's teacher pay commission on Monday, she came prepared with a script: a paper listing her salary, year by year. As the eighth-grade social studies teacher for the Monroe-Gregg School District recited her annual salaries, a trend became clear. She has been teaching for more than 30 years, but around 15 years ago her salary stopped growing. Then it started shrinking, landing below \$60,000 (Fittes, [Chalkbeat](#)). The seven-member commission panel — made up of former corporate executives, a philanthropist, and non-profit leaders — heard many similar stories as teachers offered their ideas and pleas for better pay. The suggestions put forth over more than two hours largely reiterated familiar calls: to reallocate funding from charter schools to public schools, strengthen teachers' power to bargain their contracts, and bring back a pay scale that guarantees more pay for teachers each year they work. "There are so many seemingly obvious solutions," said Marydell Forbes, an English teacher at West Lafayette Jr./Sr. High School. "With all due respect, this is not rocket science. And while we are passionate, we are not the Peace Corps." Monday night was the public's first chance to provide input to the state commission tasked with making recommendations for how to improve teacher salaries. Until now the group has only met privately — a decision the state's public access counselor previously said was legal although it stirred controversy, especially among educators.

HOOSIER FARMERS IN THE CROSS HAIR: Farmers are in the cross hairs of the ongoing trade dispute between the U.S. and its partners, according to a Purdue professor. Chris Hurt, professor of agriculture economics at Purdue University, said Wednesday the trade dispute with China is having a considerable impact on Indiana farmers. "The tariffs put into place last year are reducing the amount of exports of agricultural products," Hurt said (de la Bastide, [Anderson Herald-Bulletin](#)). "The trade dispute with China is the focal point of the Trump administration." He said there are also concerns about the trade talks with Canada and Mexico that have not been settled. China is the largest importer of soybeans and that Canada and Mexico are in the top five when it comes to imports, he said. "Agriculture is in the cross hair," he said. "There is a lot of concern and discomfort among Indiana farmers." Hurt said, for the most part, the agricultural community is supportive of the overall direction of the trade talks. "Farmers want access to the markets," he said. "President Trump has brought the trade issue to the forefront." A survey done by the Indiana Farm Bureau found that 72% of respondents indicated the trade situation is jeopardizing their operation. "The agriculture industry is dealing with a number of issues that impact a farmer's bottom line right now," Randy Kron, president of the Indiana Farm Bureau, said in a press release. "There's a surplus of commodities in the market due to higher than average yields, and over the last five years farmers have seen a 50% drop in farm income. Add the additional impacts of trade wars and tariffs to the existing issues, and the financial situation has become even more concerning.

SENATORS WARY OF USDA CROP REPORT: The U.S. Department of Agriculture has more confidence in this year's corn harvest than Hoosier farmers do, according to Indiana's senators (Francisco, [Fort Wayne Journal Gazette](#)). Republican Sens. Todd Young and Mike Braun have written to USDA Secretary Sonny Perdue to question the department's projected corn yields. The USDA predicted Aug. 12 that American farmers would produce 169.5 bushels of corn per acre, an increase from 166 bushels in its July outlook. "Given the unprecedented rains this spring, which brought flooding and soggy fields across the Midwest, and particularly in the Hoosier state, this latest estimate perplexes many farmers," Young and Braun wrote in their letter, dated Friday. They said the department's National Agriculture Statistics Service estimated that only 79% of Indiana's corn crop had been planted by Aug. 12, with 15% planted after mid-June, raising worries about this year's harvest after a shortened growing season. "Nothing like 2019 has happened in our history before," Greg Matli, Indiana statistician for the statistics service, said last week at an Indiana State Fair forum on the status of Hoosier crops, according to a report by the Purdue University News Service.

PURDUE FINDS FARMLAND VALUE DECLINES FOR 5TH STRAIGHT YEAR: The value of top-quality farmland in Indiana has declined continuing a five-year trend, according to the latest data from Purdue University. The statewide average of the best cropland is \$8,212 per acre, down more than five percent, or \$456 per acre, from the same period last year (Mills, [Inside Indiana Business](#)). Purdue's survey shows average and poor-quality farmland values also dropped, but not as much. Average quality farmland declined by 0.9 percent. Purdue says the poor-quality farmland decline was so small it resulted in a 0.0 percent change. The survey, conducted with farm managers, lenders, and farmers, compared values from June 2018 to June 2019. The survey also looked at cash rents farmers pay to landowners. The statewide average of top-quality farmland had a cash rent of \$249 per acre, a drop of 4.6 percent (\$12) per acre. Purdue agricultural economist Michael Langemeier called it an "enigma" on why values of the best farmland had the biggest decline. "I would have thought the lower productive land to decline more than the top productive land. But I think what's going on there's pressure to get the cash rent market, in particular, in line with where the net returns are."

AUTOMAKERS DEFY ENRAGED TRUMP ON AUTO EMISSION ROLLBACKS: The White House, blindsided by a pact between California and four automakers to oppose President Trump's auto emissions rollbacks, has mounted an effort to prevent any more from joining the other side. Toyota, Fiat Chrysler and General Motors were all summoned by a senior

Trump adviser to a White House meeting last month where he pressed them to stand by the president's own initiative, according to four people familiar with the talks ([New York Times](#)). But even as the White House was working to do this, it was losing ground. Yet another company, Mercedes-Benz, is now preparing to join the California agreement, according to two people familiar with the German company's plans. Mr. Trump, described by three people as "enraged" by California's deal, has also demanded that his staffers step up the pace to complete his plan. His proposal, however, is directly at odds with the wishes of many automakers, which fear that the aggressive rollbacks will spark a legal battle between California and the federal government that could split the United States car market in two. The administration's efforts to weaken the Obama-era pollution rules could be rendered irrelevant if too many automakers join California in opposition before the plan can be put into effect. That could imperil one of Mr. Trump's most far-reaching rollbacks of climate-change policies.

HPI DAILY ANALYSIS: It's way, waaaay early, but the CNN Poll is interesting on one key point: The Democratic old folks are leading. Septuagenarians Joe Biden, Bernie Sanders and Elizabeth Warren are turning this into, essentially, a three-person race. The winner gets to take on septuagenarian President Donald Trump. Passing the torch to a new generation doesn't appear to be in the cards at this point. We'll see if this trend holds into the fall. - *Brian A. Howey*

Presidential 2020

BIDEN BEGINS IOWA TV AD CAMPAIGN: Joe Biden has kicked off a \$500,000 TV ad buy in Iowa (*Howey Politics Indiana*). "We know in our bones this election is different. All polls agree Joe Biden is the strongest Democrat to do the job." The ad calls President Trump a "vicious president."

WARREN APOLOGIZES TO NATIVE AMERICANS: Sen. Elizabeth Warren opened her remarks at a Native American presidential forum with a more straightforward version of the apology she has offered in the past for identifying as a Native American for two decades while she was a law professor ([Washington Post](#)). "I want to say this, like anyone who's been honest with themselves, I know that I have made mistakes," Warren said. "I am sorry for harm that I have caused. I have listened and I have learned a lot, and I am grateful for the many conversations that we've had together." The remarks mark her latest effort to navigate what has been a politically fraught subject dating back to her first run for Senate in 2012. In that race, her Republican opponent criticized her for identifying as a Native American during her career as a law professor. Warren said she did so because of family stories that she had Cherokee and Delaware ancestry, but critics accused her of lying to advance her prospects, even though there has been no evidence she benefited professionally.

28% OF HOOSIERS DON'T KNOW BUTTIGIEG: Do you know who Mayor Pete is? What if he's referred to as Pete Buttigieg? Even though the Democrat mayor of South Bend is running for president and has made the rounds on late night TV and the debates, over a quarter of the people in Marion County don't know who he is or anything about him, says a new poll from Mason Strategies (Davis, [WIBC](#)). The poll of likely voters in Marion County, considered a Democrat stronghold, show 28 percent of the people surveyed had no opinion or did not know who Buttigieg was. That means he may have a lot of name recognition problems with voters if he wants to pass front runners Joe Biden and Elizabeth Warren. The poll of 400 people says 41 percent have a favorable or somewhat favorable opinion. Another 28 percent have an unfavorable opinion. Buttigieg has a favorable rating of only 36 percent of African-Americans polled, and 41 percent had no opinion or had not heard of him.

WOMEN FOR TRUMP EVENT IN TAMPA: On Thursday, August 22, 2019 Women for Trump will host "An Evening to Empower", a campaign coalition event centered around the 99th anniversary of the ratification of the 19th amendment. The event is scheduled to take place at the Tampa Convention Center in Tampa, Florida. The Honorable Kellyanne Conway, Florida First Lady Casey DeSantis, and Former Florida Attorney General Pam Bondi will attend the event and address attendees (*Howey Politics Indiana*). The event will be hosted by the Donald J. Trump for President, Inc. and will include a presentation by the Trump Victory Leadership Initiative (TVLI), a nationwide effort designed to mobilize volunteers, register and engage voters in an effort to re-elect President Trump and to support down-ballot republicans in 2020. Women for Trump will be participating in TVLI efforts across the country on August 22nd all in an effort to register voters ahead of the 2020 elections.

MOOCH PUTTING TOGETHER ANTI-TRUMP COALITION: Anthony Scaramucci, a former White House communications director who has recently withdrawn his support for President Donald Trump, said Monday that he is putting together a coalition of former Trump Cabinet officials to denounce the President ahead of the 2020 election ([CNN](#)). "I'm in the process of putting together a team of people that feel the exact same way that I do. This is not a 'Never Trump' situation. This not just screeching rhetoric. This is -- OK, the guy is unstable. Everyone inside knows it, everyone outside knows it. Let's see if we can find a viable alternative," Scaramucci told CNN's Alisyn Camerota on "New Day."

Congress

YOUNG PUSHES FOR TOBACCO AGE BILL: U.S. Sen. Todd Young (R-Ind.) held a press conference with Teens for Tobacco 21, a student organization at Floyd Central High School, on the Tobacco to 21 Act. The bipartisan legislation would prohibit the sale of tobacco products, including e-cigarettes, to anyone under the age of 21 (*Howey Politics Indiana*). "The CDC estimates that approximately 4.9 million middle and high school students nationwide were current users of some type of tobacco product last year," said Senator Young. "With vaping and e-cigarette use on the rise among middle and high school students, we have to act now to protect Hoosier teens. I'm encouraged to see strong Hoosier leaders in southern Indiana taking a stand to raise the tobacco age to 21."

BANKS DEFENDS ISRAEL OVER REP. TLAIB: Rep. Rashida Tlaib (D-MI) was eligible to travel to Israel as part of a Congressional delegation trip with Rep. Steny Hoyer (D-MD), but the Democratic congresswoman declined to participate after she was asked by the Jewish state to sign a letter promising not to promote boycotting of Israel during her visit (Davis, [WIBC](#)). Rep. Tlaib has been lashing out in the press and on social media in the wake of Israel's decision to supposedly block the Michigan Rep. and her colleague, Minnesota Rep. Ilhan Omar from entering the country - a move that has reportedly prompted House Democrats to consider retaliatory moves against two top American and Israeli diplomats. Indiana Rep. Jim Banks took to social media last Friday to provide clarity on the controversy. "Let's be clear: Israel is not barring US Reps entry. @RepRashida could've gone with @StenyHoyer on his delegation trip to Israel," tweeted Banks. "Instead she decided to go with @Ilhan on a trip funded by anti-Semitic, terror-linked group called Miftah - THAT is why Israel refused them."

PAUL RYAN MOVING FROM WISCONSIN TO DC: Paul Ryan is moving his family to the city he was always giddy to leave (*Politico*). The former speaker of the House and onetime GOP vice presidential nominee is leaving his longtime home of Janesville, Wis., and will rent a house in the Maryland suburbs of Washington. 'Now in the private sector, Paul and his family are temporarily renting a house in Maryland, and he'll be spending time there as well as their family home in Janesville,' a Ryan aide told POLITICO.

General Assembly

BLACK CAUCUS REACTS TO REP. LUCAS NOOSE POSTING: An Indiana lawmaker who posted nooses under a Facebook story about a black man pleading guilty to rape is drawing criticism for using racist imagery ([AP](#)). Republican state Rep. Jim Lucas, from Seymour, posted a picture of a gallows with two nooses under a WISH-TV story about Marquise Dozier's case. Lucas says he wanted to punish the man and believes in capital punishment. Dozier faces up to 72 years in prison. Lucas says he's previously posted the image under stories involving white offenders. Lucas says he isn't racist and doesn't believe the photo is. The chair of the Indiana Black Legislative Caucus blasted the photo. Democratic state Rep. Robin Shackleford tells The Indianapolis Star noose imagery is well-known to be connected to the lynchings of African Americans and the "normalization of racism" must end.

State

GOVERNOR: WHO'S ON NEXT LEVEL TEACHER COMMISSIONER - Republican Gov. Eric Holcomb introduced the commission and its advisory council during his January State of the State address. The commission is expected to submit recommendations to the state legislature by its next budget-writing session in 2021 ([Chalkbeat](#)). Two more public meetings are scheduled: 10 a.m. (Central Time) Saturday, Aug. 24, at the Central High School auditorium, 5400 First Avenue, Evansville; 7 p.m. Tuesday, Aug. 27, at the Concord Jr. High Cafeteria, 59397 County Road 11, Elkhart. Commission Chairman Mike Smith said the commission does not have plans for any other public meeting, but said the commission will continue traveling the state and talking to teachers.

Who's on the Next Level Teacher Compensation Commission: Commission Chairman Michael L. Smith (Indianapolis), former chairman, president, and CEO of Mayflower Group and former executive vice president and CFO of Anthem Blue Cross Blue Shield; Jená Bellezza (Gary), COO of Indiana Parenting Institute; Tom Easterday (Zionsville), former senior executive vice president, secretary, and chief legal officer for Subaru of Indiana Automotive; Marianne Glick (Indianapolis), chair of the Eugene and Marilyn Glick Family Foundation and board member of the Gene B. Glick Company; Bob Jones (Evansville),

recently retired chairman and CEO of Old National Bancorp; Katie Jenner (Madison), senior education advisor to Gov. Holcomb; and Nancy Jordan (Fort Wayne), senior vice president of Lincoln Financial Group

Who's on the advisory council: Melissa Ambre (Noblesville), director of the Office of School Finance for the Indiana Department of Education; Lee Ann Kwiatkowski (Greenwood), director of public education and CEO of Muncie Community Schools; Emily Holt (Arcadia), math teacher at Westfield High School; Dan Holub (Indianapolis), executive director of the Indiana State Teachers Association; Denise Seger (Granger), chief human resource officer for Concord Community Schools in Elkhart; David Smith (Evansville), superintendent of Evansville Vanderburgh School Corporation; Rebecca Gardenour (New Albany), member of the New Albany-Floyd County Board of School Trustees and member of the Indiana School Boards Association.

BUSINESS: BAYER SELLING DIVISION TO ELANCO - Bayer is selling its animal-health business to an American rival for \$7.6 billion, part of the German drug and chemicals giant's plan to divest assets amid mounting legal liabilities from its Roundup herbicide ([Wall Street Journal](#)). The deal to sell the unit to Elanco ELAN 1.53% Animal Health Inc., based in Greenfield, Ind., would create a new industry heavyweight in the business of preventing and treating diseases for pets and livestock. The combined company would have a market share of roughly 13%, making it the second-largest animal-health company by revenue, according to Germany's Baader Bank. Bayer said it would get \$5.3 billion in cash and retain a stake worth \$2.3 billion in Elanco, and said it plans to exit this stake over time.

ENVIRONMENT: CHEMICAL LEVELS RECEDE ON LAKE MICHIGAN BEACHES - Ammonia levels are now within permitted levels and cyanide levels continue to decrease at the site of last week's industrial spill by ArcelorMittal in the local east branch of the Little Calumet River, according to the company ([NWI Times](#)). "We have been conducting daily samplings at the two impacted wastewater outfalls, and we are also conducting daily downstream samplings every quarter mile for 2.5 miles of the Little Calumet River," according to a press release from ArcelorMittal. "As a precautionary measure and in support of stakeholder requests, we have expanded our testing to include the lakeshore from Porter Beach to the westernmost extent of West Beach." "Unfortunately, these are not real-time results as there is an inherent delay in processing daily tests by a third-party analytical lab," the company said. "However, the constituents of concern have demonstrated a pattern of daily improvement since Thursday."

CENSUS: COMMITTEE HAS FIRST MEETING - Indiana state officials are kickstarting efforts to support the U.S. Census Bureau ahead of next year's population count ([Indiana Public Media](#)). Monday marked the first meeting of Indiana's Complete Count Committee. The census affects a lot in Indiana. Beyond helping decide how legislative districts are drawn, the population count influences urban planning, rural development and, says Census Bureau regional director Marilyn Sanders, federal funding. "Over \$675 billion are distributed based on census data every single year," Sanders says.

HEALTH: IN/KY PLANNED PARENTHOOD SEES FUNDING BOOST - Planned Parenthood of Indiana and Kentucky is receiving a nearly \$1 million funding boost and is adding staffers since its merger with the group's Seattle-based affiliate earlier this year ([AP](#)). Additional money was promised with the merger announced in February as the wealthier chapter for Washington, Idaho, Hawaii and Alaska looked to help in states facing tougher anti-abortion laws. The Indiana and Kentucky group's tax filings show deficits of nearly \$1.3 million in 2017 and \$1.7 million in 2016 despite closing several clinics in recent years, the Indianapolis Business Journal reported. The organization has been able to increase salaries for its Indiana and Kentucky jobs while adding 45 positions this year, said Chris Charbonneau, who was CEO of the Seattle-based chapter when the merger was announced and is now also leading the Indianapolis-based affiliate. "We can help women that Mike Pence hurt," Charbonneau said, referring to the former Indiana governor who is now vice president. "That's hugely attractive to people who feel like they are undoing damage."

EDUCATION: PURDUE PROF. TYNER DIES - Purdue President Mitch Daniels tweeted Sunday night that Dr. Wallace "Wally" Tyner has died. Dr. Tyner was an Agriculture Economics professor at Purdue ([WLFI-TV](#)). According to a biography on the College of Agriculture website, Dr. Tyner worked for more than 40 years researching issues regarding agricultural economics, natural resource and energy economics, and public policy. He has even testified before the U.S. House of Representatives on renewable fuel standard. It is unclear how Tyner passed. President Daniels said in his tweet, "Deeply saddened at the loss of Dr. Wally Tyner. A great scholar and warm, wonderful human being. A tragic way to start the school year. Thank you, Wally, for all you did and meant to Purdue."

EDUCATION: PURDUE PROF. MARGERUM PASSES AT AGE 89 - Purdue is mourning the loss of retired Professor Dale Margerum. According to the university's website, the professor of chemistry died Wednesday at his West Lafayette home ([WLFI-TV](#)). He taught at Purdue for 54 years before retiring with distinction in 2008. His wife, Sonya, served as West Lafayette Mayor for 24 years. In 2015, the couple started the Sonya and Dale Margerum West Lafayette History and Research Center Endowment. It supports the West Lafayette Public Library's history and research center. Margerum was 89 years old.

EDUCATION: SCHURZ GIVES \$2M TO IU'S KINSEY INSTITUTE - A former Herald-Times publisher has donated \$2 million to Indiana University's center for the study of human sexuality (Reschke, [Bloomington Herald-Times](#)). Scott Schurz's gift will be used to establish the Kinsey Institute Bicentennial Endowed Chair, according to an IU news release. It will also be used to expand the Kinsey Institute's existing scientific research projects and pursue pilot studies in emerging fields of sexological research.

OCRA: COMMUNITY GRANT APPLICATIONS BEGIN - The Indiana Office of Community and Rural Affairs is announcing that the second round of [Community Development Block Grants](#) for 2019 is open. The following programs are accepting applications this round: Main Street Revitalization; Public Facilities; Stormwater Improvements; and Wastewater/Drinking Water. The instructions and other materials can be found at www.in.gov/ocra/cdbg. Proposals and applications will be completed and submitted via the new Indiana Electronic Grants Management System, which can be accessed at <https://indianaegms.force.com/Grants>. Only a certified Grant Administrator in good standing is able to start and submit an application. However, community members and key stakeholders can access the application to make edits in the system. Training on the new Indiana Electronic Grants Management System will be completed by the end of August. Round two proposals are due on Friday, October 4 at 4:00 p.m., ET. Final applications are due on Friday, November 22 at 4:00 p.m. ET with awards announced on January 9, 2020.

GAMING: REGION CASINOS TO BEGIN SPORTS BETTING - A pair of northwest Indiana casinos will soon add sports wagering to their offerings. Horseshoe Hammond Casino and Ameristar Casino East Chicago are both set to open sports betting areas at their respective casinos ahead of the kickoff to the 2019 NFL season (Brown, [Inside Indiana Business](#)). Horseshoe Hammond will open The Book, a 5,300-square-foot sports book which will allow people to wager on a variety of sports, including football, basketball, baseball and hockey, beginning September 4. The other locations include Harrah's Hoosier Park Racing & Casino in Anderson, Horseshoe Southern Indiana, Indiana Grand Racing & Casino in Shelbyville, and Winner's Circle locations in Indianapolis New Haven. "The legalization of sports betting in Indiana presents a huge opportunity for Horseshoe Hammond," said Dan Nita, regional president of Caesars Entertainment, the parent of Horseshoe Hammond. "We recognize the need to continually evolve and offer our guests new and exciting entertainment experiences. We are proud to be among the first in Indiana to offer sports betting. I'm optimistic of the positive effect this will have on attracting new customers to our casino."

STATE FAIR: ATTENDANCE INCREASES - Indiana State Fair officials say attendance at this year's state fair increased over 2018. A total of 878,857 people visited the Indianapolis State Fairgrounds to attend the 17-day event, compared to 860,131 last year ([Inside Indiana Business](#)). Event representatives say the fair is the state's biggest multi-day event celebrating Hoosiers' spirit and agricultural heritage.

DNR: MAN DONATES HUDSON LAKE PUBLIC ACCESS SITE - Indiana needs more people like Jack DeGroot. If the state had more folks like this generous man, we'd have a lot more public access on northern Indiana lakes. You see, the 75-year old Eagle Global Logistics retiree probably could have made some money on the one acre land parcel he gifted to the Indiana DNR for the new Hudson Lake public access ([South Bend Tribune](#)). But he didn't. He chose to donate the land that recently became the Andrew L. DeGroot public access site. "God gave us a reason to do it by blessing my family use of the lake over the years and this was our opportunity to give something back," said the modest Hudson Lake man.

IDEM: CLEANUP PLAN FOR REID HOSPITAL SET - A cleanup plan has been approved at the site of a demolished hospital in eastern Indiana. The Indiana Department of Environmental Management wants cleanup work on two areas at the former Reid Hospital complex in Richmond. [The Richmond Palladium-Item](#) reports IDEM wants a former dumping ground in a wooded area cleaned up. A March inspection found solid waste, including a partially buried metal drum. The agency's cleanup plan calls for waste found at the surface to be removed and then replaced by 2 feet of clean fill on top. IDEM also wants a cleanup of a small area with pink soil near what was once the property's main entrance.

ECONOMY: US STEEL LAYOFFS COMING - In a Worker Adjustment and Retraining Notification filed on Aug. 5, the Pittsburgh-based company said it expects to let go fewer than 200 workers following its decision to halt production at the Michigan facility. In mid-June, the company said it would idle two blast furnaces at its Great Lakes and Gary Works plants, citing lower steel prices and softening demand. U.S. Steel said the lay-offs at the Michigan plant could last beyond six months. They will impact nearly every area of the facility, from blast furnace to finishing operations, a company spokeswoman told [Reuters](#).

MEDIA: OAK RIDGE BOYS COMING TO BROWN COUNTY MUSIC CENTER - Multi-platinum selling Country Music Hall of Fame favorites The Oak Ridge Boys will bring their "Down Home Christmas" tour to the Brown County Music Center on Tuesday, December 10 ([CBS4](#)). Known for four-part harmonies and upbeat songs, The Oak Ridge Boys have dozens of country hits and have won Grammy, Dove, CMA, and ACM awards throughout their career. The Brown County Music Center has also announced a performance by country singer Terri Clark on Friday, October 4 as part of its inaugural lineup this fall. Tickets for both shows will go on sale this Friday, August 23 at 10 a.m. and will be available at BrownCountyMusicCenter.com and at Ticketmaster.com.

WHITE HOUSE: TRUMP RETREATS FROM BACKGROUND CHECKS - President Trump appears to be backing away from potential support for gun background check legislation, according to White House aides, congressional leaders and gun advocates, dimming prospects that Washington will approve significant new gun measures in the wake of mass shootings that left 31 dead ([Washington Post](#)). Immediately after the carnage in El Paso and Dayton, Ohio, Trump said "there is a great appetite" for tightening background checks on people who buy firearms. But in recent days, Trump has focused in public remarks on the need to keep guns out of the hands of the mentally ill while emphasizing that the nation already has "very strong background checks right now" — positions that hew more closely to the views of the National Rifle Association. Behind the scenes, Trump's communication with key lawmakers, including Sen. Joe Manchin III, a moderate Democrat from West Virginia who has sought to develop bipartisan gun-control measures, has gone mostly cold, according to Capitol Hill aides, in part because Congress has left town for its summer recess.

WHITE HOUSE: TRUMP PONDERES PAYROLL TAX CUT - Several senior White House officials have begun discussing whether to push for a temporary payroll tax cut as a way to arrest an economic slowdown, three people familiar with the discussions said, revealing growing concerns about the economy among President Trump's top economic aides ([Washington Post](#)). The talks are still in their early stages and have included a range of other tax breaks. The officials also have not decided whether to formally push Congress to approve any of these measures, these people said, speaking on the condition of anonymity because they were not authorized to disclose internal discussions. But the White House increasingly is discussing ideas to boost a slowing economy, they said. Even though deliberations about the payroll tax cut were held Monday, the White House released a statement disputing that the idea was actively under "consideration."

WHITE HOUSE: ISIS COMEBACK IN SYRIA, IRAQ AFTER TRUMP'S TROOP DRAWDOWN - Five months after American-backed forces ousted the Islamic State from its last shard of territory in Syria, the terrorist group is gathering new strength, conducting guerrilla attacks across Iraq and Syria, retooling its financial networks and targeting new recruits at an allied-run tent camp, American and Iraqi military and intelligence officers said ([New York Times](#)). Though President Trump hailed a total defeat of the Islamic State this year, defense officials in the region see things differently, acknowledging that what remains of the terrorist group is here to stay. A recent inspector general's report warned that a drawdown this year from 2,000 American forces in Syria to less than half of that, ordered by Mr. Trump, has meant the American military has had to cut back support for Syrian partner forces fighting ISIS. For now, American and international forces can only try to ensure that ISIS remains contained and away from urban areas.

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump will have lunch with the Vice President Pence at 12:45 p.m. At 2 p.m., Romanian President Klaus Iohannis will arrive at the White House. At 2:10, Trump will have a meeting with Iohannis.

JUSTICE: ACTING PRISON CHIEF REMOVED - The acting chief of the federal Bureau of Prisons has been ousted from his post following the suicide of disgraced financier Jeffrey Epstein in a New York detention facility as he faced sex-trafficking charges ([Wall Street Journal](#)). Hugh Hurwitz, who had been serving as the head of the federal prison system on a temporary basis since May 2018, was reassigned to a different post, Attorney General William Barr announced Monday. The leadership changes come more than a week after Mr. Epstein hanged himself at the Metropolitan Correctional Center in Manhattan, where Mr. Barr has said investigators uncovered "serious irregularities."

HEALTH: PLANNED PARENTHOOD LEAVES FAMILY PROGRAM - Planned Parenthood's affiliates will tell the Trump administration Monday that they will leave the federal family planning program rather than comply with new abortion restrictions ([The Hill](#)). The Department of Health and Human Services (HHS) had set a Monday deadline for Title X family planning grantees to prove they are complying with new rules banning providers from referring women for abortions. Planned Parenthood said Monday its affiliates cannot ethically comply with the changes, which it called a "gag rule" on health care providers. That means Planned Parenthood's affiliates will lose millions of dollars in federal funding that it used to provide birth control and other reproductive health care services to low-income women and men. "Due to an unethical and dangerous gag rule, the Trump administration has forced Planned Parenthood grantees out of Title X," said acting Planned Parenthood President Alexis McGill Johnson.

NEW YORK: NYPD FIRES OFFICER IN GARNER DEATH - After five years of investigations and protests, New York City's police commissioner on Monday fired an officer involved in the 2014 chokehold death of an unarmed black man whose dying cries of "I can't breathe" fueled a national debate over race and police use of force ([AP](#)). Police Commissioner James O'Neill's announced at a midday news conference that he had fired Officer Daniel Pantaleo, who is white, based on a recent recommendation of a department disciplinary judge. He said it was clear that Pantaleo "can no longer effectively serve as a New York City police officer." "None of us can take back our decisions," O'Neill said, "especially when they lead to the death of another human being."

CITIES: NOTRE DAME, SOUTH BEND TO BUILD HYDROELECTION FACILITY - The St. Joseph River in downtown South Bend will once again generate power, just as it did a century ago for riverside factories. The University of Notre Dame and the city of South Bend broke ground Monday on a 2.5-megawatt hydroelectric generation facility on the dam that stretches across the river (Mills, *Inside Indiana Business*). The primarily underground facility is part of the university's efforts to reduce its carbon footprint by offsetting nearly 9,700 tons of carbon dioxide annually. "We move another step closer to our sustainability goals with construction of this facility," said Rev. John Jenkins, the university's president.

CITIES: COLUMBUS SETTLES SUIT WITH FORMER MAYOR - The Columbus Police Department and the city of Columbus have reached a settlement with former mayor Kristen Brown, agreeing to pay her \$32,000 for attorneys fees, court costs and other expenses Brown incurred in a public access lawsuit (McClure, [Columbus Republic](#)). The settlement agreement was announced today, along with the city and Brown's request that the court dismiss an appeal as the parties have resolved the matter. Brown had said her attorney fees were approaching \$50,000 in the case. The city has paid Faegre Baker Daniels \$79,813.50 in fees for legal representation in Brown's lawsuit, according to city records. The settlement agreement was signed Aug. 9 by Alan Whitted, Columbus City attorney and Aug. 12 by Brown, according to court documents.

CITIES: CROWN POINT INCREASES EMPLOYEE PAY - Non-public safety workers may be receiving a little more in their paychecks next year. Some department heads can also expect a raise. Looking ahead to September's meeting on the budget, Mayor David Uran and the City Council agreed Thursday on the following pay increases for 2020: 4% raise for non-public safety workers ([NWI Times](#)). \$5,000 raise for department heads in information technology, human resources, parks, special events and building/planning. City Council salaries would increase to \$15,000. The mayor and council had earlier agreed to 2% raises for police and fire personnel. According to Gregory Guerrettaz, city financial adviser with the Plainfield-based firm of Financial Solutions Group Inc., these pay increases are "doable" and in line with other area communities of similar size.

CITIES: WESTFIELD TRANSFORMATION CONTINUES - Indiana's fastest growing city is showing no signs of slowing down. Mayor Andy Cook says now that Westfield has established itself as a destination for family sports with the Grand Park Sports Campus, the \$35 million Grand Junction Plaza will transform the city's downtown into a destination, a place "where people want to be." Cook says the project, more than a decade in the making, is an example of a place making strategy necessary for Midwest cities to attract investment and talent. "It's very difficult in this flat topography and lack of natural resources, so we have to be very creative," said Cook, who believes "the time is right" for Westfield to create a signature space. Cook talked about the city's growth and an upcoming trade trip to Japan on this weekend's edition of [Inside INdiana Business](#) with Gerry Dick. In March, the Westfield City Council approved a funding plan for the Grand Junction Plaza redevelopment project, which will include three pavilions, an outdoor performance venue, restaurants and cafes and serve as a gathering place for festivals, markets and other events throughout the year.

CITIES: 135 JOBS COMING TO HAMMOND - A Hammond factory recently vacated by Michigan-based Lear Corp. didn't sit empty for very long. Our partners at The Times of Northwest Indiana report Midland Metal Products has taken over the former seat factory, having relocated from Chicago after 95 years, bringing 135 new jobs to the region ([Inside Indiana Business](#)). "Midland Metal Products moved to Hammond due to better business climate and convenient location," said Anne Anderson, Hammond director of economic development.

CITIES: NOBLESVILLE PD CHIEF TO RETIRE - Noblesville Chief of Police Kevin Jowitt announced Monday he will retire in a few months ([CBS4](#)). His last day will be on Jan. 31, 2020. Jowitt has been in the role for ten years, which officials say is the second longest police chief tenure in the city's history. He was appointed chief in 2009. "After careful consideration the time has come for me to take another path," Jowitt said. "It has been an honor to work alongside my law enforcement colleagues, and a privilege to serve the Noblesville community as chief. My law enforcement career has been challenging, rewarding and personally fulfilling." Jowitt has served in the law enforcement career for more than 40 years.

COUNTIES: FLOYD PAY HIKES COME VIA ATTRITION - Floyd County Auditor Scott Clark is looking for a way to not only attract a qualified employee, but one who will stick around longer than a few months (Morris, [News & Tribune](#)). He believes he has found the money to make that happen. The employee, who will be the property tax manager, is critical to his office and the county, he said. But he has had trouble keeping someone in that position due to its salary. Clark will now supplement the new hire's pay out of his ineligible account which he controls. The Floyd County Council agreed to the plan and approved the measure last week by appropriating the funds to be used for salary. "I was successful in upgrading the salary to become more competitive in the local labor market," he said in an email. Floyd County Clerk Danita Burks also figured out a way to give her employees raises. When one of her employees recently quit, she decided to use some of that person's salary and spread it out to her employees and not fill the vacancy. The move accomplishes two goals — it gave employees a needed raise and saves the county money.



Teachers give Holcomb's commission ideas for increasing pay

August 20, 2019 | [Lindsey Erdody](#)

KEYWORDS [EDUCATION & WORKFORCE DEVELOPMENT](#) / [GOVERNMENT](#) / [PUBLIC SCHOOLS](#) / [STATE GOVERNMENT](#) / [TEACHERS](#)

The commission created by Gov. Eric Holcomb to find ways to boost teacher pay in Indiana heard from about two dozen current and former educators Monday night in its first public hearing.

The Next Level Teacher Compensation Commission is tasked with conducting research, receiving feedback and providing a report to Holcomb and state lawmakers before the 2021 legislative session.

More than 200 people attended the listening session at Ivy Tech Culinary and Conference Center in the first of three public hearings the commission has planned. The other two later this month will be in Evansville and Elkhart.

Many of the speakers repeated frustrations that were heard during the legislative session—complaining about salaries that have not increased in years or have decreased, emphasizing the importance of increasing teacher pay and talking about an ongoing teacher shortage.

Keith Gambill, president of the Indiana State Teachers Association, said 642 jobs in K-12 education are currently open in the state.

“Indiana has pushed its teachers to the breaking point,” Gambill said. “More teachers are leaving the profession than ever before, and pay is the No. 1 reason.”

Some teachers had specific suggestions for how to increase teacher pay, including strengthening collective bargaining, finding a way to decrease health care costs, spending some of the state's surplus, removing property-tax caps, redirecting dollars spent on standardized testing and giving teachers a \$20,000 tax credit.

“I don't think this is rocket science,” said Marydell Forbes, an English teacher from West Lafayette who mentioned cutting standardized testing costs and eliminating property-tax caps.

One of the most common suggestions was to reinstate salary schedules for teachers that would be based on years of experience and educational attainment. Legislation passed in 2011 eliminated traditional salary schedules and made compensation more dependent on student achievement.

Teresa Meredith, a former president of ISTA who is now a fourth grade teacher, said a salary schedule could provide educators some guarantee and confidence that they'll know what they could earn in future years.

"I have colleagues who are afraid to start families," Meredith said.

Some teachers also expressed irritation that they have [already repeatedly shared](#) the same concerns and recommendations with state lawmakers for years without change.

"We have been saying the same thing over and over," Amber Seibert, an eighth grade English teacher, said. "I'm over it."

Teacher pay was one of the key issues that surrounded the legislative session that ended in April. Republicans said [they made significant progress](#) in increasing K-12 funding and stressed that it is up to the local school districts to make sure the extra dollars go to teachers paychecks. Democrats argue the 2.5% annual increases to K-12 funding don't go far enough.

Seibert also complained about the date and time of the hearing, pointing out that it could have been scheduled during the summer as opposed to after the new school year started.

"It's a school night," Seibert said. "I had all summer off."

Commission Chairman Michael Smith, who is the former chairman, president and CEO of Mayflower Group, called the ideas that were shared "cheerful" and "thoughtful" after the two-hour meeting.

"You will keep me awake thinking about the challenges that you face," Smith said.

The commission has previously been criticized for meeting privately and for [lacking current teachers as members](#). Emily Holt, a math teacher at Westfield High School, is the only current teacher involved with the commission, but she is only an advisory member.

Holt was at the meeting Monday night, along with six other commission and advisory council members—Smith; Katie Jenner, senior education adviser to Holcomb; Tom Easterday, former senior executive vice president, secretary and chief legal officer for Subaru of Indiana Automotive; Melissa Ambre, director of the Office of School Finance for the Indiana Department of Education; Lee Ann Kwiatkowski, director of public education and CEO of Muncie Community Schools; and Dan Holub, executive director of the Indiana State Teachers Association.

Smith said they have already received more than 2,000 suggestions from nearly 800 teachers and concerned community members through an online submission form.

"I think it's safe to say our governor is determined to lead us to a competitive position," Smith said.

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.

LEADERSHEET August 2019

ATTRACTION + EXPANSION

2019 COMMITMENTS: So far this year, businesses have committed to creating up to 13,225 new Hoosier jobs and investing more than \$4 billion in their Indiana operations in the coming years. Of these planned jobs, the average wage is \$29.07/hour, which is more than 30 percent higher than the state's average wage.

2018 COMMITMENTS 31,112 new jobs | \$7.38B investment | \$26.84/hour avg. wage

INDIANA PTAC Nearly \$69M awarded in government contracts so far in 2019
INDIANA SBDC 281 business starts & 3,296 clients assisted so far in 2019

TAKING BUSINESS TO THE NEXT LEVEL

PRO-GROWTH BUSINESS CLIMATE

- » Corporate tax cuts—5.5% (4.9% by 2021)
- » Individual tax cuts—3.23% (down from 3.4% in 2014)
- » AAA credit rating from all three agencies
- » **Right-to-Work** 23rd nationally to enact a right-to-work law

CONNECTIVITY

- » **Next Level Roads** \$1.2B/year in new funding by 2024 for Indiana's roads and bridges
- » **Next Level Connections** \$1B to expand broadband access; increase air service; link communities through enhanced hiking, biking & riding trails; and finish major highway projects
- » **5G Network** One of two U.S. metros with 5G from both AT&T & Verizon (Indianapolis)

INNOVATION & ENTREPRENEURSHIP

- » **Next Level Fund** \$250M to cultivate & invest in Indiana's entrepreneurial ecosystem
- » **Headquarters Relocation Tax Credit** Attract high-growth companies to Indiana
- » **Innovation Vouchers** Support innovation and R&D among small businesses
- » **Venture Capital Investment Tax Credit** Help entrepreneurs & startups attract capital more quickly
- » **Data Center Tax Exemption** Encourage large-scale data center growth

21st CENTURY TALENT

- » **Income tax exemption on military pensions**
- » **Next Level Jobs** Help skill up Hoosiers for high-priority industries & high-demand jobs
- » **Governor's Workforce Cabinet** Develop and align plans for workforce programming
- » **Regional Cities Initiative** Invest in quality of place & talent attraction initiatives
- » **21 Century Talent Regions** Attract, develop & connect talent in Indiana
- » **Redevelopment Tax Credit** Encourage continued regional development & revitalization

STATE BUSINESS RANKINGS

- » **#1 in the Midwest and #5 Nationally** (Chief Executive Best & Worst States 2019)
- » **#1 Infrastructure** (CNBC 2019)
- » **#1 in the Midwest for Entrepreneur Friendliness** (SBE Council 2019)
- » **#2 Long-Term Fiscal Stability** (U.S. News 2019)
- » **#3 Most Affordable State** (U.S. News 2019)
- » **#3 Business Regulatory Environment** (Forbes 2018)
- » **#4 Cost of Doing Business** (CNBC 2019)

IN THE NEWS

- » [Israel-Indiana a Winning Team](#)
- » [Indiana Company Sending Game-Changing Technology to International Space Station](#)
- » [Best Way to Pay Off Credit Card Debt? Move to Indiana](#)
- » [California Health Insurance Company Names Eastern HQ, Hiring Up to 500 Workers](#)
- » [Columbus, Nearby Communities Names 21st Century Talent Region](#)
- » [Gov. Holcomb Targets Strategic Growth for Indiana's Defense Sector](#)
- » [Holcomb Announces \\$22M for Broadband Expansion](#)

JOBS & UNEMPLOYMENT

UNEMPLOYMENT (July 2019)

3.4%

Unemployment: Below the national average of 3.7%
 » At or below the national rate for more than 5 years
 » Below all neighboring states

Private Employment: 2,744,900
 » +12,800 above the December 2018 peak
 » +27,300 over the last 12 months

Labor Force: 64.6% participation (U.S. rate: 63.0%)
 » Outpaced national rate for 62 months in a row

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 8/23
Date: Friday, August 23, 2019 11:29:52 AM
Attachments: [Howey 8-23-19.pdf](#)
[Hoosier Times- State surplus to help teacher salaries.pdf](#)
[News and Tribune- Broadband initiative extends into Southern Indiana.pdf](#)
[IBJ- Holcomb to lead trade delegations to China, India, Japan and South Korea.pdf](#)
[IBJ DeLaney- No will, no way, Eric Holcomb and teacher pay.pdf](#)
[GamInsight 8-23-19.pdf](#)
[LegInsight 8-23-19.pdf](#)

Pillar 1- Diversify our economy

Journal Gazette- [Gov. Holcomb looks to build business relationships in Asia](#)
NWI Times- [Towns gear up for economic boom from national park designation](#)
Hoosier Ag Today- [Looking to the Past to Deal with the Future](#)
Hoosier Ag Today- [USDA Begins Mailing First Round of MFP Checks](#)
NWI Times- [Economic development plan aims to 'Ignite the Region'](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [State to Launch 5G Hub in Downtown Indy](#)
Fox59- [29 Indiana counties upgrading their 911 system thanks to grant](#)
Inside IN Business- [Michigan City Commits \\$12M to South Shore Track Project](#)
Indy Star- [Indiana Dunes National Park areas reopen after chemical spill](#)
ABC7- [Indiana Dunes National Park reopens beach after steel plant leak](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Governor's Workforce Cabinet Awards Grants](#)
My Wabash Valley- [Indiana lawmakers talk graduation pathways](#)
WBIW- [21st Century Scholars Are Closing Indiana's Achievement Gap](#)
RTV6- [Elwood's Hinds Career Center helps students in 7 districts find their career path](#)
Yahoo- [New online educational program will help Hoosiers earn diplomas and workforce certifications](#)

Pillar 4- Attack the drug epidemic

WFYI- [Addiction Clinics Market Unproven Infusion Treatments To Desperate Patients](#)
WSBT- [Kosciusko Co. officers say they can solve 130 cases after huge drug, stolen property raid](#)
USA Today- [CDC reports 153 possible cases of vaping-related illnesses, many involving THC](#)
SB Tribune- [525 Foundation, Becky Savage honored again for drug awareness work](#)
ABC57- [Local nonprofit being honored for work fighting opioid crisis](#)
EIN News- [9 Addiction Programs Saving Lives in Indiana](#)

2019 Legislative Session

WIBC- [Farmers Prepare for First Hemp Harvest Since Legalization](#)
Inside IN Business- [Indy Startup Helping Hemp Farmers](#)
NWI Times- [Blue Chip to offer sports betting beginning Sept. 5](#)
Inside IN Business- [Holcomb Names Director of New Office](#)

Misc.

CBS4- [Public visitation planned for Indiana National Guard soldier](#)
WTHR- [Ceremony, procession honor Indiana National Guardsman](#)
SB Tribune- [Court rules SB abortion clinic can stay open while challenge to Indiana laws proceeds](#)
RTV6- [Noblesville parents say a law is needed to help prevent children from taking guns to school](#)
Journal Gazette- [Opinion: ILEARN no better than its predecessor in measuring success](#)
NWI Times- [Indiana secretary of commerce joins U.S. Investment Advisory Council](#)
IN Public Media- [State Revenues Begin New Fiscal Year Roughly On Target](#)
Journal Gazette- [State student-counselor ratio called too high](#)
Indy Star- [New details emerge in lawsuit against Hill](#)

Sincerely,

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Aug. 23, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, August 23, 2019 7:30 AM

RANSOMWARE ATTACKS HITTING CITIES ACROSS U.S.: This has been the summer of crippling ransomware attacks. Wilmer — a town of almost 5,000 people just south of Dallas — is one of 22 cities across Texas that are simultaneously being held hostage for millions of dollars after a sophisticated hacker, perhaps a group of them, infiltrated their computer systems and encrypted their data ([New York Times](#)). The attack instigated a statewide disaster-style response that includes the National Guard and a widening F.B.I. inquiry. More than 40 municipalities have been the victims of cyberattacks this year, from major cities such as Baltimore, Albany and Laredo, Tex., to smaller towns including Lake City, Fla. Lake City is one of the few cities to have paid a ransom demand — about \$460,000 in Bitcoin, a cryptocurrency — because it thought reconstructing its systems would be even more costly. The majority have targeted small-town America, figuring that sleepy, cash-strapped local governments are the least likely to have updated their cyberdefenses or backed up their data.

TRUMP DISAPPROVAL AT 62% IN AP POLL: About 6 in 10 Americans disapprove of President Donald Trump's overall job performance, according to a new poll released Thursday by The [Associated Press-NORC Center for Public Affairs Research](#), which finds some support for the president's handling of the U.S. economy but gives him weak marks on other major issues. Just 36% of Americans approve of the way Trump is handling his job as president; 62% disapprove. The numbers may be ugly for a first-term president facing reelection in 14 months, but they are remarkably consistent. Trump's approval rating has never dipped below 32% or risen above 42% in AP-NORC polls since he took office. No other president has stayed within so narrow a band. Since Gallup began measuring presidential approval, Trump is the only president whose rating has never been above 50%. Still, several — Harry Truman, Richard Nixon, Jimmy Carter, George H.W. Bush and George W. Bush — logged ratings worse than Trump's lowest rating so far at some point during their time in office.

TRADE DEAL WITH CHINA SEEN AS 'IMPROBABLE': Sources close to President Trump tell [Axios](#) Jonathan Swan that the White House is in a China bind: We're told a trade deal with China is "tough to improbable" in this deteriorating environment, with escalating security tensions between Washington and Beijing. The biggest tool Trump has to pump the economy and the markets is a trade deal with China. But if anything, senior administration officials have turned harder against China in recent weeks. This has less to do with trade than it does with national security, according to senior administration officials and sources briefed on the president's thinking. U.S. intelligence officials are worried about Hong Kong further deteriorating, and about the risk of the Chinese military overreaching in Hong Kong — and perhaps even in Taiwan. When Secretary of State Mike Pompeo and Defense Secretary Mark Esper visited Australia earlier this month, they delivered an unequivocal message to senior Australian officials: The U.S. plans to forcefully push back against China's destabilizing behavior in the Asia-Pacific.

U.S. MANUFACTURING GROWTH AT LOWEST LEVEL IN DECADE: U.S. manufacturer growth slowed to the lowest level in almost 10 years in August, the latest sign that the trade war may be exacerbating the economic slowdown ([CNBC](#)). The U.S. manufacturing PMI (purchasing managers' index) was 49.9 in August, down from 50.4 in July and below the neutral 50.0 threshold for the first time since September 2009, according to IHS Markit. Any reading below 50 signals a contraction. The survey is an initial reading for the month of August. The final figure will be released Sept. 3. "Manufacturing companies continued to feel the impact of slowing global economic conditions," Tim Moore, economics associate director at Markit, said in a statement Thursday. "August's survey data provides a clear signal that economic growth has continued to soften in the third quarter."

FBI, IMPD TO LEAD CHURCHES IN ACTIVE SHOOTER DRILLS: The FBI will join Indianapolis police Sunday to train local religious leaders how to keep their houses of worship safe (Berman, [WIBC](#)). The three-hour session at the Indianapolis Hebrew Congregation will cover how to spot potential gunmen before they open fire. There'll also be training on how to respond if a shooting does happen. Baptist minister Markel Hutchins chairs the Atlanta-based civil rights group Movement Forward and the group's "One Congregation, One Precinct" security initiative, which is coordinating the training session and others across the country. Hutchins says he never would have expected that active-shooter training would be a central part of leading a congregation -- but he says it is, and says pastors, rabbis and imams need to acknowledge and act on it. Churches aren't the only "soft targets" for mass shooters, but Hutchins says they're the most abundant one. He points out every house of worship brings a large group of people under one roof every week. And unlike bars, malls, and other recent targets of mass shooters, Hutchins notes nearly everyone in a church, synagogue or mosque has his back to the entrance. Grant Mendenhall, the special agent in charge of the FBI's Indianapolis office, says there's been a noticeable uptick in attacks on houses of worship. In the last 10 months, synagogue shootings in Pittsburgh and California killed a dozen people. And U.S. Attorney Josh Minkler notes a man convicted of vandalizing a Carmel synagogue had originally been plotting to blow it up.

5 GUNS FOUND ON MARION COUNTY STUDENTS THIS MONTH: A 16-year-old is facing charges as an adult after police said he brought a loaded gun to Lawrence Central High School ([CBS4](#)). The student was arrested at the school. Court documents say he smelled of marijuana, and a school official found a handgun in a backpack. The school said the student did not enter the main building. An officer cleared the gun and found it was loaded with one round in the chamber and 10 rounds in the magazine, according to the affidavit. The incident happened at Lawrence Central High School on August 15th. A 15-year-old boy was also formally charged after police said he was carrying a loaded gun across the street from Muncie Central High School. The other three gun incidents happened at Arsenal Tech High School, Ben Davis High School, and North Central High School. In Evansville, police say a teenage suffered a gunshot wound late Thursday outside Lodge School (WFIE-TV). According to Evansville Police, the 15-year-old victim suffered a non-life threatening gunshot wound. Police at the scene tell our crew the teen was shot in the arm. EPD says they have no suspects at this time and this is an ongoing investigation.

NOBLESVILLE PARENTS CALL FOR GUN REFORMS: A group of Noblesville parents say a law is needed to help prevent guns from getting into the hands of kids. Noblesville Stands Together, a group of parents formed after a shooting incident at Noblesville West Middle School, is calling for a gun protection law to help prevent kids from having access to guns after several guns were found on students in schools recently ([WRTV](#)). Since August 1, at least five guns have been found in Indiana schools. The law would require gun owners to take steps to prevent children from getting a gun, according to a press release from the group. "People have a right to own firearms to defend themselves, but that right carries a responsibility," Hyde Heckman said. "There are common sense things that can be done to make sure that unsupervised children with guns do not endanger themselves or others. We can't keep putting this burden on teachers, administrators, school resource officers and students. Our state government needs to step up and take care of its responsibility to keep young people safe." About 25 Noblesville Stands Together members meet every month and about 500-600 parents are apart of the Facebook group.

REVISED JOBS NUMBERS CUT BY 500K: Turns out hiring wasn't nearly as strong in 2018 and early 2019 as the government initially reported — by about a half-million jobs ([Market Watch](#)). The economy had about 501,000 fewer jobs as of March 2019 than the Bureau of Labor Statistics initially calculated in its survey of business establishments. That's the largest revision since the waning stages of the Great Recession in 2009. The newly revised figures indicate the economy didn't get a huge boost last year from President Trump's tax cuts and higher federal spending. They also signal the economy is a bit weaker than previously believed and could give the Federal Reserve even greater reason to cut interest rates in September. "This makes some sense, as the 223,000 average monthly increase in 2018 seemed too good to be true in light of how tight the labor market has become and how much trouble firms are said to be having finding qualified workers," said chief economist Stephen Stanley of Amherst Pierpont Securities. The average 223,000 monthly increase in employment in 2018 — the strongest in three years — could be trimmed to 180,000 to 185,000, economists estimate.

JUDGE RULES SOUTH BEND ABORTION CLINIC CAN STAY OPEN: A federal court of appeals ruled Thursday the Whole Woman's Health Alliance abortion clinic in South Bend can continue operating while a broader appeal challenging Indiana abortion laws moves forward (Bauer, [South Bend Tribune](#)). The ruling stops an attempt by Indiana Attorney General Curtis Hill to reverse the opening of the clinic, which began offering medication-induced abortions in June, while also affirming the state's right to have a licensing process for abortion clinics a previous judge had called into question. But it also modified a district court judge's earlier ruling that called into question Indiana's abortion licensing requirements. Amy Hagstrom Miller, the president and CEO of Whole Woman's Health Alliance, called the ruling a "win for the people of northern Indiana needing abortion care." "We hold that the district court's broad condemnation of Indiana's licensing scheme runs contrary to Supreme Court precedent," wrote appeals court Chief Judge Diane Wood. "Nonetheless, we have concerns about the state's handling of the (Whole Woman's Health Alliance) license application."

FOUGHTY UPGRADES HIS WEB DATABASE: Wells County native Trevor Foughty has retooled his Indiana political data and history website Capitol & Washington (Francisco, [Fort Wayne Journal Gazette](#)). The database at capitolandwashington.com contains a dozen categories, including election results, politicians, officeholders, state legislative and congressional maps, legislative caucus elections and lists of women and minorities who have held state or federal office. Foughty, 36, is associate vice president of state relations for Indiana University. He formerly was deputy chief of staff and Senate campaign manager for U.S. Sen. Todd Young, R-Ind., when Young was a member of the U.S. House. Before that, he worked in communications for the Indiana Republican Party and the political action committee of then-governor Mitch Daniels. "I first became politically active in sixth grade when I spent the night at my best friend's house, and his dad made us walk in a parade for Mark Souder the next morning," he said in an email. The parade was in Zanesville in 1994, the year Republican Souder would be elected to the first of eight terms in the U.S. House. "My friend's dad and I still keep in touch, because he's now serving in the State Senate: Travis Holdman," Foughty said. Foughty is an Howey Politics Indiana contributor.

HPI DAILY ANALYSIS: The Brown County Music Center officially opens Saturday night with Vince Gill on the bill. This state of the art 2,000-seat venue will be bringing in performers such as Art Garfunkel, Gordon Lightfoot, Tesla and Here Come the Mummies. As we tend to say, "C'mon down!" - *Brian A. Howey*

Presidential 2020

BUTTIGIEG RELEASES MENTAL HEALTH, OPIOID PLAN: Mayor Pete Buttigieg laid out his [vision to improve mental health care and battle the opioid and addiction crisis](#) across the country. Buttigieg's comprehensive plan makes a true commitment to treating the mental health care crisis with the urgency it deserves, and offers a new approach to meeting our national challenge with community-based solutions (*Howey Politics Indiana*). "For years, politicians in Washington have claimed to prioritize mental health care while slashing funding for treatment and ignoring America's growing addiction and mental health crisis," said Buttigieg. "That neglect must end. Our plan breaks down the barriers around mental health and builds up a sense of belonging that will help millions of suffering Americans heal." Pete's plan will result in: Preventing 1 million deaths of despair (to drugs, alcohol, and suicide) by 2028. Ensuring least 75% of people who need mental health or addiction services receive the care that they need, an increase of more than 10 million in Pete's first term. Decreasing the number of people incarcerated due to mental illness or substance use by 75% by the end of his first term.

TRUMP POLL NUMBERS SAG ON ECONOMY: President Donald Trump has promised a booming economy as a key part of his 2020 pitch. Voters would overwhelmingly pin an economic recession on Trump, according to a [Morning Consult/Politico](#) poll. Sixty-nine percent of all voters would at least partially blame Trump for a recession, according to the poll, while 19 percent said he wouldn't be responsible at all. Notably, Trump faces pressure from his own supporters, as well. Just shy of half (49 percent) of those who voted for Trump in 2016 would hold him at least partially responsible for a major economic downturn, while 40 percent wouldn't. The survey polled 1,998 registered voters from Aug. 16-18 and carries a margin of error of 2 percentage points.

MONMOUTH POLL SHOWS LITTLE APPETITE FOR IMPEACHMENT: President Donald Trump's approval rating may remain underwater, but a majority of the public continues to oppose removal by impeachment even as the House Judiciary Committee has started proceedings. The latest [Monmouth University Poll](#) finds that about one-fifth of those who disapprove of Trump's job performance join nearly all of those who approve of the president to say that moving ahead with an impeachment inquiry is a bad idea. Only 1-in-5 Americans think that an impeachment trial would actually lead to Trump's removal from office. Opinion is mixed in terms of how this could impact the 2020 elections, but there are some indications in the poll that surviving an impeachment trial could provide a small net boost for Trump's reelection effort. However, many Democrats want to plow ahead with impeachment regardless of the political consequences. Trump's overall job rating stands at 40% approve and 53% disapprove, which is similar to his 41% to 50% rating in June.

NEW BIDEN WEB AD LEANS ON OBAMA: The Biden campaign is rolling out a new web ad that leans heavily on his ties to former President Barack Obama -- to mark the 11th anniversary of Obama choosing Biden as his running mate (*Politico Playbook*). "It was a relationship forged in fire. ... Now we're facing a different crisis. No one is more ready to lead America than Joe Biden.

TRUMP CAMPAIGN SEEKS TO RALLY WOMEN: President Donald Trump's campaign is rallying and training a corps of female defenders, mindful that Trump's shaky standing with women could sink his hopes of reelection next year ([AP](#)). Female surrogates and supporters fanned out across important battlegrounds Thursday in a high-profile push to make the president's case on the economy and to train campaign volunteers. Organizers said they believe female backers are often uncomfortable acknowledging they support Trump. "We want to empower women with other women to be able to share the message of success of this president, to share their success under this president," said Trump campaign spokeswoman Erin Perrine, who will be leading one of the events in Raleigh, North Carolina.

Congress

YOUNG IN BARTHOLOMEW COUNTY TODAY: On Friday, August 23, U.S. Sen. Todd Young (R-Ind.), will be joining a roundtable to discuss issues facing Hoosier farmers hosted by Curt Burbrink and the Bartholomew County REMC.

HOUSE DEMS UNLIKELY TO GET TRUMP TAX RETURNS BEFORE 2020: House Democrats appear increasingly unlikely to secure President Trump's tax returns before the 2020 presidential election, according to interviews with legal experts and several lawmakers, as resistance from the Trump administration has stymied the party's efforts to obtain his personal

financial records ([Washington Post](#)). Several Democrats involved in oversight see a long path to getting a final court decision, even if they expect to win in the end. Trevor N. McFadden, a Trump-appointed judge who was assigned the case in July, will hear the case first, and any decision is likely to be appealed to higher courts, up to the Supreme Court.

General Assembly

ENERGY HEARINGS BEGIN MONDAY: On Monday morning a new legislative task force holds the first of 5 public meetings of the newly created 21st Century Energy Policy Development legislative task force Aug. 26 (meets on Monday, Aug. 26 from 10 a.m. to 3 p.m. at the Statehouse) (*Howey Politics Indiana*). The task force launches a two-year process to envision Indiana's energy future and prepare legislative proposals to achieve that vision. This will impact all electricity customers, consumer and corporate/industrial. The task force is made up of 8 legislators, co-chaired by State Sen. Eric Koch (R-Bedford) and State Rep. Ed Soliday (R-Valparaiso), plus 7 experts appointed by the Gov. (although we heard one passed away yesterday). Also IURC (Indiana's utility commission) is developing a report to support this effort due next summer. We summarize what's in play here. Our policy expert Dylan Reed is testifying at the task force meeting on Monday.

State

GOVERNOR: HOLCOMB APPOINTS BROWN TO OFFICE OF ADMIN LAW - Gov. Eric Holcomb has named Matthew Brown director of the Office of Administrative Law Proceedings. Brown recently served as the deputy director of operations at the State Personnel Department. Holcomb signed a bill into law this year that established the Office of Administrative Law Proceedings within the State Personnel Department to support Administrative Law Judges independence ([Inside Indiana Business](#)). The legislation states that the director of the office is accountable for administering the office, hiring Administrative Law Judges and assigning the judges to proceedings. Brown earned a Bachelor's degree in public affairs from Indiana University and a law degree from the Indiana University McKinney School of Law. He will start his new role in September.

GOVERNOR: HOLCOMB ORDERS FLAGS LOWERED - Gov. Eric J. Holcomb is directing flags in Johnson and Morgan Counties to be flown at half-staff to honor the life of Staff Sergeant Andrew Michael St. John. Flags should be flown at half-staff from sunrise to sunset on Saturday, August 24. Gov. Holcomb also asks businesses and residents in Johnson and Morgan Counties to lower their flags to half-staff to honor Staff Sergeant Andrew Michael St. John.

GOVERNOR: HOLCOMB SCHEDULE - Below find Gov. Eric J. Holcomb's public schedule for today: 103rd Annual Bedford Chamber Dinner, Gov. Holcomb and Bedford Mayor Shawna Girgis. The governor will participate in a Q&A, 6:30 p.m., Lawrence County 4-H Fairgrounds Expo Hall, 11261 US Hwy 50 W Bedford.

NATIONAL GUARD: SOLDIER'S REMAINS RETURNED HOME - The body of Staff Sgt. Andrew Michael St. John returned home Thursday night. St. John, 29, of Greenwood, served as an infantryman with Company B, 1st Battalion, 151st Infantry Regiment, Indiana Army National Guard. He was on orders as an embedded observer controller/trainer with Army National Guard Operations Group Wolf. He died on Aug. 15 in a tactical vehicle accident Thursday night in Fort Hood, Texas, according to the National Guard ([CBS4](#)). A public visitation is planned for 3 - 8 p.m. on Friday, August 23, at Hoosier Harvest Church in Martinsville.

STATEHOUSE: STATE FINANCES ON TARGET - Indiana began its new fiscal year with tax collections that were roughly on target with where the state wants them to be (Brown, [Indiana Public Media](#)). The state didn't take in as much money in taxes in July as budget writers planned. But it was close – just \$2 million less than anticipated. That's only 0.2 percent off the mark. And most major tax categories outperformed expectations – individual and corporate income taxes came in above target. That's especially positive for corporate tax collections, which have exceeded projections for six consecutive months. But sales tax revenues struggled slightly last month. And while it wasn't a huge dip – just 0.1 percent off the mark – it marks the eighth time in the last 13 months when sales taxes failed to meet expectations.

STATEHOUSE: MITCHELL TOUTS INVESTMENT PROGRAM - Just over two years since the launch of InvestABLE Indiana, the program has seen substantial investment and utilization by Hoosiers living with disabilities. As of August 13th, the plan saw assets under management almost quadruple from \$643,403 to now over \$2,249,000 in the last year (*Howey Politics Indiana*). "ABLE plans are proving to be revolutionary for Hoosiers living with disabilities", commented Indiana Treasurer of State Kelly Mitchell. "I am so glad more and more people are taking advantage of this life-changing tool." Not only has assets under management grown significantly, but so has the number of accounts opened. Last year there were 215 open accounts. Currently the plan has over 460 active accounts being used. This impressive growth is attributed to the work of the Indiana ABLE Authority and Indiana Treasurer of State Kelly Mitchell as they travel the state promoting the program to Hoosiers living with disabilities.

STATEHOUSE: 5G HUB COMING TO DOWNTOWN INDY - The state of Indiana has announced plans for what it says is a first-of-its-kind 5G hub. Launching in October, the Indiana 5G Zone aims to "attract business, foster innovation and propel

research and development in 5G-enabled advanced technologies." The hub will be located inside the new downtown Indianapolis headquarters of the nonprofit Eleven Fifty Academy (Brown, [Inside Indiana Business](#)). The hub will be operated by the Indiana 5G Forum, which includes stakeholders such as AT&T (NYSE: T), Verizon (NYSE: VZ), Purdue University, the Indiana IoT Lab, and the Energy Systems Network, among others. In an interview with Inside Indiana Business, 5G Zone Director Sean Hendricks said the 5G space is currently a "white space of opportunity." "There's a lot of news and a lot of buzz about 5G, but the definition of what 5G is and will be across the nation is still very much open," said Hendricks. "So it gets us an opportunity to get in on the ground floor of this technology."

STATEHOUSE: HILL TO LEAD MULTI-STATE ROBO CALL INITIATIVE - Attorney General Curtis Hill today announced he is leading a bipartisan and public/private coalition of 51 attorneys general and 12 telecommunications companies that have agreed to adopt eight principles to fight illegal robocalls. This agreement will help protect phone users from illegal robocalls and make it easier for attorneys general to investigate and prosecute violators ([Howey Politics Indiana](#)). "These companies are stepping up to the plate and committing themselves to be part of the solution," Attorney General Hill said. "Collaboration will be a key component of our success going forward in stopping illegal robocalls. I am eager to continue working with our state, federal, and private-sector partners to improve the lives of all our citizens."

ENVIRONMENT: LAKE MONROE WATERSHED RECEIVES FUNDING - Friends of Lake Monroe will receive \$196,525 from public and private organizations to hire a watershed coordinator and develop a management plan for the Lake Monroe watershed (*Bloomington Herald-Times*). "The watershed management plan is the first step toward improving water quality in Lake Monroe," said Sherry Mitchell-Bruker, president of Friends of Lake Monroe.

ENERGY: ETHANOL PLANT CLOSURE BLAMED ON TRUMP'S EPA - The owner of a western Indiana ethanol plant is blaming its shut down on the Trump administration allowing some refineries to not blend ethanol with gasoline as required under federal law ([AP](#)). South Dakota-based ethanol producer Poet says it will cease production by mid-October at its Cloverdale plant, one of four it operates in Indiana. A company notification says 50 workers will lose jobs from the closure. The company says production is being cut at half of its 28 plants where corn is processed into ethanol. Poet says it's consolidating jobs at plants in Iowa, Ohio, Michigan, Indiana, Minnesota, South Dakota and Missouri. The Environmental Protection Agency has issued gasoline refinery exemptions removing 2.6 billion gallons (9.8 billion liters) of ethanol from production. Poet calls those exemptions "bailouts to oil companies."

AGRICULTURE: BAILOUT FUNDS FOR FARMERS BEING MAILED - Farmers are seeing payments from the first round of the latest trade aid in the mailbox ([Hoosier Ag Today](#)). Farm Service Agency director Richard Fordyce says the first payments are being mailed out now, and farmers are reporting receiving the checks. Round one of the three potential payments is 50 percent of the overall amount farmers may receive. USDA expects up to \$14.5 billion of payments will be sent to farmers, pending on the trade negotiation progress. Another 25 percent of the total would go out later this fall, if the Department of Agriculture deems the payments necessary. The final round, if needed, is planned for some time around January.

Nation

WHITE HOUSE: G7 LEADERS NERVOUSLY AWAIT TRUMP - Like an annual holiday gathering where the main goal is to get through the day without a family explosion, one of France's main objectives as host of this weekend's Group of Seven summit is to minimize the chances that President Trump will blow it up ([Washington Post](#)). Subjects on which to tread lightly include some of the biggest problems the world's major economies are facing — including trade, the system of international rules that has ordered the democratic world for decades and climate change, according to U.S. and other G-7 officials. Already, Trump has shaken up the schedule, calling at the last minute for a special meeting Sunday morning to discuss the global economy. Senior administration officials said he will contrast U.S. growth with Europe's economic doldrums and press his pro-jobs and "fair" trade messages.

WHITE HOUSE: TRUMP SCRAPS PLAN TO RECOVER FOREIGN AID - President Donald Trump has scrapped a plan to freeze more than \$4 billion in foreign aid in a move that would have been another end run around Congress' power of the purse ([Politico](#)). The president's decision Thursday to forgo a "rescission" comes after another internal tug of war between his budget advisers and Cabinet officials. But the fiscal hawks in Trump's corner, failing again to sell him on spending restraint, blamed Congress for souring him on the idea. "The president has been clear that there is fat in our foreign assistance and we need to be wise about where U.S. money is going," said a senior administration official. "Which is why he asked the administration to look into options to doing just that. It's clear that there are those on the Hill who aren't willing to join in curbing wasteful spending."

WHITE HOUSE: TRUMP MULLS MENTAL ILLNESS PROJECT - The White House has been briefed on a proposal to develop a way to identify early signs of changes in people with mental illness that could lead to violent behavior ([Washington Post](#)). Supporters see the plan as a way President Trump could move the ball forward on gun control following recent mass shootings as efforts seem to be flagging to impose harsher restrictions such as background checks on gun purchases. The proposal is part of a larger initiative to establish a new agency called the Health Advanced Research Projects Agency or HARPA, which would sit inside the Health and Human Services Department. Its director would be appointed by the president, and the agency would have a separate budget, according to three people with knowledge of conversations around the plan.

WHITE HOUSE: TRUMP PLAYING POLITICS WITH JEWISH VOTERS - President Trump decided long ago that it would be smart politics for him to yoke his administration to Israel and to try to brand the Democratic Party as anti-Semitic. He set about executing a pro-Israel checklist: moving the U.S. Embassy to Jerusalem, recognizing the Golan Heights as part of sovereign Israel, and taking a hard line against Iran. And he promoted himself as the greatest president — a deity even — for Jewish people ([Washington Post](#)). Yet Trump has become flummoxed that Jewish Americans are not in turn lining up to support his reelection, according to people familiar with his thinking, and he has lashed out in predictable fashion. "If you vote for a Democrat, you're very, very disloyal to Israel and to the Jewish people," Trump said Wednesday on the South Lawn of the White House. He was amplifying a statement he made in the Oval Office a day earlier: "I think any Jewish people that vote for a Democrat, I think it shows either a total lack of knowledge or great disloyalty." Trump's use of the word "disloyalty" drew immediate criticism from Jewish groups, whose leaders said it echoed anti-Semitic tropes about where American Jews' loyalty lies. The president insisted his comments were not anti-Semitic. Regardless, this turn in the president's rhetoric about Jews magnifies his transactional approach to politics and his miscalculation that his hawkish interpretation of support for Israel should automatically translate into electoral support from Jewish Americans.

WHITE HOUSE: TRUMP HONORS BOB COUSY - President Trump presented six-time NBA champion and Boston's Celtic legend Bob Cousy with the Presidential Medal of Freedom on Thursday, the nation's highest civilian honor ([CBS News](#)). "He's a great champion and we love champions," the president said to Cousy in the Oval Office. "You have achieved so much ... even beyond basketball." Thanking the president for the medal, Cousy quipped, "If I had known I was going to be eulogized, I'd have probably done the only decent thing and died for you."

WHITE HOUSE: GRISHAM'S TURBULENT ASCENT - For Stephanie Grisham, a public relations specialist who once churned out news releases on traffic safety, the White House is the loftiest stop in a turbulent career trajectory that has mixed toughness and loyalty to her bosses with professional scrapes, ethical blunders and years spent alternately wooing and pounding the press on behalf of scandal-prone Arizona Republicans ([New York Times](#)). Her career history contains red flags that most administrations might deem troubling. They include losing a private-sector job after being accused of cheating on expense reports, a later job loss over plagiarism charges and two arrests for driving under the influence, the second while working on Mr. Trump's campaign.

WHITE HOUSE: OBAMAS BUYING \$15M MARTHA'S VINEYARD HOME - Barack and Michelle Obama are close to buying a massive Martha's Vineyard estate ([New York Post](#)). TMZ reports that the former president and first lady are in escrow — aka in contract to purchase — a 29-acre beachfront plot with a 6,892-square-foot main house. The Obamas were initially just renting the seven-bedroom, 8½-bathroom spread for summer 2019, but apparently loved it so much that they made an offer. It was most recently on the market asking \$14.85 million, but the Obamas are apparently paying less. The property at 79 Turkeyland Cove Road in Edgartown, Mass. — owned by Boston Celtics chief Wyc Grousbeck — has a living room with vaulted ceilings and a stone fireplace, a chef's kitchen and a formal dining room with giant windows, according to the property's Realtor.com listing.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will have lunch with Secretary of State Mike Pompeo at 12:30 p.m. He and first lady Melania Trump will leave the White House for Joint Base Andrews at 10:40 p.m., and they will take off for Bordeaux, France, at 11 p.m. They're headed to the G-7 summit.

FED: POWELL TO SPEAK ON ECONOMY AT 10 TODAY - Federal Reserve officials will be joined by academic economists and central bankers from around the world at a mountain resort near Jackson Hole, Wyo., on Friday and Saturday for the Kansas City Fed's annual economic symposium ([Wall Street Journal](#)). The theme of this year's conference, "Challenges for Monetary Policy," highlights how central banks have diverged in the post-financial-crisis era. Policy makers withdrew ultra-easy stimulus measures at varying paces and now are easing to different degrees. These differences have had important implications for exchange rates, trade and economic activity, and central banks have had to navigate new headwinds or tailwinds from commodity and financial markets. For the main event, Fed Chairman Jerome Powell is set to speak Friday at 10 a.m. EDT. Bank of England Gov. Mark Carney speaks later in the day. Philip Lowe, the governor of the Reserve Bank of Australia, is set to participate in a panel discussion on Saturday afternoon with Amir Yaron, governor of the Bank of Israel, and Gita Gopinath, chief economist at the International Monetary Fund.

TSA: AMERICANS URGED TO GET 'REAL ID' - The Transportation Security Administration (TSA) is rolling out a new public awareness campaign for REAL ID as the deadline to swap draws near. Travelers will not be able to board a flight

without a REAL ID or alternative identification starting October 1, 2020. "We want the public to make sure they're aware. It's just another layer of security," Tomas Cuellar, TSA transportation safety manager, told [CBS News](#). Congress passed the REAL ID Act into law in 2005 following a recommendation from the 9/11 Commission, setting national security standards for state drivers licenses and IDs. Enforcement of those requirements, however, has repeatedly been delayed. REAL IDs require state applicants to submit paperwork to prove who they are and their established residence in the U.S. TSA Administrator David Pekoske said the move to REAL ID will "dramatically improve commercial aviation security."

MEDIA: SANDERS TO JOIN FOX NEWS - Former White House press secretary Sarah Huckabee Sanders will join Fox News as a contributor, the network announced Thursday, with her first official appearance set to come on "Fox & Friends" during its next live audience show Sept. 6 ([Politico](#)). The announcement was not a surprise. Sanders, like President Donald Trump, heavily favored the network during her time in the White House, frequently making appearances on Fox even after she mostly stopped holding news briefings.

MEDIA: SUNDAY TALK - CNN "State of the Union": Cindy McCain, Sen. Bernie Sanders (I-Vt.). Panel: Jennifer Granholm, Rick Santorum, Karen Finney and Bill Kristol. **CBS "Face the Nation":** Sen. Lindsey Graham (R-S.C.), Sen. Amy Klobuchar (D-Minn.), Josh Bolten, Anthony Salvanto. Panel: Michael Graham, Laura Barrón-López and Anne Gearan. **ABC "This Week":** Joe Walsh, Cindy McCain. Roundtable: Rahm Emanuel, Chris Christie, Matt Dowd and Yvette Simpson. **"Fox News Sunday":** Sen. Amy Klobuchar (D-Minn.), Power Player: Robert Caro. Panel: Karl Rove, Julie Pace, Emily Compagno and Juan Williams. **NBC "Meet the Press":** Panel: Eugene Robinson, Kristen Soltis Anderson, Bret Stephens and Betsy Woodruff. **CNN "Inside Politics":** Panel: Jonathan Martin, Shawna Thomas, Phil Mattingly and Vivian Salama.

MEDIA: AL-RIGHT BOOK MANIFESTO - The most important political book of the past year just might be a grammatically challenged manifesto in favor of nude sunbathing written under the pen name Bronze Age Pervert ([Politico](#)). Where Ayn Rand's "Atlas Shrugged" inspired generations of libertarians to enter politics, and Aaron Sorkin's "The West Wing" did the same for idealistic liberals, a cohort of young, right-wing men are today gravitating toward "Bronze Age Mindset." The self-published book urges them to join the armed forces in preparation for the onset of military rule. Since its publication in June 2018, the book has gained a following online, and its author, known to his fans as BAP for short, has come to the attention of notable figures on the Trumpist right. Earlier this month, the book was the subject of a 5,000-word review by Michael Anton, a conservative intellectual who served as a spokesman for Donald Trump's National Security Council. Anton concludes by warning, "In the spiritual war for the hearts and minds of the disaffected youth on the right, conservatism is losing. BAP-ism is winning."

ILLINOIS: GOV. PRITZKER SIGNS TEACHER PAY RAISE - Illinois Gov. J.B. Pritzker has signed legislation raising teachers' minimum salary to \$40,000 over four years to address a statewide shortage of classroom leaders ([AP](#)). The current minimum teacher salary ranges from only \$9,000 to \$11,000. The new law signed by Pritzker Thursday raises the minimum to \$32,076 for the 2020-2021 school year, \$34,576 in 2021-2022, \$37,076 in 2022-2023 and \$40,000 in 2023-2024. Afterward, the minimum salary will rise based on the Consumer Price Index, subject to review by the General Assembly. Illinois State Board of Education data from the 2018-2019 school year showed 1,848 unfilled teaching positions in school districts across the state.

Local

CITIES: NEW SOUTH BEND CLERK HAS HAD FINANCIAL PROBLEMS - Newly elected South Bend city clerk Dawn Jones, who will oversee an office with a half-million-dollar annual budget that's tasked partly with collecting ordinance violation fines, has had a checkered history managing her own finances and paying fines she owes, court records from multiple cases show (Parrott, [South Bend Tribune](#)). Jones acknowledged some of her financial woes have stemmed from her ignorance of rules. She owes the state of Indiana more than \$54,000 for "knowingly failing to disclose or falsifying material facts" in order to obtain unemployment benefits from 2009 to 2012 after being laid off from her job with the YMCA, the Indiana Department of Workforce Development has alleged and two administrative law judges have affirmed. While she was receiving pay from the school corporation, The Salvation Army and St. Joseph County from 2009 to 2012, Jones collected more than \$34,000 in unemployment benefits without disclosing that income. As a result, the state fined her another nearly \$19,500.

CITIES: MAN THREATENS TO SHOOT AT INDY HOUSING AUTHORITY - Tense moments Thursday inside the offices of the Indianapolis Housing Agency ([WRTV](#)). Employees at the North Meridian Street building were forced to shelter in place after a man threatened to shoot people. The suspect was found and detained, according to authorities. The housing agency closed for the day following the incident. Extra police are expected to be on hand when the building reopens on Friday.

CITIES: FORT WAYNE SEX BUSINESS RULE ADVANCES - Allen County's proposed zoning ordinance amendment on where sexually oriented businesses can locate sailed through the county plan commission Thursday (Rodriguez, [Fort Wayne Journal Gazette](#)). Members voted unanimously and without discussion to recommend the Allen County commissioners also pass the measure. The commissioners have the final say on all zoning ordinance amendments. The proposed ordinance

restricts sexually oriented businesses in unincorporated Allen County to areas zoned general industrial. Even in those districts, sexually oriented businesses can't locate within 1,000 feet of a school, residential district or religious institution.

CITIES: COLUMBUS COUNCIL PASSES VAPE BAN - Columbus City councilmen have approved an amending smoking ordinance that prohibits the use of electronic smoking devices, or e-cigarettes and vape pens, in places where smoking is banned in the city. But there is a catch ([Columbus Republic](#)). The council approved the ordinance change Tuesday, but the ban won't take effect for two months after local vape shop owners asked council members to exempt vape shops from falling under the ban. The two-month hold began Wednesday and will officially conclude on Oct. 19. As currently written, the ordinance adds the definition of an electronic smoking device and amends the existing definition of "smoking" to include electronic smoking devices. It does not, however, exempt vape shops from the ban. Columbus has three vape shops within city limits, city officials said.

COUNTIES: LaPORTE GETTING NEW WEBSITE - A new La Porte County website is expected to go online by the end of November, and the designers want to know what users would like to see in the improved laportecounty.org ([Michigan City News-Dispatch](#)). "We originally said it would be ready by the end of the year, but the timetable is now looking like the end of November," according to Seth Spencer of Michigan City-based SERA Solutions, the firm which is working on the upgrade.

COUNTIES: NEW SITE FOR CARROLL JAIL - We now know the location and early design plans for the Carroll County Jail (*WLFI-TV*). As we've previously reported, overcrowding has been a problem at the jail for years. That's because the 36-year-old jail only has 34 beds available. The new \$14 million facility will have 112. It will be built on county owned land on County Road 100 North. That's just outside of Delphi between Indiana Packers and Carroll Manor. Sheriff Tobe Leazenby said putting it on county land will save money, and the county may be able to save more once the new jail is up and running. "Possibly being able to hold other inmates from other counties, which could potentially bring money into our county," said Leazenby.

https://www.hoosiertimes.com/paoli_news_republican/state-surplus-to-help-teacher-salaries/article_6baaf586-8dd5-5c88-86b3-46a737f58065.html

State surplus to help teacher salaries

By Tim Thone Paoli News-Republican Aug 21, 2019

There will be an extra \$63,291.92 available for collective bargaining at Paoli Schools, and the money is to be used for the wages, salaries and/or benefits of certified employees. The fund is made possible due to House Enrolled Act 1001, which used some of the state's budget surplus to cover a portion of schools' obligation towards teacher retirement.

Paoli Schools Superintendent Greg Walker explained that school corporations pay 10.5 percent into teacher retirement, but in the last session, Governor Eric Holcomb asked school corporations to pay 8.5 percent instead. Paoli School Board member Joe Kimmel made it clear that the \$63,291.92 is only an estimate of what the school will save and that value could go up or down.

The Paoli School Board unanimously approved a resolution pursuant to House Enrolled Act 1001.

Walker shared staff performance evaluations with the school board: 45 teachers were rated highly effective, 46 effective and two rated improvement necessary. Walker pointed out the ratings are preliminary as the schools are still waiting on assessment data and school letter grades.

There will be no changes to the staff performance evaluation plan for 2019-2020, but he and the teachers association will form a committee and review the current plan and other potential plans to determine if there should be adjustments or if a different plan is needed for the 2020-2021 school year.

Walker requested a \$50 stipend for teacher leaders receiving Harmony training with the money to be paid out of Title IIA, which was unanimously approved.

Walker informed the board that he sold a mini bus on the auction site govdeals.com for \$2,426. The vehicle received 26 bids and went for \$926 higher than was quoted for a trade in.

Walker also updated the board on the community fitness center at the high school that is also used by the public. There has been little upkeep since it opened in 2009. Repairs to the equipment will cost \$7,635. Walker said he is looking at current funds to be allocated to the project.

Throop Elementary Principal Amanda Crews shared that there are currently 698 students in Grades K-6 and 20 in pre-kindergarten. Crews said it feels like the kids never left and that they were rolling right along into the new year. They have already completed their safety drill and are getting ready to start i-Ready diagnostics testing. Grandparents' Week will be Sept. 3-6 and they will be doing breakfast again. Speaking of food, Crews said the students are enjoying the free cafeteria meals they receive due to a U.S. Department of Agriculture and Indiana Department of Education grant.

Paoli High School Assistant Principal Ed Wagner reported that 644 students were enrolled at Paoli Junior-Senior High School and that so far they have a 96 percent attendance rate. Wagner added they have also done their safety meetings and drills and everyone was doing great.

Walker also commended all of the staff for a great start at the school and Darek Newkirk's work with transportation.

Contact Tim Thone at 812-723-2572 or tthone@ocpnews.com.

tthone

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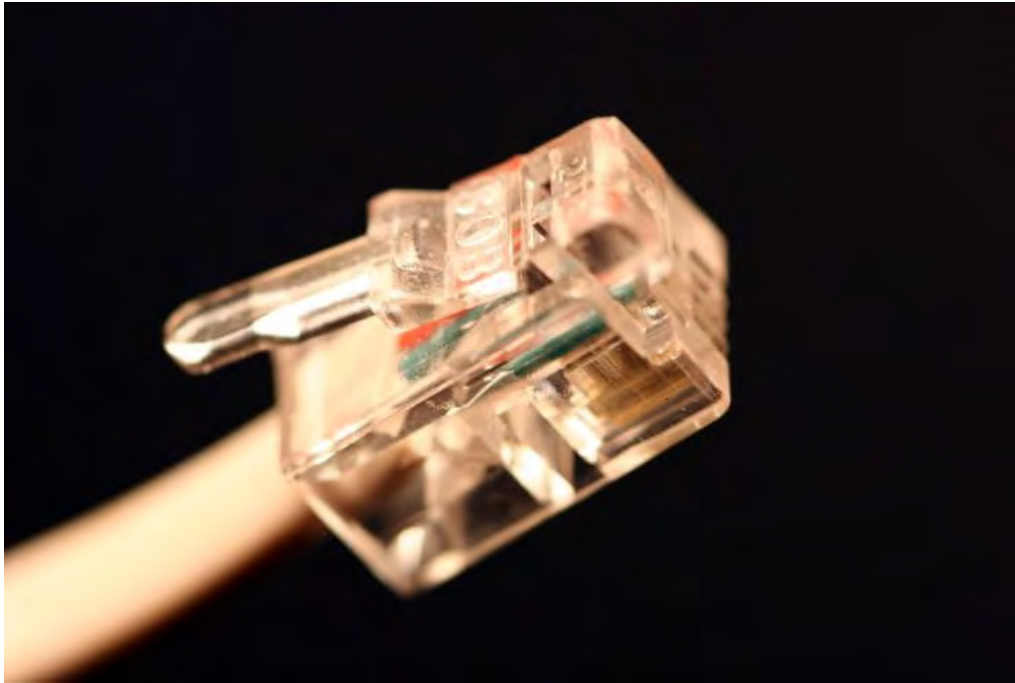


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Broadband initiative extends into Southern Indiana

Next Level Connections Broadband Grant Program will serve many in Clark, Floyd counties

NEWS AND TRIBUNE 20 hrs ago



A broadband project will serve approximately 334 unserved households, four unserved businesses and one unserved community anchor institution in primarily rural portions of southwest Clark County and northern Floyd County.

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INDIANAPOLIS — Five owner companies within the Intelligent Fiber Network (IFN), a leader among Indiana's commercial fiber broadband

providers, have been awarded funding grants from Indiana's Next Level Connections Broadband Grant Program.

The owners' projects — which affect Clark and Floyd counties — represent 10 of the 11 projects receiving support and total \$21.7 million of the total \$22.1 million in funding.

The Next Level Connections Broadband Grant Program is designed to promote access to broadband service across Indiana. As one part of the broader Next Level Connections infrastructure program, the Broadband Grant Program is a \$100 million investment to deploy broadband in unserved areas. Officials note the support from this funding round will establish broadband infrastructure in more than 4,800 homes and commercial locations in 12 counties total.

The following Southern Indiana-based IFN owner and owner's member company project is a recipient of the Next Level Connections Broadband Grant Program awards:

- Washington County Rural Telephone Cooperative, Inc. (Telemedia), Clark and Floyd counties: The project will serve approximately 334 unserved households, four unserved businesses and one unserved community anchor institution in primarily rural portions of southwest Clark County and northern Floyd County. The requested grant amount is more than \$2.8 million with a local match of more than \$754,000, for a total project cost of more than \$3.6 million.

"We are thrilled to see so many of our member/owners receiving these

critical investment dollars to help build out their fiber broadband solutions,” IFN CEO Jim Turner stated in a news release. “We applaud Governor Holcomb and his team for their understanding of the importance of equal access to fiber broadband. Hoosiers in rural communities need to have equal access to economic opportunities in today’s information age. I look forward to seeing these counties thrive.”

To learn more about Intelligent Fiber Network, its services and member/owners, visit www.intelligentfiber.com.

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30

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News and Tribune



Holcomb to lead trade delegations to China, India, Japan and South Korea

August 23, 2019 | [Greg Andrews](#)

KEYWORDS

Gov. Eric Holcomb is preparing to make his first trade trip to China, part of a sweep through Asia planned for this fall.

The visit to China comes at a time tensions have escalated between the two nations over tariffs and other fair-trade issues.

A delegation led by Holcomb will visit Japan and South Korea from Sept. 4 to Sept. 10 and China and India from Sept. 22 to Oct. 5.

Holcomb will conclude the second trip by joining the Indiana Pacers in Mumbai for the NBA's inaugural games in India on Oct. 4 and 5.

The Indiana Economic Development Corp. said the trips are aimed at supporting the state's increasingly global economy, strengthening partnerships and creating connections across business, culture, education, government and sports.

More than 1,000 foreign-owned companies operate in Indiana.

"Markets are more connected now than ever before, and we're proud to support a growing global dynamic economy in Indiana," Holcomb said in a statement.

Holcomb and Indiana Secretary of Commerce Jim Schellinger will be joined by a delegation of Hoosier business, government and economic development officials on both trips.

Those scheduled to attend at least part of the trip to Japan and South Korea include STAR Financial Bank Chief Operating Officer and IEDC board member Kristin Marcuccilli, Westfield Mayor Andy Cook, Gregory & Appel Executive Director Rick Pease.

The IEDC says it will provide details on the China delegation at a later date. It said the costs of the delegations will be funded through private donations to the Indiana Economic Development Foundation.

The visits to Japan and India will be Holcomb's second as governor. The visits to South Korea and China will be Holcomb's first.

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Ed DeLaney: No will, no way—Eric Holcomb and teacher pay

August 23, 2019 | [Ed DeLaney](#) / [Special to IBJ](#)

KEYWORDS



Ed DeLaney

Maybe it is because this essay is being written in England that I am reminded of the old saying: “Penny wise and pound foolish.”

Our governor has chosen to save pennies on interest for new roads. He will pay cash for pavement rather than using our spare revenue on our growing teacher crisis. He has chosen to spend more than \$40 million on a new swine barn over investing in our children. Meanwhile, it is ever more difficult to recruit or retain teachers.

Perhaps the governor misses the point: Roads last 30 years and are fit for financing; young minds need good teachers now or they are set back for life.

Let us be clear. The governor concedes that we are not competitive with our neighboring states when it comes to teacher pay. His response is to set up yet another commission to study the problem. Meanwhile, our teachers fall further behind those in other states and leave Indiana or the profession.

It is pretty clear what we need to do. Indiana needs to spend more state revenue on our schools to buttress our reliance on local property taxes used to fund buses and buildings. The public understood this logic when it supported property tax caps.

Let us wash a little dirty linen. Not all our teachers are as poorly paid as others. Thus, starting pay ranges from \$30,000 to more than \$40,000. Some districts pass supplemental property tax referendums to support teachers. Others don't or can't provide this revenue. And the stress on taxpayers is unequal.

Let's look at two districts that did pass referendums to increase educational support.

Carmel-Clay Schools in Hamilton County and Wayne Township Schools in Indianapolis both have a little more than 16,000 students. But that's where the similarities end.

Carmel has taxable property worth \$7.17 billion, while Wayne Township has only \$2.76 billion in assessed property value. Both districts passed a referendum to send more dollars to the classroom, an amount over the property tax caps. When all was said and done, Wayne Township voters taxed themselves an extra 35 cents per \$100 of assessed value and generated \$10.4 million per year. The Carmel figures were an extra 19 cents per \$100, yielding \$18.4 million.

When all the tax rates for schools are added up, Wayne Township homeowners pay \$1.85 per \$100, while those in Carmel pay \$1.02 per \$100. Carmel schools have a poverty rate of 2.36%, while the figure is 29.7% in Wayne Township. The state does make supplemental payments based on poverty, but it's not enough to overcome the burdens of poverty, let alone the disparity in property values.

The point is simple: Taxes based on property values cannot equitably and broadly fund improved teacher pay. Nor can gimmicks like the current reduction in pension contributions that will supposedly lead to higher teacher pay.

The governor wants to improve teacher pay somehow, someday, as long as the increases are "systematic" and "sustainable." Those are lovely words. The governor needs to start by committing to a substantial pay raise, based on state dollars. He also needs to act now.

There is no shortage of ideas to help teachers now, using state funds. These include incentives for increased starting pay, support for the cost of counseling, and help with student loans. They don't include paying cash for swine barns. •

DeLaney, an Indianapolis attorney, is a Democrat representing the 86th District in the Indiana House of Representatives. Send comments to ibjedit@ibj.com.

[Click here](#) for more Forefront columns.

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INDIANA GAMING INSIGHT

Pitman reign takes IHRC reins

Indiana's three top state gaming regulators are female

Deena Pitman will take over as executive director of the Indiana Horse Racing Commission next month – providing welcome stability for Hoosier horsemen on edge about the pending buyout of the two tracks.

The selection of IHRC veteran Pitman represents a 180-degree turn from three years ago when the horsemen demanded change and the Commission responded by ousting the executive director of more than 20 years.

Pitman will replace Mike Smith, who has been executive director since 2016 but announced many months ago that he wished to retire.

Unlike most state agencies – and this has been a sore point with other governors – the Commission itself appoints the executive director, not the governor. The Commission received 17 applications for the position and interviewed four candidates, but as we recently told you would likely be the case, commissioners didn't have to look far for Smith's successor.

Pitman has been with the Commission almost since the beginning of the pari-mutuel horse racing industry in Indiana, joining IHRC in 1993, one year before the first racetrack opened in Anderson. After spending about five years as the first director of licensing, she has served as assistant executive director since 1999. Pitman's appointment was unanimously (and enthusiastically) approved by the Commission on Tuesday.

"Her hiring establishes continuity and certainty that the Commission will benefit from," said Bill McCarty, a commissioner since 2014, and who worked with Pitman when he was a Democratic senator from Anderson through 1997. IHRC Chair Phil Borst, a veterinarian, also pointed to her agency longevity and unique perspective, adding, "The knowledge and experience she brings with her is unmatched, making us confident that she will continue to move Indiana horse racing forward."

With Pitman's move to the top job, all three Hoosier gaming regulators are female, a first for the state. Pitman joins Sara Gonso Tait at the Indiana Gaming Commission and Sarah Taylor at the Hoosier Lottery in the state gaming regulatory triumvirate (perhaps a first nationally?).

Outgoing Executive Director Smith won't go away completely. He'll stick around in a part-time role to work on "special projects," said Borst, including reviewing the proposed sale of Caesars Entertainment Corporation to Eldorado Resorts, Inc.

The Commission will scrutinize Eldorado more closely than it did Caesars when Caesars bought the tracks from Centaur Gaming in July 2018. "It will be more thorough," promised Chair Borst. "I know a lot of people are antsy."

We had written earlier this month that Hoosier horsemen are more leery about Eldorado given its track record with its track portfolio than they were with Caesars when it sought regulatory approval for the Centaur acquisition.

After Eldorado purchased the Isle Casino Racing Pompano Park located in Pompano Beach, Florida, from Isle of Capri Casinos in May 2017, the company reportedly laid off some 80 union employees, equivalent to one-fifth of the property's union workforce.

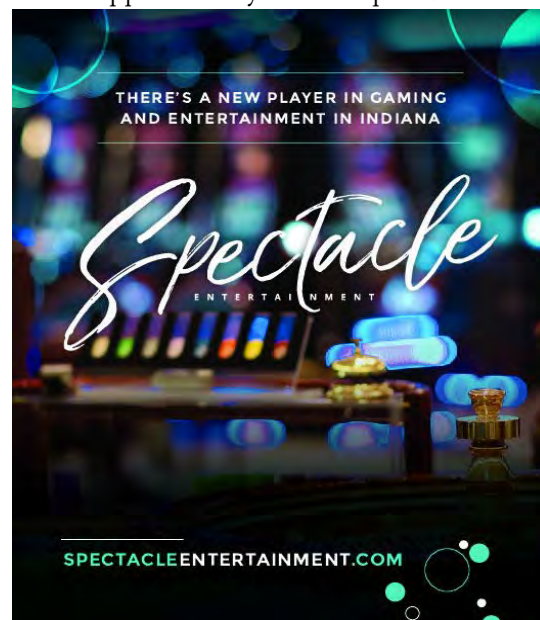
For more, please see the following page . . .

Psst: Take the under on mobile! *Don't fall for doom and gloom and 2020*

Yes, it may seem September 1 is an optimistic start date for retail sports wagering in the Hoosier State, but the Indiana Gaming Commission seems to be on top of all of the tasks it must perform to certify those in charge and validate their processes. Those who think that there may be too many loose ends to get things in gear by Labor Day weekend must not have been around for some of the soft openings for the riverboat casinos (or the conversions to new platforms, although those typically ran much more smoothly).

Many – if not most – of those seemed chaotic at best (and, admittedly, Back in the Day slot machines involved coins and not tickets), and people walked away thinking that a scheduled grand opening the following day (or 48 hours later) was but a pipe dream. Underestimated, however, was the adrenalin that flows in such a situation where pride, reputations, jobs, and dollars (income or fines!) are at stake. Sports wagering may be relatively new to the industry and is certainly to Indiana, but these operators and vendors don't make promises they can't keep . . . and the regulators will keep up.

While most outside observers write off mobile gaming for 2019 – or at best until Winter – we'll take the under and suggest that the first mobile sports wagering in Indiana will go live this Fall . . . and we wouldn't be surprised to see it happen as early as late September.



Outgoing director Smith says IHRC will need to ensure that Eldorado understands that the Indiana tracks exist primarily to serve and grow the horse racing industry – a position which is fully supported by the Indiana Gaming Commission as well. They are casinos secondarily, adds Smith, a former state lawmaker who was the longest-serving director of the Casino Association of Indiana, spending 13 years representing the casinos before joining the racing commission.

With Pitman ascending to executive director, the racing commissioners hired Thomas Linkmeyer as the new assistant executive director. Linkmeyer is new to the Commission but has been around horse racing all his life and holds an IHRC license as a driver and trainer. He is a former professional baseball player, former police officer for the City of Carmel, and currently works in public education. Linkmeyer has been a teacher, athletic director, assistant principal, and principal, working in the Metropolitan School District of Lawrence Township in Indianapolis for more than 12 years, and he has coached baseball in high schools in Indianapolis and Hamilton County.

Readers of our sister Hannah newsletter, INDIANA LEGISLATIVE INSIGHT, may remember us writing about Linkmeyer when he was a Republican primary candidate in HD 39 in both 2016 and 2018, seeking to oust veteran Rep. Jerry Torr (R) of Carmel.

When commissioners moved on from Joe Gorajec three years ago, they were looking to shake things up. At the time, horsemen were frustrated that Gorajec didn't do more to promote the industry, recalled Nat U. Hill IV of Bloomington, one of the most prominent and respected voices within the harness racing establishment.

A scene at the Indiana State Fair earlier this month symbolizes the positive changes that Smith, Pitman and their team have made, said Hill. For many years, attendees at the Fair weren't allowed into the horse barns, he said. But at IHRC's request, the barn doors have been opened, posters were put up, and people were invited in. "It's been fabulous," said Hill.

Dr. Borst joked, "It's hard to replace someone who is a legend . . . in his own mind." But turning serious, he noted that no one works harder than the outgoing executive director, and that even though Smith has experienced assorted serious health issues, he hasn't missed a beat. "We just can't thank you enough, Mike."

The affable Smith demurred. "It's easy to do when you have a staff that's just incredible," he said, later adding, "There's so much talent here it even makes people like me look good."

IN General

- Union Gaming Analytics delivers its eagerly anticipated report on the Illinois gaming rubric as cobbled together in its new law, including its opinion on how to get the best bang for the buck from a Chicago casino. Much of what we have written about the viability of the Windy City sites as proposed by Mayor Lori Lightfoot (D-IL) and the problems with the overall Illini gaming framework were confirmed by the Union Gaming report (at a cost of about \$90,000 more than a subscription to your favorite gaming newsletter!).

- Your favorite gaming newsletter told you that the Illinois fee structure was untenable. The Illinois model was driven by the state's desire to bring in a certain amount of upfront revenue to help resolve current budget problems – which we told you was the antithesis of the Indiana philosophy of looking to strengthen the gaming industry and ensuring its continued symbiotic relationship with state and local government . . . and effectively making things revenue-neutral, absent any gains from the addition of sports wagering to the Hoosier gaming menu.

- As the new law is currently written, any potential Chicago casino operator would have to pay a \$250,000 application fee to be considered, and then fork over \$30,000 for each gaming position, potentially as high as \$120 million more for some 4,000 positions (although some could be deployed at Chicago's two major airports). There would also be a \$10 million sportsbook fee. The casino also is responsible for paying a \$15 million "reconciliation" fee after three years, an amount equal to 75% of AGR during the casino's highest 12-month revenue period, minus any fees per gaming position paid upfront. Illinois appears to be alone nationally in having proposed such a prospectively undeterminable tariff. "The reconciliation fee alone would wipe out any profits generated for many years, if not decades under the [Adjusted Gross Receipts] tax structure," Union Gaming Analytics observes. "The return on investment profile for all five sites is subpar, if not negative over the five years projected herein." The reconciliation fee – already much maligned by observers and some potential developers – "not only magnifies the lack of feasibility, it also shuts the door on the ability of the developer to obtain financing."

- Illinois' graduated wagering tax already runs as high as 50% for revenue topping \$200 million, and a Chicago casino would certainly fall within this revenue and tax silo. Revenue at one of Chicago's five proposed sites could exceed \$800 million annually within five years after opening, while a downtown casino is projected by Union Gaming to generate \$1.15 billion per year – about \$165 million more than all five Indiana northern tier casinos produced in 2018 (and about the same as all 13 Indiana properties accounted for from January-June of 2019). On top of the state tax, Chicago would take a big cut. The City would impose a 33.3% "privilege" tax on adjusted gross receipts.

- All told, a Chicago casino would be taxed at an effective rate of about 72% of gross, Union Gaming Analytics concludes (others with a stake in the competition peg the effective rate at closer to 75%), and after including operating expenses of some 30% or more (and exclusive of financing costs), the "onerous tax and fee structure" would likely leave about a three percent EBITDA margin for the operator in an industry accustomed to such rates between 20% and 25% among regional operators. "The amount of profit generated relative to total development costs, inclusive of licensing and reconciliation fees, represents at best a 1% or 2% return annually, which is not an acceptable rate of return for a casino developer," the consultants write. Union Gaming (quite diplomatically) labels this "an expense structure that could exceed casino revenue." "We believe a reasonable casino developer would not move forward with a greenfield casino project that has, at best, a low single digit profit margin," Union Gaming warns Illinois officials.

□ And did we mention that the report contemplates the “bare minimum all-in development cost” for a casino and attendant 500-room hotel in Chicago at \$750 million, putting the development well out of the reach of all but a veritable handful of operators – and making it questionable whether there is sufficient capital to be found for this project (at reasonable rates) as well as five other Illinois casinos and more racetrack casino investments in a state potentially tripling its number of gaming positions (on top of other projects in the saturated Midwest, including the Spectacle Entertainment venture likely coming to the Borman Expressway in Gary, as well as what might transpire in Vigo County). As *Crain’s Chicago Business* veteran political and policy columnist Greg Hinz writes, the Union Gaming report “might as well have been subtitled, ‘The Cost of Greed.’”

□ The problem for Chicago casino advocates: The potential universe of operators likely shrinks given the Chicago tax tab on top of everything else (a problem a south suburban, Rockford, Danville, or Waukegan operator would not face, for example), and it will be tough to go back to the legislature and obtain a change in the tax structure.

□ While it may seem to make sense, the casino deal was forged as a major global compromise, with everyone with an interest effectively getting what they wanted (think of the law as the initial “kitchen sink” bill introduced this year in the Indiana Senate – but on steroids) . . . and there is no incentive for any of the entities that got what they wanted to go back and give Chicago a concession now – not the other communities just granted licenses or casino companies interesting in operating in that milieu; not the pari-mutuel horse racing operators allowed to add slot machines and table games or open a new track; not the existing casinos that have the new ability to expand gaming positions; not the video gaming terminal route operators or the entities which can now offer additional VGTs with larger wagers and payouts; nor the sports wagering operators, stadium owners, and professional sports teams who saw their interests served.

□ To put things in terms that those more familiar with gaming matters in the Hoosier State might better understand, it’s as if one of the legs of the proverbial three-legged stool (casinos, horse racing interests, and French Lick) wanted a new advantage after the other two legs were reinforced – and state and local governments had gotten what they had sought. The “ask” would simply go unanswered until the other legs got what they might want (and, in the case of Illinois, they already got it). Chicago pleading effective poverty to other communities traditionally overlooked at the big city’s expense is not a winning argument.

□ Then there is some concern from the African American community in Chicago about being shut out with a downtown casino . . . as well as from mayors representing some of the six largely African American south suburban townships that are in line for a casino in the area under the law, but in practice believe that they will be shut out. Their concern: A separate provision which grants a license to a new Chicago-area Standardbred racetrack (Illinois’ first new pari-mutuel facility in more than 70 years) that could offer full casino amenities – table games, slot machines, and a sportsbook. Largely overlooked as the law passed however, was a provision that the local officials claim would bar a south suburban casino cannot be sited within 35 miles of the new track without the track operator providing written consent waiving the geographical restriction – although others say they are not properly interpreting the law, and the exclusion zone is set forth in the in the Horse Racing Act, not the Gaming Act, and it refers an



being subject to written approval of any nearby tracks. However, if the local officials are correct, that would almost certainly cut out the best sites in the eligible townships . . . because an application has been filed for a Tinley Park track, a partnership between the general manager of another local track and the owner of one of Illinois’ top VGT route operators (developers also say they can be operating as soon as next year in a “transitional facility”). In a letter released last week, Matteson Village President Sheila Chalmers-Curlin tells the governor, “While this proposed law appears to allow two casinos (one with a track), in fact, we all know that this will never happen, and the favored track owner will have the only gaming property in South Cook County. I speak for the many minorities that suspect this is all a ruse and special legislation to benefit the private racino operator to the disadvantage of the African American community and its leaders.”

□ Tinley Park is about 15 miles from Hammond, and the key communities that have been angling for a casino for many years fall well within the radius of the exclusion zone. The *Chicago Sun-Times* reports Thursday that “Matteson, which is a 10-mile drive from the proposed racino site at the shuttered Tinley Park Mental Health Center near 183rd Street and Harlem Avenue, is among at least six suburbs that have announced they’ll make their pitch for a casino to the Illinois Gaming Board by Oct. 26, the application deadline. Other candidates include Crestwood, Calumet City, Country Club Hills, Lynwood and Ford Heights, plus a joint effort by East Hazel Crest and Homewood. Those towns are all within the 35-mile range over which the likely racino owners have veto power. The law also subjects the casino to a revenue-sharing agreement sending 2 percent of its gross revenue to the suburb and another 3 percent spread among dozens of other neighboring Southland municipalities – an agreement that isn’t being imposed on the racino’s windfall.”

□ As *Crain's* columnist Hinz observes, "In Springfield, casino bills don't get far unless everyone is united. On this one, they're anything but."

□ Then there's the problem of novice Mayor Lightfoot – who has not yet built up any clout of her own in Springfield – herself. "We've got to get this tax structure right or we cannot get anything done," a frustrated mayor said after the report was released. But the *Chicago Tribune* reports that she told reporters earlier this month "that she knew the proposed tax structure wouldn't work when the legislature passed it in the spring – and said she insisted on the Union Gaming study to prove her point," and "After settling for a deal she said she knew was bad in the first round of casino negotiations, Lightfoot will be under a brighter spotlight and be working with less leverage as she tries to revamp the agreement to Chicago's advantage during the legislature's two-week veto session this fall." And she's not raised the proposition of trimming the one-third cut that the City of Big Shoulders would receive by law, despite the fact that shouldering that burden will make it difficult to attract the best investment.

□ Finally, the *Trib* adds, "Reducing or doing away with that one-time fee would also be a tough sell for lawmakers because that money, along with the other new revenue from gambling expansion, is earmarked for building projects at public schools, state universities and other facilities through [the governor's] infrastructure plan." As we told you, Illinois went about this with the revenue tail wagging the policy dog, unlike Indiana.

□ While the former Michael Reese Hospital site in the historic Bronzeville district is projected by Union Gaming to be the most profitable of the five sites advanced by Mayor Lightfoot, even that proposed site would likely not be sustainable under the current fee and tax structure. The consultant clearly favors a downtown site, finding that "only a centrally-located casino that is in close proximity to high-quality hotels and other notable tourist attractions" could "meaningfully penetrate the robust tourism trends" in Chicago. "Tourists generally will not patronize a casino in an area that is inconvenient relative to where they are staying or perceived as unsafe. Nor will tourists be eager to book a room at a casino's hotel if there are no other easily accessible attractions nearby," Union Gaming notes, but does not spend much time or attention to discussing what we've been telling you for several years: Locals are going to be far less interested in regularly patronizing a casino in the Loop area than the south suburbs. As for the financing concerns, Union Gaming suggests a model under which the City of Chicago could actually own the casino and retain a manager for the property, "financed by municipal bonds, for example, with the City of Chicago capturing cash flows less debt service, casino management fees, and any other receipts shared with, for example, the county or state."

□ The consultant's analysis contains some helpful potential timelines. Union Gaming projects a Chicago casino license would not be awarded until late 2020, "which would then be followed by a two-year construction cycle with the casino opening on or about January 1, 2023" – potentially two years after the expected opening of the new Hard Rock casino proposed by Spectacle Entertainment, LLC for Gary. Given the illustrative one-year ramp period, we would largely expect 2024 to represent stabilized revenue and cash flow."

● Gaming contributed \$10.9 million in tax revenue to the Indiana's state General Fund during July, accounting for 3.5% of total General Fund collections for the month. Riverboat and racino wagering taxes in July 2019 outperformed July 2018 by about \$900,000 (9.0%) (note that admission taxes are no longer collected separately).

□ Riverboat wagering taxes contributed approximately \$900,000 to state coffers in July, about \$100,000 (- 13.8%) below the monthly forecast from April – and down by about \$500,000 (- 35.7%) from collections in July 2018.

□ Racino wagering taxes comprised the remaining \$10 million inflow to the General Fund in July, about \$800,000 (8.4%) above the estimate upon which the current budget is predicated. Racino wagering tax revenue is also up by \$1.4 million (16.3%) from July 2018 levels.

FYTD Comparison to Monthly Targets

	Forecast	Actual	\$ Differ.	% Differ.
Riverboat Wagering	\$ 1.0M	\$ 0.9M	(\$ 0.1M)	(13.8%)
Racino Wagering	\$ 9.2M	\$ 10.0M	\$ 0.8M	8.4%

FYTD Comparison to Prior Fiscal Year-to-Date

	2018	2019	\$ Differ.	% Differ.
Riverboat Wagering	\$ 1.4M	\$ 0.9M	\$ 0.5M	(35.7%)
Racino Wagering	\$ 8.6M	\$ 10.0M	\$ 1.4M	16.3%

● U.S. Sen. Mike Braun (R) tells Terry Meiners of WHAS 840-AM in Louisville August 12 that gaming revenues were "really hot out of the gate, and then when I was a [state] legislator, for those three years, '15, '16, and '17, it's finally troughed, and I think it's now on the way up. Gambling at the casino – that's a tough demographic. Millennials don't seem to do it much, and I don't know what they'll do. I think they're all going to have to fashion themselves kind of like French Lick has, as maybe a destination where you can do more than just gamble. Any business has that. My business, which has grown between 15 and 20 percent a year for now 37-38 years I always preach to my kids, 'Whatever's doing well today, don't count on it in four to five years. Be looking at other stuff.' You add to what you're doing. That's how you stay a healthy enterprise."

● Filling the vacancy created by the April retirement of Kevin Moore after 35 years of state service, Jay Chaudhary will step in as director of the Division of Mental Health and Addiction (DMHA) for the Family and Social Services Administration effective September 9. DMHA is the FSSA division that oversees problem gambling matters. Zionsville resident Chaudhary is currently the managing attorney for Indiana Legal Services, where he has served in several key positions including founding director of Midtown Medical Legal Partnership. In his current role, Chaudhary focuses on improving health outcomes by addressing the individual and systemic legal needs of Hoosiers with mental health and substance use issues, which attracted the attention of FSSA officials who are advocating integrated care as a means of achieving improved health outcomes.

□ Rachel Yates Halleck of Indianapolis will serve as DMHA's deputy director and the division's chief of staff. Halleck is a licensed mental health counselor and a licensed addiction counselor who most recently served as the senior director of behavioral health strategy and innovation for Volunteers of America Ohio and Indiana.

IN Illegal Gambling

- Edgar Jesus Hernandez Gonzalez, 31, is charged with seven Level 6 Felony counts of Professional Gambling (knowingly engaging in pool-selling) in Ripley County Superior Court. *State v. Hernandez Gonzalez*, No. 69D01-1908-F6-000145. A probable cause affidavit filed by an Indiana Gaming Commission Gaming Control Division officer outlines the details, and mentions potential predicate offenses for a Level 5 Felony Corrupt Business Influence count as well that was not initially filed by local prosecutors. An initial court hearing for Hernandez Gonzalez is currently slated for September 3.

□ In mid-July the Gaming Commission was contacted by Batesville's police chief and advised of an active investigation in his jurisdiction. The investigation into a voyeurism and child pornography case yielded "what investigators believed to be photographs of illegal gambling records and documents" on the defendant's cell phone, and the chief asked IGC to assist with respect to possible involvement in illegal gambling. Batesville Police Department detectives, accompanied by an IGC Officer, executed a search warrant at the suspect's home and found handwritten pool sheets that appeared to be for games in a Mexican soccer league.

□ A Spanish-speaking IGC officer who had conducted a previous investigation with similar sheets and betting patterns was called in and confirmed the suspicion. Another search warrant was requested specifically for the illegal gambling activity. Some of the items collected from the residence included 36 pool sheets, four suspected ledger sheets related to illegal gambling, and one spiral bound notebook with notations in regards to numerous soccer games and what appeared to be ledgers. "From my training and experience as an investigator for the Indiana Gaming Commission, I further recognize these sheets to be consistent with those commonly used by a bookie, or bookmaker engaged in "pool selling." The search also uncovered located pool sheets that had been "graded." A pool sheet is graded as the individual games conclude and the bookie marks the winning wagers accordingly, and some of the graded sheets contained tallies of the number of winning wagers noted on the right margin, "the action of a bookie or bookmaker determining which better has the most 'points.'" The pool sheets were "indicative of a bookmaker and not a better. Additionally, we found lists of names with amounts written next to them which is consistent with ledgers compiled by a bookie keeping track of the money owed to him/her or to be paid out. Some of the ledgers are makeshift in nature, literally written on the reverse of the graded pool sheet. The names in these quick ledgers match the names on the graded sheets which is indicative of a bookie and not simply a bettor. Some of the sheets appear older or were found in association with other paperwork that was dated 2015 and 2016. Contained within a spiral bound notebook we found notations regarding soccer games dated 2010, 2012, and 2014."

□ After the suspect was read his rights, he confirmed the sheets were used to bet on soccer games in the Mexican leagues, and detailed his record keeping system, and the "explanation of the construction and use of these pool sheets to be consistent with those used for illegal sports wagering."

- Oraine Gray a/k/a "James Cooper," a 23-year-old resident of Jamaica, was sentenced in the U.S. District Court for the Southern District of Indiana to 34 months in federal prison after his admission of guilt to devising a lottery scam that swindled elderly and vulnerable victims throughout the United States of their retirement accounts and savings, and to making death threats in furtherance of the scam. Gray will not serve any supervised release following his sentence because he will be deported back to Jamaica after completing his sentence. He was arrested in Jamaica in September 2018 and waived extradition to the United States.

□ The Jamaican lottery scammer operated his scheme from April 2014 through early September 2018. Under what the U.S. Department of Justice described as a "complex" cozenage, the defendant and others represented to the victims that they were lottery/contest winners who needed to pay certain taxes and fees to collect millions of dollars of their lottery winnings and/or prizes. In reality, according to the U.S. Attorney's Office in Indianapolis, the victims were not actual lottery or contest winners. None of the victims received the money promised to them during the course of the scam. The defendant and others masked their identities through the use of various telephone applications and other technologies. Through these applications, they directed the victims to send money to the defendant and others in Jamaica to obtain their purported lottery or contest winnings. The defendant and others also directed the victims to send such money to other victims and individuals throughout the United States in an attempt to conceal tracing of the proceeds of the scam. The victims sent this money by mail and wire transfers, such as Western Union, MoneyGram, U.S. Mail, and other means, most of which ended up in Jamaica. When victims attempted to stop contact with the defendant by changing telephone numbers, he searched for and used local businesses, such as pizza delivery and taxi services, to attempt to find out the new telephone numbers so that he could continue such contact. On one occasion, when a victim located in the Southern District of Indiana did not send the money as requested, the defendant threatened to kill the victim and her family, and sent individuals to her residence to try and collect the money. The defendant caused the victims to transfer more than \$90,000 to Jamaica and elsewhere in furtherance of the scheme.

□ The international scam case was investigated by the Federal Bureau of Investigation.

IN Sports Wagering

- As sports wagering takes hold not just in Indiana but across the nation, keep an eye on the Indianapolis-based National Collegiate Athletic Association. Earlier this month, NCAA officials opted against requiring (or recommending) member institutions provide periodic player injury reports akin to those circulated by the key professional leagues. While those seeking such reports argue that they would help alleviate concerns about leaking of (and trading upon) inside information, the NCAA and many of its members continue to be hinky about sports wagering in general, do not want to appear as though they are equating their brand to professional leagues, and have concerns about student-athlete rights to privacy under both the Buckley Act and HIPAA.

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● We're hearing that at least some of the state higher education institutions impacted by the new sports wagering law are quietly nudging the Indiana Gaming Commission to including geofencing of their main campuses or at least athletic facilities (read: basketball arenas and football stadiums) in final mobile gaming regulations to better help protect the "integrity of the games" . . . while not having alumni blame the institutions themselves for barring them from betting from their smartphones at games.

□ This issue, however, is fraught with complications. Some of the immediate questions discussed at stakeholder meetings include who would pay for the additional geofencing required, what criteria would be used (for example, what constitutes a 'campus'), and assorted technical issues including the cost to maintain or revise a geofence once it has been established. At this point, there has apparently been no formal request to geofence a campus, and that's probably a good thing, because the proclivity of the Commission - literally throughout its existence, but perhaps even more so in the last decade or so - has been reluctant at best to extend its administrative reach beyond legislative directive, and we believe that commissioners would be hesitant at sticking their respective necks out here to impose parameters outside of those already set down by the legislature . . . which didn't seem to feel the need for campus-specific restrictions (if, indeed, any lawmaker even considered this at all, and we don't recall any debate on the point). But the bottom line here is that this is something that the Commission would likely consider to be a significant policy-setting exercise that would fall outside their lane.

□ Another big question on the theoretical side of the equation: What about the integrity of events that involve teams from those same institutions when they play at in-state venues not on a campus . . . such as the opening game of the Indiana University football season, in which Ball State University tackles IU at Lucas Oil Stadium in Indianapolis? There would be similar concerns for the annual Crossroads Classic, the four-team basketball showdown convened in Indianapolis at (what is currently still known as) Bankers Life Fieldhouse. This event has traditionally featured four Indiana schools each year: IU, Purdue University, the University of Notre Dame, and Butler University. Could the Commission mandate temporary geofencing - and if so, it possible for it to be technologically accomplished?

□ And if it could, is there a chance that the Harrah's Hoosier Park Winner's Circle Pub, Grille & OTB in downtown Indianapolis, set to become a sports wagering site, might end up being "fenced out" because of its immediate (about 1,000 feet) proximity to the grounds of the Fieldhouse? This has as much technology as policy wrapped up in it.

● When we checked late last week., there had been no additions yet to the initial (lengthy) list released in late July by the Indiana Gaming Commission detailing the sports leagues and types of sports on which wagering will be permitted . . . although we hear that the National Hot Rod Association - was seemingly interested in quickly being added to the original grouping, presumably because that sanctioning body will be hosting the always exciting 65th Annual Chevrolet U.S. Nationals at Lucas Oil Raceway in Indianapolis over Labor Day weekend.

● The Indiana Gaming Commission grants temporary vendor license approvals to Betfair Interactive US (dba FanDuel Sportsbook) to team with Boyd Gaming Corporation's Blue Chip Casino and Belterra Casino Resort . . . SugarHouse-affiliated Rush Street Interactive will partner with French Lick Resort • Casino . . . Caesars Interactive Entertainment will affiliate with Horseshoe Casino Hammond . . . Penn Sports Interactive will operate under the Hollywood Casino Lawrenceburg imprimatur . . . and William Hill US is the vendor for Tropicana Evansville.

● William Hill US will operate The Sports Book at Tropicana Evansville as part of its international partnership with Trop parent Eldorado Resorts, Inc. The Trop's 421 Lounge is being remodeled to accommodate the new offering, and will retain food offerings and feature a 16' x 9' video wall, 10 large (65") viewing monitors, and 12 odds boards.

● We told you that Horseshoe Casino Hammond was shooting for a September 4 kickoff date for sports wagering in the Chicago area at The Book (the same name that will be in use at the other Caesars Entertainment Corporation properties in Indiana), but Penn National Gaming, Inc. jumps in with the news last week that it expects to begin offering sports betting at the company's Ameristar Casino East Chicago and Hollywood Casino Lawrenceburg properties on September 1, subject to required regulatory approvals. Boyd Gaming Corporation plans for its two properties to join the fray on the heels of those operations.

□ Penn National promises a state-of-the-art sports betting experience at Ameristar Casino East Chicago, including betting kiosks and ticket-writer stations that will support what it describes as "thousands of sports betting options" for patrons. The new sports book will be located near the Stadium Sports Bar and Grill and main entrance to the property, replete with a new betting counter and large odds boards in close proximity to numerous televisions.

□ Celebrating the first wagers at ACEC will be Chicago Bears alumni Mike Ditka and Devin Hester, both of whom are ranked high among the 100 best Bears of all time, a current *Chicago Tribune* feature countdown in the century season. The Bears-Green Bay Packers game on Thursday, September 5 kicks off the National Football League season in prime time, and the lengthy heated rivalry will be a hot betting event in Chicagoland.

□ Hollywood Casino Lawrenceburg's new sports book will be located inside the Hops House 99 sports bar, which will include a wagering counter with ticket-writer stations as well as dozens of new television screens for customers to watch and wager on sporting events taking place across the country and around the world. Kiosks will also be available throughout the revamped Dearborn County facility to support what Penn National also says will be "thousands of sports betting options" for patrons.

□ Former Cincinnati Bengals star offensive lineman Anthony Munoz and former Cincinnati Reds Baseball Hall of Fame member Tony Perez will participate in a ceremonial ribbon cutting for the new offerings at the Lawrenceburg casino on September 7 . . . the day before the Bengals open their 2019 football season.

□ Boyd plans a September 5 launch for its **FanDuel**-branded sportsbook at **Blue Chip Casino** . . . and you should also plan for a major Chicago Bears figure to be present for the festivities. Look for the Boyd FanDuel sportsbook at **Belterra Casino Resort** to open a few days later, September 9, with former Cincinnati Bengals **Super Bowl** and MVP quarterback **Ken Anderson** as the guest celebrity.

- Sports wagering niches within the casinos and satellite wagering facilities have required assorted regulatory approvals, largely for changes in casino floor layout (by the Indiana Gaming Commission, which must sign off on such changes and attendant surveillance) and OTB layout (up to the Indiana Horse Racing Commission). Some of the changes for the casino vessels must come with marine vendor reviews, while the facility incorporated into the **Caesars Southern Indiana** land-based facility being constructed now simply required a quick adjustment in plans approved by the Commission.

- As of late last week, **GeoComply**, a Canadian geolocation compliance technology company (based in **Vancouver, British Columbia**), was the sole geofencing entity to obtain a temporary supplier's license from the Indiana Gaming Commission for mobile wagering purposes.

IN Native American Gaming

- The **Pokagon Band of Potawatomi Indians** tells **ESPN** earlier this month that its "**Four Winds Casino** is always looking for opportunities to enhance our guests' experience and will continue to do so with the passing of sports betting in the state of Indiana."

□ Doing so would be no small step: This would make their **South Bend** property closest to the **University of Notre Dame** (about seven miles from "Touchdown Jesus" and the venerable **Notre Dame Stadium**) to offer sports wagering, and its location on the U.S. 31 bypass would offer convenient access for **Michigan** residents who might want to bet on the **University of Michigan** (or against **The Ohio State University**!), **Michigan State University**, or **Detroit** professional baseball, basketball, hockey, and football franchises.

□ But **Four Winds South Bend** is only authorized to conduct **Class II** gambling. "There is not presently a **Class III** gaming compact between the **Pokagon Band** and the State of Indiana," **Indiana Gaming Commission** Executive Director **Sara Gonso Tate** told **Casino.org** for a **Wednesday** article. "Sports wagering meets the definition of **Class III** gaming." Sports wagering, like any other **Class III** gambling activity, would require a compact with the State of Indiana.

□ We had been picking up signals that the tribe wanted to engage in leader-to-leader discussions between the tribe and the State of Indiana – not talk at the staff level – about a compact that would allow the **Pokagons** to conduct sports wagering at the **South Bend** facility, and your favorite gaming newsletter exclusively learned that the **Pokagons** formally submitted a request to Governor **Eric Holcomb** (R) on **August 13** to engage in compact negotiations . . . which means that a 180-day clock (calendar?) starts ticking.

□ An Indian tribe may ask the U.S. Secretary of the Interior to issue **Class III** gaming approval when the State and the Indian tribe failed to act in good faith to negotiate a compact 180 days after the State received the Indian tribe's request. Bear in mind that under **IC 4-29-3-5**, enacted in 2015, following completion of negotiations and the execution of a tribal-state compact, the governor is required by law to submit a copy of the executed tribal-state compact to the General Assembly for "ratification" by both chambers. To ratify the compact, the General Assembly "must enact a bill codifying the tribal-state compact in the manner required by the Constitution of the State of Indiana." That would seem to mean that any compact must be agreed to by the Governor and ratified by lawmakers by early-to-mid February (our calendar points to February 9, which should be close to the short session mid-point). But the federal statute doesn't make the absence of compact consummation actionable of itself, and we recall some recent examples where a state and tribe have gone past the ostensible "deadline" while continuing to negotiate in good faith, so don't view February 9 as a drop-dead date by which the feds will intervene.

□ Governor **Holcomb**, in an **August 19** response to tribal chairman **Matthew Wesaw**, acknowledges having met with him earlier this month, and tells Chairman **Wesaw** that **Gaming Commission** Executive Director **Tait** will lead the compact negotiations on his behalf. The Governor intends to create a negotiating committee, which will be led by **Tait**, and we expect this to be a small, high-level working group that will not include lawmakers (although it may not necessarily be limited to executive branch officials), but you should look for legislative leaders to be kept closely apprised of the ongoing discussions. **Tait** simply tells us, "The State intends to comport with our mandated obligations."

□ We're also wondering whether, absent a formal compact, anyone could use the forthcoming mobile wagering option – a **Class III** gambling activity – on tribal land, which is effectively sovereign, non-federal territory on which state law does not apply. Casinos and their sports wagering vendors could potentially find themselves in legal hot water by allowing sports wagering to occur where it is not authorized by law, and might thus seek to have the tribal land (and **Four Winds Casino**) geofenced to prevent mobile wagering on or from that land. As best as we can tell, this has not been an issue addressed anywhere else, but could well arise in Indiana if a compact allowing that **Class III** activity is not authorized by compact.

□ If the State does enter into a compact, it will undoubtedly receive something tangible in return, and we'll be watching any negotiations to see just what the Governor and **Indiana Gaming Commission** will seek (a lump sum annual payment in lieu of taxes? a percentage of the sports wagering take?), and whether the **Pokagons** will seek additional **Class III** gaming options (such as traditional slot machines and table games).

□ And as we understand it, if a state offers a type of **Class III** Gaming – such as sports wagering – that would be the subject of negotiation if requested by the tribe, but simply agreeing upon one type of **Class III** gaming does not automatically unlock the door to all other forms for the tribe; those must also be negotiated.

IN Casinos

Northern Market News . . .

- The Gary City Council on August 20 opted to postpone the necessary rezoning approval for the proposed inland off-footprint site for a relocated Spectacle Entertainment, LLC casino.

□ The delay in a final vote will allow more time for city and casino officials to iron out the details of a project agreement for the development proposed for 30 acres at 29th Avenue, adjacent to the Burr Street exit on the Borman Expressway. The city wants more assurances on local vendors and jobs, and is seeking an upfront \$5 million payment. Expect an August 27 council vote on the rezone request, a condition precedent to Indiana Gaming Commission consideration of the Majestic Star Casino move proposed by Spectacle and Hard Rock International – at a meeting scheduled for Indianapolis on August 28. Spectacle seeks to fast-track the project so as to be ready to open its first phase by December 31, 2020.

- Overlooked in the Union Gaming Analytics report on the feasibility of a Chicago casino is that the consultants believe there remains a significant amount of untapped capacity in the Chicagoland market, at least in terms of digging deeper into patron pockets, if not expanding the market. Union Gaming researchers find that only 0.6% of income in the market is spent on gambling, while that figure generally ranges closer to one full percent in other markets. “This suggests there is significant upside potential in terms of total gaming revenue that can be supported by the Chicago metro area as supply is added throughout the market.”

Southern Market News . . .

- For several years we had been following the high-stakes Switzerland County property tax odyssey for you that involved Belterra Casino Resort. *Switzerland Co. Assessor v. Belterra Resort Indiana, LLC*, 49T10-1705-TA-9. We thought that the judicial aspect of the property tax dispute was over in July 2018, when the Indiana Tax Court issued its order affirming in part and reversing in part an Indiana Board of Tax Review final determination in the matter (or in October, when the Indiana Supreme Court denied transfer) . . . but after the Tax Court formally closed the case in April, Belterra came back to the Tax Court in June, telling Judge Martha Blood Wentworth that, despite her ruling more than one year earlier, *Switzerland Cty. Assessor v. Belterra Resort Indiana, LLC*, 101 N.E.3d 895 (Ind. Tax Ct.), *review denied*, neither the Switzerland County Assessor nor the Board of Tax Review had taken any action to comply with her May 2018 ruling, and asked her to intervene and enforce that mandate for action upon remand in recalculation of property taxes involving 2008, 2009, and 2014.

□ The Board claimed that it believed it was simply obligated to order the special assessment, but not to actually oversee the local process. Attorneys representing the assessor asked the judge to deny Belterra’s Motion for Enforcement because, as it argued, the motion was based on material outside the record, is not ripe, and the Tax Court lacked subject matter jurisdiction to hear it, contending that the proper venue was a court of competent jurisdiction in Switzerland County.

□ Judge Wentworth, however, was not impressed. On August 15, she issued an eight-page opinion finding that the Indiana Tax Court has subject matter jurisdiction, and ordering the Indiana Board of Tax Review to verify and provide written notice to the parties that the corrected assessments comply with the Tax Court’s instructions for correcting the assessments in its May 24, 2018, decision.

□ In case you’re unclear about how Judge Wentworth feels about the actions by the state and local governmental units here, ponder this passage: “[T]he Indiana Board must ensure that the Court’s instructions contained in its May 24, 2018, opinion have been specifically carried out. This oversight process guarantees that the Indiana Board – Indiana’s assessment and property tax expert – has determined the accuracy of a corrected assessment, reducing the possibility that additional judicial resources must be expended. Moreover, as a practical matter, the Indiana Board’s oversight insulates an assessor – typically a party in property assessment cases – from the appearance that she advanced her own self-interest.”

□ Judge Wentworth then included this scathing footnote directed at the Switzerland County assessor: “Here, the Assessor’s post-decision actions and claims appear to be intended to reduce the adverse effects of the Court’s decision. First, the Assessor conjured an ambiguity in the Court’s instructions for calculating the corrected assessments where there was none. Then, when corrected values were issued presumably based on that conjured ambiguity, the Assessor invented procedural infirmities to prevent the Court from enforcing its decision. Taxpayers deserve more than taxation by trickery, and the Court will not countenance such actions,” the clearly miffed Tax Court wrote.

- Full House Resorts, Inc. reports second quarter numbers for its Rising Star Casino • Resort. Net revenues during the April - June period decreased to \$11.6 million from \$12.5 million one year earlier due to lower business volumes, which the company attributes to a pair of “ongoing road construction projects.” The repaving of U.S. 50, which Full House describes as “the main highway leading to the property,” began during in the first quarter of 2019, “frequently causing traffic delays,” and it “continued to adversely affect operations during the second quarter of 2019 . . . while a second project affecting an alternate route to the property started in the second quarter.” Both Indiana Department of Transportation projects are slated to be completed by the end of 2019.

□ Casino revenue decreased by 5.6%, largely due to a 3.9% decrease in slot revenue and, to a lesser extent, a 13.0% decrease in table games revenue; the company says “both declines reflect lower volumes and relatively flat hold percentages.” Food and beverage revenues decreased with the closure of a restaurant for half of the quarter for remodeling and rebranding as well as a decline in guest volumes. A smaller factor in the decline was said to be the property’s replacement of the breakfast buffet (starting in February) with a continental breakfast, included as part of a new daily resort fee. Hotel revenues were virtually flat for the quarter, with Full House explaining that lower occupancy was offset by a higher average daily room rate, as well as implementation of the daily resort fee.

□ Similarly, net revenues for Rising Star for the during the six-month period from January through June decreased due to lower business volumes, again largely blamed on road construction. Casino revenue decreased by 4.1%, reflecting a 3.1% decrease in slot revenue due to lower volumes, as well as a relatively flat hold percentage. To a lesser extent, Full House say that casino revenue was affected by a 7.9% decrease in table games revenue and a 1.8 percentage point decrease in table games hold.

□ Due in part to traffic delays resulting from the ongoing construction projects, the **Rising Sun** property dropped charges for its ferry service beginning in May, and recently began to “aggressively” market the complimentary ferry service from **Boone County, Kentucky**, “as an easier travel alternative to our property,” which the company believes “will help offset the effects of construction traffic.” The ferry service showed what Full House considers as “meaningful increases in usage during the quarter,” as well as “a steady increase in the number of vehicles” and “record usage” in July. Weekday usage of the ferry service in July grew by 69% over the June count, and weekend traffic increased by 56% from June. “As a result of the increased ferry traffic, management has decided to continue to operate the ferry on a free basis, believing the increased traffic is more important to the casino than the ferry revenue.”

□ Adjusted Property EBITDA of approximately \$600,000 in the second quarter of 2019 was down by 22.2% from the prior-year period, and was off by 20.6% for the six-month period due to the revenue declines, as well as what Full House says were “severance expenses related to recent management changes at the property.” Expenses this year also reflect additional costs to operate the ferry boat, which began operations in September 2018. “As a result, Adjusted Property EBITDA Margin declined to 5.2% from 6.2% in the prior-year quarter.”

Rising Star Casino • Resort (\$ in millions)

	Second Quarter			
	2019	2018	2017	2016
Net Revenues	\$ 11.598	\$ 12.528	\$ 12.595	\$ 12.053
Adjusted EBITDA	\$ 0.604	\$ 0.776	\$ 0.637	\$ 0.432
Deprec/Amort'zn	\$ 0.593	\$ 0.603	\$ 0.617	\$ 0.664
Op. Income/Loss	\$ 0.011	\$ 0.172	\$ 0.027	(\$ 0.232)
Interest Expense	\$ 0.052	\$ 0.052	\$ 0.084	
Net Income/Loss	(\$ 0.041)	\$ 0.114	(\$ 0.284)	(\$ 0.123)

	Second Quarter			
	2015	2014	2013	2012
Net Revenues	\$ 11.766	\$ 13.541	\$ 17.798	\$ 22.261
Adjusted EBITDA	\$ 0.592	\$ 0.248	\$ 1.770	\$ 2.810
Deprec/Amort'zn	\$ 0.673	\$ 0.692	\$ 0.726	\$ 1.274
Op. Income/Loss	(\$ 0.081)	(\$ 11.991)	\$ 1.044	\$ 1.536
Interest Expense	\$ 0.046			
Net Income/Loss	(\$ 7.996)	\$ 0.672	\$ 1.450	

	First Six Months			
	2019	2018	2017	2016
Net Revenues	\$ 22.465	\$ 23.755	\$ 24.800	\$ 24.299
Adjusted EBITDA	\$ 1.007	\$ 1.269	\$ 1.956	\$ 1.733
Deprec/Amort'zn	\$ 1.119	\$ 1.232	\$ 1.248	\$ 1.333
Op. Income/Loss	(\$ 0.192)	\$ 0.028	\$ 0.695	(\$ 0.400)
Interest Expense	\$ 0.106	\$ 0.116	\$ 0.106	\$ 0.084
Net Income/Loss	(\$ 0.298)	(\$ 0.088)	(\$ 0.638)	

	2015	2014	2013	2012
Net Revenues	\$ 22.881	\$ 26.789	\$ 37.412	\$ 44.892
Adjusted EBITDA	\$ 0.797	\$ 0.852	\$ 4.472	\$ 5.901
Deprec/Amort'zn	\$ 1.361	\$ 1.539	\$ 1.473	\$ 2.302
Op. Income/Loss	(\$ 0.564)	(\$ 12.241)	\$ 2.999	\$ 3.599
Interest Expense	\$ 0.106	\$ 0.116	\$ 0.094	
Net Income/Loss		(\$ 8.044)	\$ 1.637	\$ 0.412

□ Full House expects that the complement of recent legislative changes in Indiana, including the introduction of sports betting and a reduction in certain gaming tax rates (beginning in July 2021) – with some of the changes intended to help boost lower-grossing casinos, “are expected to benefit the property’s operating results over the long-term.” The company adds, however, that “These improvements may be somewhat offset by the acceleration in the law to January 2020 for the introduction of table games at racetrack casinos in the Indianapolis area.”

● Look for a new slot system to be installed at **Rising Star Casino • Resort** this Fall, replacing a 17-year-old system.

□ During the second quarter, RSCR management began the conversion of the existing **Queen City Market**, a quick-serve restaurant at Rising Star, into **Ben’s Bistro**. “The rebranded establishment features an updated dining selection and a newly constructed breakfast room. A free-standing specialty coffee kiosk and additional seating were also installed in the entry pavilion, which serves as the property’s functional gathering space that connects guests to the casino, hotel, entertainment venue, retail and dining areas.” The cost of this renovation was said to be less than \$1 million, and Ben’s Bistro should be operational in the third quarter.

□ During the Fall, expect Rising Star to convert **Big Vic’s Pub & Grub** into a new sports book (with approximately 20 slot machines), and the property’s parent company, **Full House Resorts, Inc.**, believes that its “sports betting partner will be responsible for the investment required for the sports book conversion.” Full House adds, “We expect to open an on-site sportsbook at Rising Star in the fall, in conjunction with a partner with unique expertise in sportsbook operations.”

IN Vigo County Casino News . . .

● Full House Resorts, Inc., the parent company of Rising Star Casino • Resort, devotes some attention to **Vigo County** in its second quarter earnings report. Full House notes that the Indiana gaming legislation effective July 1 “called for a competitive process for a new casino in **Terre Haute**, pending local voter approval. Such casino should have little or no impact on Rising Star and the Company is evaluating whether to pursue the potential expansion opportunity.”

● Even after **Danville, Illinois** extended its deadline for casino development applications over concern that other potential applicants needed more time to line up local deals, the final number of (undisclosed) applicants stands at two in the city just an hour or so up U.S. 41 from **Vigo County**.

● The **Indiana Gaming Commission** is wrapping up a Request for Qualifications process in which it is seeking a consultant to offer an analysis of and review proposals for the proposed **Vigo County** casino.

□ Much like the Center for Urban Policy and the Environment at the Indiana University School of Public and Environmental Affairs was engaged in the 1990s to provide some perspective on the market and help the Gaming Commission evaluate proposals, particularly with respect to their value to the host community, the Commission anticipates retaining an individual or entity to perform a similar review 20 years after the last competitive evaluation exercise (save the unique Orange County operating agent process – times two!).

IN Other Casino News . . .

● The Union Gaming Analytics report on the feasibility of a Chicago casino conducted for the Illinois Gaming Board as mandated under the new Illinois gaming law contains a section on “Cannibalization of Indiana casinos” from a proposed Chicago casino. “Based on the five sites selected for the study by the City of Chicago, we estimate that up to \$260 million in AGR will be repatriated back to Illinois,” the consultants conclude. Union Gaming analysts The study also conclude that about one-third of the revenue to be derived from a Chicago casino would consist of funds diverted from amounts currently wagered at Northwest Indiana’s casinos. We infer from the numbers that virtually all of this would be derived from the four Lake County properties, and only a minimal amount from Blue Chip Casino (despite Blue Chip targeting an increasing amount of its marketing west into the Chicago area since the opening of the Four Winds Casino South Bend to its east).

□ The \$259.7 million hit estimated by the Union Gaming team consists of \$162.1 million in slot AGR and \$97.5 million in table games AGR, and amounts to about 25% of AGR for the northern tier. “These estimates also assume a relocation of the Majestic Star Casino to Gary, IN near I-94, just a few miles from the Illinois border. This relocation modestly reduces the amount of projected cannibalization to Indiana’s gaming revenue. Ultimately, it should be expected that not only will the northern Indiana casinos respond to this cannibalization with various marketing tactics designed to recapture any lost AGR to Illinois, but that changes might be enacted to the regulatory construct in Indiana in order to make these casinos more competitive (e.g. adjust gaming tax rates lower, or make casino free play deductible).”

□ As we had told you in January, the five Lake Michigan casinos combined for 2018 win of \$934.18 million, eroding from 2017 by 0.46% (- \$4.32 million), even as Illinois’ Chicagoland casinos dipped by 1.3% over the year. Northern tier win has now declined for eight consecutive years. This is also the lowest annual win for the region since 2000. The Lake Michigan casinos produced 41.69% of statewide casino revenues in 2018.

● We told you in detail in 2015 about a proposal that Full House Resorts, Inc., the parent company of Rising Star Casino • Resort, had outlined for American Place, a boutique casino (with 700 slot machines and 30 table games), hotel, lifestyle center, and retail complex of as much as 1.2 million square feet at the site of the old Indianapolis International Airport terminal, a \$650 million project submitted in response to a Request for Proposals for the site.

□ While the local process turned out to be flawed and all initial RFPs were rejected, in early August, Full House revived the concept, submitting a proposal to construct and operate American Place, a new casino and resort destination in Waukegan, Illinois, a lakefront community approximately 35 miles north of downtown Chicago. This proposal was in response to a Request for Qualifications and Proposals published by the City of Waukegan to select a preferred operator under the new legislation expanding gaming in Illinois. If selected (and there were several other proposals submitted, with some clout-heavy developers involved), Full House intends to build a casino with ~ 1,500 slot machines, 60 table games, and “a very high-end boutique hotel.”

● If you took a close look at the July Indiana Gaming Commission revenue report, you may have noticed a different format – and the absence of a breakdown of coin-in by each denomination of slot machine. As we understand it, the format changes were driven by the State of Indiana’s rollout of the new Electronic Tax System (ETS), a component of the State’s forthcoming move to a Windows 10-based system. As part of the change in the underlying system, the Commission decided to no longer gather the detailed denomination data because it was not needed for regulatory reasons (and while casinos may have used it for competitive intelligence, your favorite gaming newsletter did not include it in our monthly proprietary database because it can be a shade misleading; multi-denomination machines are listed as penny machines in the report, making the information a bit less useful than one might think).

● Here are your July casino numbers:

CASINO	TABLE WIN	SLOT WIN	TOTAL WIN
Ameristar	\$ 3,121,081	\$ 13,347,671	\$ 16,468,752
Belterra	\$ 1,974,890	\$ 8,017,843	\$ 9,992,733
Blue Chip	\$ 1,332,302	\$ 11,877,247	\$ 13,209,549
French Lick	\$ 1,047,890	\$ 7,247,355	\$ 8,295,245
Hollywood	\$ 2,600,235	\$ 12,081,123	\$ 14,681,358
Hoosier Park	N/A	\$ 18,775,356	\$ 18,775,356
Horseshoe HD	\$ 9,102,738	\$ 23,384,094	\$ 32,486,832
Horseshoe SI	\$ 4,049,950	\$ 14,332,369	\$ 18,382,319
Indiana Grand	N/A	\$ 24,601,862	\$ 24,601,862
Majestic Star I	\$ 2,291,992	\$ 5,490,954	\$ 7,782,946
Majestic Star II	\$ 96,260	\$ 4,782,260	\$ 4,878,520
Rising Star	\$ 427,968	\$ 3,536,692	\$ 3,964,660
Tropicana	\$ 1,894,934	\$ 10,443,196	\$ 12,338,130
STATEWIDE	\$ 27,940,240	\$ 157,918,022	\$ 185,858,262

CASINO WIN, past six months (\$ in millions)

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe HD	\$ 32.49	\$ 32.42	\$ 31.33	\$ 33.20	\$ 38.29	\$ 30.58
Indiana Grand	\$ 24.60	\$ 24.14	\$ 25.79	\$ 24.86	\$ 29.65	\$ 24.23
Hoosier Park	\$ 18.78	\$ 17.56	\$ 18.73	\$ 18.14	\$ 20.75	\$ 16.94
Horseshoe SI	\$ 18.38	\$ 17.57	\$ 19.73	\$ 16.74	\$ 20.25	\$ 13.98
Ameristar	\$ 16.47	\$ 18.05	\$ 21.08	\$ 18.41	\$ 23.05	\$ 17.01
Hollywood	\$ 14.68	\$ 13.60	\$ 14.65	\$ 13.73	\$ 15.84	\$ 14.37
Blue Chip	\$ 13.21	\$ 12.96	\$ 13.20	\$ 12.61	\$ 15.35	\$ 11.90
Tropicana	\$ 12.34	\$ 11.98	\$ 12.68	\$ 11.42	\$ 15.27	\$ 11.97
Belterra	\$ 9.99	\$ 8.92	\$ 9.16	\$ 8.46	\$ 10.70	\$ 6.84
French Lick	\$ 8.30	\$ 8.22	\$ 8.06	\$ 7.83	\$ 9.02	\$ 7.97
Majestic Star I	\$ 7.78	\$ 6.99	\$ 7.90	\$ 8.50	\$ 8.48	\$ 7.42
Majestic Star II	\$ 4.88	\$ 5.06	\$ 5.23	\$ 5.43	\$ 6.25	\$ 5.23
Rising Star	\$ 3.96	\$ 3.95	\$ 4.39	\$ 3.55	\$ 4.50	\$ 3.71
STATEWIDE	\$185.86	\$181.42	\$191.93	\$182.88	\$217.40	\$172.16

CASINO WIN, vs. prior month, past five months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019
Belterra	12.01%	- 2.59%	8.23%	- 20.93%	56.51%
Majestic Star I	11.32%	- 11.54%	- 6.98%	0.19%	14.26%
Hollywood	7.96%	- 7.20%	6.69%	- 13.26%	10.16%
Hoosier Park	6.93%	- 6.28%	3.28%	- 12.58%	22.51%
Horseshoe SI	4.61%	- 10.93%	17.87%	- 17.35%	44.83%
Tropicana	2.96%	- 5.48%	11.03%	- 25.24%	27.63%
Indiana Grand	1.92%	- 6.40%	3.75%	- 16.18%	22.36%
Horseshoe HD	0.19%	3.51%	- 5.64%	- 13.30%	25.20%
Blue Chip	1.94%	- 1.83%	4.67%	- 17.84%	29.04%
French Lick	0.94%	1.94%	2.98%	- 13.22%	13.16%
Rising Star	0.34%	- 10.06%	23.68%	- 21.02%	21.24%
Majestic Star II	- 3.59%	- 3.17%	- 3.84%	- 13.02%	19.36%
Ameristar	- 8.74%	- 14.39%	14.52%	- 20.14%	35.50%
STATEWIDE	2.44%	- 5.48%	4.95%	- 15.88%	26.28%

CASINO WIN, past six years (\$ in millions)

CASINO	07/2019	07/2018	07/2017	07/2016	07/2015	07/2014
Horseshoe HD	\$ 32.49	\$ 32.84	\$ 34.12	\$ 33.83	\$ 37.67	\$ 34.52
Indiana Grand	\$ 24.60	\$ 23.25	\$ 23.15	\$ 24.17	\$ 21.64	\$ 20.75
Horseshoe SI	\$ 18.38	\$ 20.87	\$ 21.59	\$ 22.39	\$ 22.07	\$ 21.22
Ameristar	\$ 16.47	\$ 19.17	\$ 18.22	\$ 19.75	\$ 20.44	\$ 17.63
Hoosier Park	\$ 18.78	\$ 18.01	\$ 17.75	\$ 18.56	\$ 18.44	\$ 17.17
Hollywood	\$ 14.68	\$ 15.55	\$ 16.00	\$ 15.08	\$ 15.21	\$ 15.74
Blue Chip	\$ 13.21	\$ 13.49	\$ 13.89	\$ 14.79	\$ 14.52	\$ 14.18
Tropicana	\$ 12.34	\$ 13.21	\$ 12.14	\$ 12.07	\$ 10.95	\$ 10.74
Belterra	\$ 9.99	\$ 10.03	\$ 10.19	\$ 10.16	\$ 9.78	\$ 10.11
French Lick	\$ 8.30	\$ 8.52	\$ 8.37	\$ 8.66	\$ 7.67	\$ 6.70
Majestic Star I	\$ 7.78	\$ 7.12	\$ 8.05	\$ 7.87	\$ 7.20	\$ 8.28
Majestic Star II	\$ 4.88	\$ 4.93	\$ 4.97	\$ 5.62	\$ 5.67	\$ 5.78
Rising Star	\$ 3.96	\$ 4.21	\$ 4.61	\$ 4.49	\$ 4.50	\$ 4.71
STATEWIDE	\$185.86	\$191.19	\$193.05	\$197.43	\$195.75	\$187.51

CASINO WIN, vs. prior year, past five years

CASINO	07/2019	07/2018	07/2017	07/2016	07/2015
Majestic Star I	9.26%	- 11.53%	2.29%	9.31%	- 13.01%
Indiana Grand	5.84%	0.41%	- 4.21%	11.69%	4.29%
Hoosier Park	4.22%	1.49%	- 4.35%	0.67%	7.39%
Belterra	- 0.36%	- 1.54%	0.28%	3.87%	- 3.25%
Majestic Star II	- 1.01%	- 0.88%	- 11.48%	- 0.88%	- 1.95%
Horseshoe HD	- 1.06%	- 3.76%	0.86%	- 10.21%	9.13%
Blue Chip	- 2.08%	- 2.89%	- 6.05%	1.81%	2.45%
French Lick	- 2.59%	1.71%	- 3.35%	12.99%	14.44%
Hollywood	- 5.60%	- 2.77%	6.08%	- 0.89%	- 3.37%
Rising Star	- 5.88%	- 8.63%	2.71%	- 0.15%	- 4.50%
Tropicana	- 6.58%	8.82%	0.55%	10.27%	1.94%
Horseshoe SI	- 11.90%	- 3.35%	- 3.59%	1.46%	4.02%
Ameristar	- 14.08%	5.19%	- 7.73%	- 3.36%	15.93%
STATEWIDE	- 2.79%	- 0.96%	- 2.22%	0.86%	4.39%

STATEWIDE WIN, past 12 months

	Total Win	% Change Prior Year	Actual Change Prior Year
08/18	\$ 189,807,858	4.99%	\$ 9,018,607
09/18	\$ 182,340,592	- 3.27%	(\$ 6,171,816)
10/18	\$ 176,914,587	- 2.31%	(\$ 4,187,945)
11/18	\$ 176,914,586	- 2.09%	(\$ 3,781,866)
12/18	\$ 191,414,001	3.69%	\$ 6,817,943
01/19	\$ 158,866,353	- 5.77%	(\$ 9,729,982)
02/19	\$ 172,158,594	1.20%	\$ 2,043,856
03/19	\$ 217,397,977	- 1.66%	(\$ 3,659,436)
04/19	\$ 182,877,702	- 6.38%	(\$ 12,471,796)
05/19	\$ 191,933,434	0.45%	\$ 867,550
06/19	\$ 181,422,640	- 2.87%	(\$ 5,369,549)
07/19	\$ 185,858,262	- 2.79%	(\$ 5,330,298)

STATEWIDE WIN, past years

	Total Win	% Change Prior Year	Actual Change Prior Year
07/99	\$ 141,694,832	17.96%	\$ 21,571,908
07/00	\$ 151,294,259	6.77%	\$ 9,599,427
07/01	\$ 158,145,068	4.53%	\$ 6,850,809
07/02	\$ 172,685,707	9.19%	\$ 14,540,639
07/03	\$ 190,131,181	10.10%	\$ 17,445,474
07/04	\$ 219,456,959	15.42%	\$ 29,325,778
07/05	\$ 223,205,733	1.71%	\$ 3,748,774
07/06	\$ 221,333,317	- 0.84%	(\$ 1,872,416)
07/07	\$ 237,325,341	7.23%	\$ 15,992,024
07/08	\$ 234,397,214	- 1.23%	(\$ 2,928,127)
07/09	\$ 250,541,442	6.89%	\$ 16,144,228
07/10	\$ 252,927,576	0.95%	\$ 2,386,134
07/11	\$ 247,107,786	- 2.30%	(\$ 5,819,790)
07/12	\$ 232,014,010	- 6.11%	(\$ 15,093,776)
07/13	\$ 208,588,750	- 10.10%	(\$ 23,425,260)
07/14	\$ 187,513,864	- 10.10%	(\$ 21,074,886)
07/15	\$ 195,750,205	4.39%	\$ 8,236,341
07/16	\$ 197,431,864	0.86%	\$ 1,681,659
07/17	\$ 193,049,429	- 2.22%	(\$ 4,382,435)
07/18	\$ 191,188,560	- 0.96%	(\$ 1,860,869)
07/19	\$ 185,858,262	- 2.79%	(\$ 5,330,298)

WIN, year-to-date

CASINO	2019	2018	DIFFERENCE	%
Horseshoe HD	\$ 226,869,134	\$ 239,229,232	(\$ 12,360,098)	- 5.17%
Indiana Grand	\$ 173,955,216	\$ 163,915,849	\$ 10,039,367	6.12%
Ameristar	\$ 130,219,599	\$ 137,779,195	(\$ 7,559,596)	- 5.49%
Hoosier Park	\$ 125,576,657	\$ 124,953,976	\$ 622,681	0.50%
Horseshoe SI	\$ 123,130,083	\$ 137,341,221	(\$ 14,211,138)	- 10.35%
Hollywood	\$ 99,200,716	\$ 101,732,567	(\$ 2,531,851)	- 2.49%
Blue Chip	\$ 89,523,551	\$ 88,648,851	\$ 874,700	0.99%
Tropicana	\$ 86,993,096	\$ 91,092,624	(\$ 4,099,528)	- 4.50%
Belterra	\$ 61,503,327	\$ 64,804,459	(\$ 3,301,132)	- 5.09%
French Lick	\$ 56,233,198	\$ 55,120,924	\$ 1,112,274	2.02%
Majestic Star I	\$ 53,616,867	\$ 54,633,821	(\$ 1,016,954)	- 1.86%
Majestic Star II	\$ 36,374,804	\$ 35,747,126	\$ 627,678	1.76%
Rising Star	\$ 27,318,716	\$ 29,164,772	(\$ 1,846,056)	- 6.33%
STATEWIDE	\$1,290,514,964	\$1,324,164,617	(\$ 33,649,653)	- 2.54%

REGIONAL WIN (\$ in millions), past six months

REGION	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Lake	\$ 74.83	\$ 75.48	\$ 78.74	\$ 78.15	\$ 91.41	\$ 72.14
Southern	\$ 67.65	\$ 64.24	\$ 68.67	\$ 61.73	\$ 75.58	\$ 58.84
Racinos	\$ 43.38	\$ 41.70	\$ 44.52	\$ 43.00	\$ 50.41	\$ 41.17

CORPORATE PARENT WIN (\$ in millions), past six months

CORP	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Caesars	\$ 94.25	\$ 91.69	\$ 95.58	\$ 92.93	\$ 108.94	\$ 85.74
Penn National	\$ 31.15	\$ 31.64	\$ 35.73	\$ 32.14	\$ 38.88	\$ 31.38
Boyd Gaming	\$ 23.20	\$ 21.88	\$ 22.36	\$ 21.07	\$ 26.05	\$ 18.73
Spectacle	\$ 12.66	\$ 12.05	\$ 13.13	\$ 13.93	\$ 14.73	\$ 12.66

SLOT & TABLE WIN vs. prior month

CASINO	SLOT WIN		TABLE WIN	
Horseshoe SI	8.03%	\$ 1,065,381	- 5.93%	(\$ 255,313)
Hoosier Park	6.93%	\$ 1,216,853	N/A	N/A
Tropicana	6.48%	\$ 635,199	- 12.91%	(\$ 280,847)
Belterra	5.44%	\$ 413,378	50.00%	\$ 658,335
French Lick	4.76%	\$ 329,153	- 19.36%	(\$ 251,512)
Blue Chip	3.93%	\$ 449,086	- 12.93%	(\$ 197,897)
Hollywood	3.16%	\$ 370,296	37.74%	\$ 712,490
Indiana Grand	1.92%	\$ 462,995	N/A	N/A
Majestic Star I	0.94%	\$ 51,062	47.69%	\$ 740,150
Ameristar	- 0.32%	(\$ 43,348)	- 32.94%	(\$ 1,533,244)
Rising Star	- 1.01%	(\$ 35,906)	12.99%	\$ 49,189
Horseshoe HD	- 1.72%	(\$ 410,266)	5.47%	\$ 472,154
Majestic Star II	- 3.25%	(\$ 160,663)	- 17.98%	(\$ 21,103)
STATEWIDE	2.83%	\$ 4,343,220	0.33%	\$ 92,402

SLOT & TABLE WIN vs. prior year

CASINO	SLOT WIN		TABLE WIN	
Indiana Grand	5.84%	\$ 1,356,639	N/A	N/A
Hoosier Park	4.22%	\$ 760,726	N/A	N/A
Horseshoe HD	0.17%	\$ 40,001	- 4.10%	(\$ 389,087)
Majestic Star II	- 0.55%	(\$ 26,328)	- 19.49%	(\$ 23,301)
Blue Chip	- 1.01%	(\$ 120,638)	- 10.69%	(\$ 159,453)
Tropicana	- 3.49%	(\$ 377,254)	- 20.62%	(\$ 492,293)
Rising Star	- 3.53%	(\$ 129,310)	- 21.67%	(\$ 118,394)
Majestic Star I	- 4.52%	(\$ 259,789)	66.96%	\$ 919,242
French Lick	- 6.18%	(\$ 477,593)	32.52%	\$ 257,163
Hollywood	- 6.38%	(\$ 823,602)	- 1.79%	(\$ 47,526)
Belterra	- 11.12%	(\$ 1,002,910)	95.91%	\$ 966,814
Ameristar	- 11.50%	(\$ 1,734,727)	- 23.61%	(\$ 964,574)
Horseshoe SI	- 11.76%	(\$ 1,910,089)	- 12.41%	(\$ 574,015)
STATEWIDE	- 2.89%	(\$ 4,704,874)	- 2.19%	(\$ 625,424)

WIN PER SLOT PER DAY

CASINO	07/2019	07/2018	06/2019
Indiana Grand	\$ 386	\$ 362	\$ 388
Hoosier Park	\$ 385	\$ 319	\$ 370
Horseshoe HD	\$ 363	\$ 330	\$ 365
Tropicana	\$ 301	\$ 310	\$ 292
Horseshoe SI	\$ 292	\$ 331	\$ 280
French Lick	\$ 282	\$ 272	\$ 270
Hollywood	\$ 251	\$ 284	\$ 252
Ameristar	\$ 246	\$ 294	\$ 255
Blue Chip	\$ 231	\$ 231	\$ 228
Majestic Star I	\$ 223	\$ 222	\$ 230
Belterra	\$ 221	\$ 245	\$ 218
Majestic Star II	\$ 185	\$ 186	\$ 199
Rising Star	\$ 130	\$ 127	\$ 135
STATEWIDE	\$ 285	\$ 285	\$ 284

COIN-IN, past five months (\$ in millions)

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019
Indiana Grand	\$ 259.49	\$ 254.33	\$ 272.97	\$ 266.57	\$ 313.49
Horseshoe HD	\$ 244.98	\$ 238.89	\$ 244.75	\$ 243.14	\$ 286.85
Hoosier Park	\$ 202.97	\$ 187.96	\$ 203.95	\$ 197.23	\$ 220.47
Horseshoe SI	\$ 145.48	\$ 138.19	\$ 147.94	\$ 134.56	\$ 159.52
Ameristar	\$ 136.05	\$ 135.88	\$ 143.60	\$ 135.59	\$ 167.69
Blue Chip	\$ 133.35	\$ 131.83	\$ 137.40	\$ 130.44	\$ 155.64
Hollywood	\$ 122.14	\$ 121.59	\$ 122.67	\$ 118.31	\$ 140.04
Tropicana	\$ 99.71	\$ 95.97	\$ 101.07	\$ 96.32	\$ 121.92
French Lick	\$ 84.73	\$ 79.71	\$ 85.09	\$ 77.13	\$ 96.25
Belterra	\$ 82.96	\$ 78.50	\$ 81.42	\$ 78.53	\$ 94.00
Majestic Star I	\$ 54.29	\$ 56.13	\$ 59.85	\$ 60.24	\$ 69.55
Majestic Star II	\$ 46.87	\$ 47.94	\$ 59.17	\$ 52.42	\$ 59.01
Rising Star	\$ 42.87	\$ 41.13	\$ 40.86	\$ 38.37	\$ 45.67
STATEWIDE	\$1.656B	\$1.608B	\$1.701B	\$1.629B	\$1.930B

TABLE DROP & TABLE HOLD

CASINO	TABLE DROP	TABLE HOLD
Horseshoe HD	\$ 41,716,201	\$ 9,102,738 21.82%
Ameristar	\$ 24,554,283	\$ 3,121,081 12.71%
Horseshoe SI	\$ 16,499,086	\$ 4,049,950 24.55%
Hollywood	\$ 9,765,520	\$ 2,600,235 26.53%
Majestic Star I	\$ 8,987,253	\$ 2,291,992 25.50%
Tropicana	\$ 8,079,126	\$ 1,894,934 23.45%
Blue Chip	\$ 6,792,254	\$ 1,332,302 19.62%
Belterra	\$ 6,482,931	\$ 1,974,890 30.46%
French Lick	\$ 5,828,914	\$ 1,047,890 17.98%
Rising Star	\$ 2,355,308	\$ 427,968 18.17%
Majestic Star II	\$ 96,260	\$ 96,260 100.00%
STATEWIDE	\$131,157,136	\$ 27,940,240 21.30%

SLOT PAYBACK, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Rising Star	91.75%	91.31%	91.03%	91.38%	91.33%	91.43%
French Lick	91.45%	91.32%	91.74%	91.26%	91.80%	91.40%
Blue Chip	91.09%	91.33%	91.47%	91.38%	91.14%	91.26%
Hoosier Park	90.75%	90.66%	90.81%	90.80%	90.59%	90.90%
Indiana Grand	90.52%	90.51%	90.55%	90.68%	90.54%	90.57%
Horseshoe HD	90.46%	90.04%	90.12%	90.21%	90.00%	89.78%
Belterra	90.34%	90.31%	90.50%	90.48%	90.51%	90.87%
Ameristar	90.19%	90.15%	90.07%	89.90%	89.88%	90.13%
Horseshoe SI	90.15%	90.40%	89.98%	90.04%	89.90%	90.05%
Hollywood	90.11%	90.37%	89.83%	90.16%	90.10%	89.54%
Majestic Star I	89.89%	90.31%	90.15%	90.08%	90.23%	90.03%
Majestic Star II	89.80%	89.69%	91.38%	89.88%	89.68%	89.57%
Tropicana	89.53%	89.78%	89.83%	89.92%	89.26%	89.80%
STATEWIDE	90.46%	90.45%	90.49%	90.47%	90.33%	90.37%

TABLE HOLD, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Majestic Star II	100.00%	116.47%	114.79%	116.46%	117.65%	112.18%
Hollywood	38.28%	29.19%	32.17%	31.53%	27.04%	34.41%
Belterra	30.46%	20.62%	23.15%	17.19%	24.55%	14.81%
Majestic Star I	25.50%	17.27%	23.29%	24.39%	15.37%	22.90%
Horseshoe SI	24.55%	26.60%	25.50%	20.42%	21.37%	26.53%
Tropicana	23.45%	25.66%	27.00%	19.84%	19.71%	20.83%
Horseshoe HD	21.82%	21.63%	16.97%	22.19%	21.07%	19.84%
Blue Chip	19.62%	23.66%	21.29%	20.64%	21.34%	22.52%
Rising Star	18.17%	16.39%	24.46%	10.20%	17.23%	14.00%
French Lick	17.98%	24.00%	20.44%	23.24%	19.14%	23.87%
Ameristar	12.71%	19.54%	26.97%	16.58%	20.40%	16.06%
STATEWIDE	21.30%	21.83%	22.38%	20.40%	20.28%	20.36%

SLOT MACHINES, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe HD	2,080	2,173	2,170	2,197	2,199	2,217
Indiana Grand	2,054	2,072	2,064	2,072	2,073	2,074
Ameristar	1,753	1,748	1,748	1,748	1,738	1,738
Blue Chip	1,662	1,669	1,668	1,668	1,676	1,676
Hoosier Park	1,572	1,582	1,581	1,570	1,543	1,542
Horseshoe SI	1,581	1,579	1,580	1,580	1,577	1,580
Hollywood	1,550	1,550	1,566	1,566	1,574	1,543
Belterra	1,168	1,165	1,178	1,176	1,176	1,167
Tropicana	1,118	1,118	1,121	1,118	1,127	1,124
Rising Star	879	879	885	887	898	896
French Lick	830	855	913	913	915	915
Majestic Star II	834	830	830	831	829	832
Majestic Star I	795	790	790	789	788	789
STATEWIDE	17,876	18,010	18,094	18,115	18,133	18,093

TABLE GAMES, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe HD	150	150	150	150	150	157
Horseshoe SI	103	103	103	103	103	103
Ameristar	79	79	78	79	79	79
Hollywood	77	77	77	78	78	78
Majestic Star I	49	49	49	49	49	49
Blue Chip	48	48	48	48	48	48
Belterra	42	42	42	43	43	43
Tropicana	42	41	49	41	41	41
French Lick	35	37	37	37	37	37
Rising Star	24	24	24	24	27	29
Majestic Star II	14	14	14	14	14	14
STATEWIDE	663	664	672	665	669	678

WIN PER TABLE PER DAY

CASINO	07/2019	07/2018	06/2019
Horseshoe HD	\$ 1,958	\$ 2,001	\$ 1,918
Belterra	\$ 1,517	\$ 774	\$ 1,045
Majestic Star I	\$ 1,509	\$ 886	\$ 1,056
Tropicana	\$ 1,455	\$ 1,878	\$ 1,769
Ameristar	\$ 1,274	\$ 1,781	\$ 1,964
Horseshoe SI	\$ 1,268	\$ 1,448	\$ 1,393
Hollywood	\$ 1,089	\$ 1,095	\$ 817
French Lick	\$ 966	\$ 689	\$ 1,171
Blue Chip	\$ 895	\$ 1,003	\$ 1,063
Rising Star	\$ 575	\$ 551	\$ 526
Majestic Star II	\$ 222	\$ 275	\$ 279
STATEWIDE	\$ 1,359	\$ 1,371	\$ 1,398

SLOT WIN TO TABLE WIN RATIO, past four months

CASINO	07/2019	06/2019	05/2019	04/2019
Majestic Star II	98.0/02.0%	97.7/02.3%	97.6/02.4%	97.6/02.4%
Blue Chip	89.9/10.1%	88.2/11.8%	88.8/11.2%	89.1/10.9%
Rising Star	89.2/10.8%	90.4/09.6%	83.4/16.6%	93.1/06.9%
French Lick	87.4/12.6%	84.2/15.8%	87.2/12.8%	86.1/13.9%
Tropicana	84.6/15.4%	81.8/18.2%	81.1/18.9%	85.1/14.9%
Hollywood	82.3/17.7%	86.1/13.9%	85.1/14.9%	84.8/15.2%
Ameristar	81.0/19.0%	74.2/25.8%	67.7/32.3%	74.4/25.6%
Belterra	80.2/19.8%	85.2/14.8%	84.5/15.5%	88.3/11.7%
Horseshoe SI	78.0/22.0%	75.5/24.5%	75.1/24.9%	80.1/19.9%
Horseshoe HD	72.0/28.0%	73.4/26.6%	77.2/22.8%	71.7/28.3%
Majestic Star I	70.6/29.4%	77.8/22.2%	74.6/25.4%	70.3/29.7%
STATEWIDE	85.0/15.0%	84.7/15.3%	84.2/15.8%	84.9/15.1%

STATE MARKET SHARE BY CORPORATE PARENT, past six months

CORP	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Caesars	50.71%	50.54%	49.80%	50.82%	50.11%	49.80%
Penn National	16.76%	17.44%	18.62%	17.58%	17.89%	18.23%
Boyd Gaming	12.48%	12.06%	11.65%	11.52%	11.98%	10.88%
Spectacle	6.81%	6.64%	6.84%	7.62%	6.77%	7.35%

STATE MARKET SHARE, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe HD	17.48%	17.87%	16.32%	18.15%	17.61%	17.76%
Indiana Grand	13.24%	13.31%	13.44%	13.59%	13.64%	14.08%
Hoosier Park	10.10%	9.68%	9.76%	9.92%	9.55%	9.84%
Horseshoe SI	9.89%	9.69%	10.28%	9.15%	9.31%	8.12%
Ameristar	8.86%	9.95%	10.98%	10.07%	10.60%	9.88%
Hollywood	7.90%	7.50%	7.64%	7.51%	7.28%	8.35%
Blue Chip	7.11%	7.14%	6.88%	6.90%	7.06%	6.91%
Tropicana	6.64%	6.61%	6.61%	6.24%	7.03%	6.95%
Belterra	5.38%	4.92%	4.77%	4.63%	4.92%	3.97%
French Lick	4.46%	4.53%	4.20%	4.28%	4.15%	4.63%
Majestic Star I	4.19%	3.85%	4.12%	4.65%	3.90%	4.31%
Majestic Star II	2.62%	2.79%	2.72%	2.97%	2.87%	3.04%
Rising Star	2.13%	2.18%	2.29%	1.94%	2.07%	2.15%

STATE MARKET SHARE BY REGION, past six months

REGION	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Lake	40.26%	41.60%	41.02%	42.73%	42.05%	41.91%
Southern	36.40%	35.41%	35.78%	33.76%	34.76%	34.18%
Racinos	23.34%	22.98%	23.20%	23.51%	23.19%	23.92%

LAKE REGION MARKET SHARE, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe HD	43.42%	42.96%	39.79%	42.48%	41.88%	42.39%
Ameristar	22.01%	23.91%	26.77%	23.55%	25.21%	23.58%
Blue Chip	17.65%	17.17%	16.76%	16.14%	16.79%	16.49%
Majestic Star I	10.40%	9.26%	10.04%	10.87%	9.28%	10.29%
Majestic Star II	6.52%	6.70%	6.64%	6.95%	6.83%	7.26%

SOUTHERN REGION MARKET SHARE, past six months

CASINO	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Horseshoe SI	27.17%	27.35%	28.73%	27.11%	26.79%	23.76%
Hollywood	21.70%	21.17%	21.34%	22.25%	20.95%	24.43%
Tropicana	18.24%	18.65%	18.46%	18.50%	20.21%	20.34%
Belterra	14.77%	13.89%	13.34%	13.71%	14.16%	11.62%
French Lick	12.26%	12.79%	11.74%	12.68%	11.94%	13.55%
Rising Star	5.86%	6.15%	6.40%	5.75%	5.95%	6.30%

CASINO RANKINGS

	TABLE WIN	SLOT WIN	TOTAL WIN
(1)	Horseshoe HD	Indiana Grand	Horseshoe HD
(2)	Horseshoe SI	Horseshoe HD	Indiana Grand
(3)	Ameristar	Hoosier Park	Hoosier Park
(4)	Hollywood	Horseshoe SI	Horseshoe SI
(5)	Majestic Star I	Ameristar	Ameristar
(6)	Belterra	Hollywood	Hollywood
(7)	Tropicana	Blue Chip	Blue Chip
(8)	Blue Chip	Tropicana	Tropicana
(9)	French Lick	Belterra	Belterra
(10)	Rising Star	French Lick	French Lick
(11)	Majestic Star II	Majestic Star I	Majestic Star I
(12)	N/A	Majestic Star II	Majestic Star II
(13)	N/A	Rising Star	Rising Star

INDIANA VS. ILLINOIS WIN, past six months (\$ in millions)

STATE	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Indiana	\$ 185.86	\$ 181.42	\$ 191.93	\$ 182.88	\$ 217.40	\$ 172.16
IL Casinos	\$ 115.75	\$ 110.85	\$ 118.20	\$ 114.76	\$ 126.20	\$ 97.55
SPREAD	\$ 70.11	\$ 70.57	\$ 73.73	\$ 68.11	\$ 91.20	\$ 74.60
IL VGTs	\$ 134.33	\$ 135.34	\$ 147.74	\$ 144.71	\$ 158.71	\$ 129.06
IL Total	\$ 250.08	\$ 246.19	\$ 265.94	\$ 259.47	\$ 284.91	\$ 226.61
SPREAD	\$ 64.22	\$ 64.77	(\$ 74.11)	(\$ 76.59)	(\$ 67.51)	(\$ 54.45)

INDIANA VS. OHIO WIN, past six months (\$ in millions)

STATE	07/2019	06/2019	05/2019	04/2019	03/2019	02/2019
Indiana	\$ 185.86	\$ 181.42	\$ 191.33	\$ 182.88	\$ 217.40	\$ 172.16
OH Casinos	\$ 70.36	\$ 70.28	\$ 73.50	\$ 70.58	\$ 81.08	\$ 69.99
OH Racinos	\$ 91.87	\$ 91.13	\$ 95.91	\$ 89.64	\$ 103.11	\$ 84.96
OH Total	\$ 162.23	\$ 161.41	\$ 169.41	\$ 160.22	\$ 184.19	\$ 154.95
SPREAD	\$ 23.63	\$ 20.01	\$ 22.53	\$ 22.66	\$ 33.21	\$ 17.21

July State Summary

Indiana's 13 gaming properties generated revenues of only \$185.86 million during July, the lowest July take since 2002, the last month under the unlamented must-cruise law. Statewide revenues fell from July 2018 by 2.79% (- \$5.33 million), the third consecutive July-to-July downturn, and the largest July slippage on a percentage basis over the past five years.

The 2019 calendar was not favorable (one fewer weekend day than in July 2018 – albeit a Sunday), and we'd blame adverse weather from the remnants of Hurricane Barry, but win has now dipped lower in five out of seven months of 2019.

Three casinos suffered their worst July on record: Blue Chip Casino, Rising Star Casino • Resort, and Majestic Star Casino II. Hollywood Casino Lawrenceburg had its second-worst July ever, both Ameristar Casino East Chicago and Belterra Casino Resort posted their third-worst July ever, and this was the fourth-worst July ever at Horseshoe Casino Southern Indiana.

Only three properties collected more revenue this July than they did during July 2018: Majestic Star Casino I, Indiana Grand Casino, and Harrah's Hoosier Park Racing & Casino. Harrah's Hoosier Park celebrated its best July in seven years, while Indiana Grand enjoyed its best July ever. This was the second-most lucrative July ever for Tropicana Evansville. Of the 10 casinos open at least 15 years, only Tropicana Evansville and Horseshoe Casino Hammond have seen their all-time July best performances occur this decade; for everyone else, the golden years seem to be long past. Hammond led the state with \$32.5 million in July win (up for a second successive month), but this was the lowest sum for the first-place casino in any July since July 2000 when Hollywood (then Argosy Casino Lawrenceburg) paced the state with \$31 million.

Oddly, perhaps, even as 10 of the 13 properties endured over-the-year declines, only two casinos attracted less revenue in July than they did in June (and both were along Lake Michigan). That's the best such over-the-month performance since March.

January-July revenue for Indiana's 13 commercial casinos has dwindled by 2.5% (- \$34 million), compared to the same seven months in 2018. Year-to-date slot win is down by \$21 million while table win at the seven-month mark has eroded by \$13 million.

Indiana's five Lake Michigan boats generated \$74.83 million in July, down from last year by 3.51% (- \$2.72 million). That's the lowest July take for the northern tier since 1998 (the first full year of operation with five boats afloat) and the fourth consecutive July-to-July downturn. The collective northern revenues also took a dip from June. Majestic Star Casino I was the only Lake property that grew win versus last year, even though it posted its lowest July slot win since 1996, its first full month of operation (MSC I is the only casino in the state where slot win has declined year-over-year in every month of 2019); table win at MSC I, on the other hand, registered at a six-year July apex. The 14% decline that transpired at Ameristar stands as the largest July-to-July percentage decrease seen in the northern region over the past five years. Astonishingly, Majestic Star Casino II has now seen win erode on a July-to-July basis for nine years in a row.

The six properties that comprise the Southern Indiana market attracted in a combined \$67.65 million, sinking from July 2018 by 6.53% (- \$4.73 million) even as the numbers improved from June. This was the worst July performance for the southern region since 1999, when two fewer casinos were open. Southern tier win has now contracted on a year-over-year for seven consecutive months. None of the casinos south of U.S. 50 experienced annual growth for the second straight month, and for the third time in 2019. The 11%+ decline that occurred at Horseshoe Casino Southern Indiana stands as the largest July-to-July percentage decrease seen in the southern tier over the past five years . . . and you can chalk a chunk of this up to both construction disruptions and the first July of competition against the continued impressive performance of the Derby City Gaming historical horse racing machine facility in Louisville - Kentucky's equivalent of Illinois video gaming terminals, although more concentrated. Four of the six southern tier casinos have now watched their respective revenues decline in July in back-to-back years. For Tropicana, this was the property's first July decline since its days afloat in 2013. Four of the six casinos have seen win decline on a year-over-year basis in six out of the seven months of 2019.

The Caesars Entertainment Corporation Central Indiana racino duo boasted \$43.38 million in July gaming revenues, up by 5.13% (\$2.12 million), and marking their sixth consecutive month of collective year-over-year growth. Nonetheless, Hoosier Park and Indiana Grand join Hollywood and Majestic Star I as the only four properties at which year-over-year coin-in has declined in every month of 2019.

Indiana slot win was \$157.92 million during July, down over the year by 2.89% (- \$4.70 million). Slot win has now contracted on a July-over-July basis for three consecutive years. Players deposited \$1.656 billion in slot machines, the weakest July coin-in since 1998 when there were five fewer properties. Three casinos saw their July slot win take a dive of more than \$1 million over the year. A whopping seven casinos reported their lowest July slot play in history (Belterra, Blue Chip, Horseshoe Casino Southern Indiana, Rising Star, Ameristar, and both Majestic Star vessels). Even Indiana Grand, where year-over-year win has grown in every month of 2019, saw the handle come in at a four-year July low. Bucking the trend was Horseshoe Hammond, where coin-in rose from July 2018 by 1.3 percent. Statewide slot play has now deteriorated on a year-over-year basis for seven consecutive months. The slot payback rate landed down at 90.47%, an all-time July low. Tropicana was home to the tightest slots in the state for the first time since March. The loosest slots were found at Rising Star for the first time since February, and this 91.75% rate was the highest the state has seen since Orange County in March. Win per slot per day of \$284.97 is remarkably similar to June's \$284.24, even though the number of slot machines shrank by 134 to finish with a count below 18,000 for the first time since April 2008 - about a month before the racinos debuted. The over-the-year numbers are also consistent. Note that French Lick has reduced its slot inventory in successive months, and the 830 devices on the casino floor at the end of July represents the fewest slots ever in the Springs Valley. This is the first month in more than two decades - since January 1999 - in which no property has had at least 2,100 machines in operation.

Indiana table win fell to \$27.94 million, slipping from last year by 2.19% (- \$625,454). Table win has now tumbled on a year-over-year basis for nine consecutive months. At the individual property level, three casinos posted growth over prior-year levels, and the gains at all three were unusually pronounced: Belterra (up 96%), Majestic Star 1 (up 67%, by an uncharacteristic \$919, 242, almost spot-on with the dollar decline at the tables for Ameristar next door), and French Lick (up 33%). Win per table per day registered at a five-month nadir of \$1,359, while the 663 table games available across all properties marks the fewest open for business in any month since June 2008, when the two racinos entered the competition. Players anted up \$131 million on table games, with table drop trailing levels posted in the previous year for the fifth month in a row, which is the longest such streak since 2014. The table hold rate of 21.30% represents the highest for any July over the past four years. Ameristar reported the lowest table hold rate in the state for the first time since January, taking a hit at roulette (with just a single-digit hold percentage) and baccarat. Three casinos boasted their highest July table hold rate in property history: Hollywood, Belterra, and Majestic Star I.

Caesars Entertainment Corporation collects \$94 million from its quartet of Hoosier properties, a decline from a year ago of 0.75%, but still equivalent to 50.71% of the statewide market, the corporate parent's second-highest state share over the past 15 months. If the proposed corporate marriage of Caesars and Eldorado Resorts, Inc. had been in effect this year, that team would have controlled 57% of Indiana's July casino revenues. Penn National Gaming, Inc. reported \$31 million from the pair of Indiana properties it operates, plummeting by a disappointing 10% (-\$3.6 million), and landing a statewide market share of just under 17%, a 15-month nadir. Both Penn National properties, Hollywood and Ameristar, suffered their largest year-over-year percentage decline of 2019 in July. Boyd Gaming Corporation managed to earn revenue of \$23.20 million from its Hoosier casino pair, a year-over-year erosion of one percent, but still affording the corporate parent a 12.5% state market share, an 11-month high. Spectacle Entertainment, LLC tallies \$12.7 million from the Buffington Harbor sister ships during the month, soaring from July 2018 by five percent (\$609,824), and allowing the Gary corporate parent to claim a 6.8% state market share in its first July of Majestic Star Casino ownership.

The 10 Illini casinos brought in July receipts of \$116 million, off by 2.99% from last year, while the 32,314 Video Gaming Terminals at 7,044 establishments generated income of \$134.3 million, up by an impressive 11.1% over the previous year. All told, Illinois records just over \$250 million in July gaming revenues, surpassing Indiana by approximately \$64 million, effectively on par with the June margin that Illinois had enjoyed.

The four Ohio casinos racked up July revenues of \$70.4 million, a gain of 1.0%, while the seven Ohio racinos collected \$91.9 million, growing by 3.3 percent. The combined Buckeye State booty was \$162.2 million (up by 2.3%), which trailed Indiana's haul by about \$24 million, the largest margin favoring Indiana since the end of the first quarter. The Cincinnati market leader, the JACK Cincinnati Casino, counted July revenues of \$17.47 million, a year-over-year gain of 1.9% (on stronger table game win; slot revenue was down over the year), even as all three Indiana properties in the same market saw their fortunes nose dive by a combined eight percent.

Hoosier Lottery

● The second largest jackpot in Hoosier Lotto history was hit on Saturday, August 10, with a single ticket winning the \$43.8 million up for grabs, the most lucrative top prize up for grabs in the hometown draw game in close to 12 years. The single winning ticket was sold at a Jay C Plus supermarket in Corydon. During this run - which began February 10, 2018 - Hoosier Lotto actually featured a larger jackpot than Mega Millions during one draw (Friday, July 26).

□ The August 10 jackpot was the largest available since the game's matrix changed in May 2014 (the previous high under the revised format was the \$25.5 million jackpot of October 14, 2017). The all-time record remains the \$54.5 million won on November 7, 2007, and we were about 17 weeks or so away from potentially topping that amount.

□ Hoosier Lotto ranked as high as third among all domestic jackpots during this run, and completed the stretch at fourth nationally, trailing the two multistate draw games and the California SuperLotto Plus jackpot (\$69.0 million at the time). When the Hoosier Lotto jackpot dipped back down to "only" \$1 million for Wednesday, August 14, it plummeted to 27th place among domestic jackpots (and the California big-buck jackpot was hit Wednesday, dropping the starting jackpot down to \$7 million for August 24). Sigh.

● Hoosier Lottery retail sales numbers for July find Silver Express in Indianapolis atop the sales ladder for an 11th consecutive month, as it continues its remarkable run of not having been lower than first or second statewide since a third-place finish way back in November 2015 (putting this in context, Adele was atop the *Billboard* charts with *Hello*, and businessman Donald Trump (R) had no clue who then-Gov. Mike Pence (R) was). Silver Express had held the top spot statewide during a strong run from December 2015 through October 2017 . . . and now again from September 2018 through July 2019. MCR Short Stop in Portage regains the second-place statewide sales rank in July after briefly falling into third place behind Southside Marathon of Fort Wayne in June. MCR Short Stop has ranked among the top 10 retailers without fail since June 2016, and first gained the second-place ranking in March of this year. Troy Foods Inc. in Indianapolis climbs back into third place after last month's fourth place finish. Troy Foods had ranked second from September 2018 through January 2019, but slipped down to third in February and maintained that rank for four consecutive months until slipping one place again in June. Troy Foods Inc. first appeared on the top 10 list in July 2018, popping up in 10th place after taking over ownership from Buck's Market in Indianapolis on July 13, 2018. Had the 13 days of Buck's ownership in July 2018 been folded into Troy Foods Inc. sales, it would have ranked second for July 2018.

Top 10 Hoosier Lottery Retailers - July 2019 Sales Rank

July	June	May	Apr.	Mar.	Feb.	Jan.
19 18						
1 (1) Silver Express -Indianapolis	1	1	1	1	1	1
2 (3) MCR Short Stop -Portage	3	2	2	2	4	6
3 (10) Troy Foods Inc. -Indianapolis	4	3	3	3	3	2
4 (8) Grand Food Junction -Fort Wayne	8	4	4	7	2	3
5 (-) Southside Marathon LLC -Fort Wayne	2	6	6	9	10	-
6 (4) K & D Marathon -Hammond	9	9	9	4	5	5
7 (9) The Hen -Crown Point	7	8	8	-	9	-
8 (5) Lucky's Mart LLC -Speedway	6	7	7	6	7	7
9 (2) Plainfield Dairyland -Plainfield	-	-	-	-	8	9
10 (-) Oxford One Stop -Fort Wayne	-	-	-	-	-	-

□ **Grand Food Junction** in Fort Wayne recovered slightly from its eighth place June showing to sit in fourth for July statewide retail sales. **Southside Marathon LLC** in Fort Wayne dropped from June's impressive second place finish and takes the fifth ranked spot for July - **Southside Marathon** has appeared in the top 10 list nine times out of the last 12 months, failing to make a showing in August and October of 2018 and January 2019. **K & D Marathon**, adjacent to the Illinois state line in **Hammond**, climbed a few rungs of the ladder to stand at sixth highest retail sales in July, perhaps due to the increase in the Illinois gas tax that drove many Illini drivers across the state line for their fill-ups and multi-state lottery game tickets.

□ **The Hen** in **Crown Point** maintained its seventh place showing from June while **Lucky's Mart LLC** in **Speedway** slipped to its lowest rank since October 2018 at eighth for July retail sales. **Plainfield Dairyland** showed up back on the chart for the first time since February to take the ninth highest sales slot, while a first-time entrant on the top 10 list arrived on the scene as **Oxford One Stop** in Fort Wayne rounded out the list in the number 10 position . . . erasing the **Phillips 66** in Indianapolis from the leader board.

□ The number of counties represented among the top 10 increased by one from the last four months which had seen only four counties represented - the smallest number of counties represented in the top 10 that we could recall. **Hendricks County** rejoined the ranks with **Plainfield Dairyland's** ninth place re-entry for July. **Marion County** and **Allen County** tie for the most retailers on the leader ladder at three each (all three Allen County retailers are from Fort Wayne, giving the Summit City more retailers on the list than Indianapolis), leaving **Marion County** down from its all-time high showing of five stores in the top 10 honors last month - the first time a single county has had more than four stores in the top honors since we began recording the rankings in detail in 2013. **Lake County** and **Porter County** each end the month with two retailers among the state leaders.

□ Here's your deeper dive into historical July retailer data:

# 2019	2018	2017
1 Silver Express	Silver Express	Silver Express
2 MCR Short Stop	Plainfield Dairyland	Buck's Market
3 Troy Foods	MCR Short Stop	K & D Marathon
4 Grand Food Junction	K & D Marathon	MCR Short Stop
5 Southside Marathon	Lucky's Mart	Plainfield Dairyland
# 2016	2015	2014
1 Silver Express	Buck's Market	Buck's Market
2 Buck's Market	Silver Express	Silver Express
3 K & D Marathon	Grand Food Junction	Lucky Stop
4 Lucky's Mart	K & D Marathon	K & D Marathon
5 Lightning Food Mart	Friendly Market	Grand Food Junction
# 2013	2012	2011
1 Buck's Market	K & D Marathon	K & D Marathon
2 Silver Express	Lightning Food Mart	Lightning Food Mart
3 K & D Marathon	Lucky Stop	Lucky Stop
4 Lightning Food Mart	Silver Express	Silver Express
5 Lucky Stop	The Hen	Meijer # 124

IN Horse Racing & Racinos

● "Quarter Horse racing's appetite for drugs makes its Thoroughbred cousins look absolutely prudish," writes former Indiana Horse Racing Commission executive director **Joe Gorajec** in his **InsideRacingRegs** blog. He calls it "a problem that pervades the breed at all levels and shows no sign of abating." The founding IHRC Staffer recalls that his first job at a horse track was in the racing office at **Ruidoso Downs** at **Santa Fe** in **New Mexico** in 1979.

□ Drawing on his experience there and the latest annual report from the New Mexico Racing Commission, **Gorajec** notes that "Quarter Horses account of less than half the races but 80% of the positive tests" in the Land of Enchantment.

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IU, Purdue to defend cyberspace

IEDC funding to help educate and train key cyber defense professionals

Something to keep an eye on: The Indiana Economic Development Corporation awards a \$6.19 million grant from the 21st Century Research and Technology Fund to the Purdue Research Foundation to establish a 5G wireless R&D test lab in downtown Indianapolis, a 5G digital community in the Discovery Park District adjacent to Purdue's West Lafayette campus, and a 5G town and rural test bed within the 10-county Wabash Heartland Innovation Network. The new 5G hub launches this Fall.

Our sister Hannah newsletter, INDIANA EDUCATION INSIGHT, explained some of the details, but you should be interested in the implications for cybersecurity.

The IEDC money will help support the Indiana-Purdue Center on Trusted Microelectronics Ecosystem, an alliance committed to increasing microelectronics security protections for the U.S. and its allies. In addition, the funding will support a resource center at Indiana University that will support local stakeholders such as municipal governments and rural utilities in mitigating cybersecurity vulnerabilities by distilling critical infrastructure protection research and distributing it through Cybersecurity Policy Boot Camps. Finally, the 21 Fund grant will allow Purdue to provide free or subsidized cybersecurity training to all Indiana businesses via a suite of world-class online training videos.

Cybersecurity workforce education and training is also a focus of a new Purdue University partnership with Cyberbit, the world's leading provider of cyber ranges for simulated cybersecurity training.

Under this new relationship, Cyberbit's cyberattack simulation platform will be used to enhance the skills of students and career professionals. Purdue will launch a Cyberbit Range at the West Lafayette campus and offer Cyberbit Range simulated training to businesses in the United States. Cyberbit Range is a software platform that creates a virtual model of a company's IT network architecture, including servers, routers and applications. The platform can simulate attacks, such as denial-of-service or ransomware, and test abilities to respond. This allows security professionals to develop proactive defenses.

The IU component and Purdue practical platforms become increasingly important as local government units across the state (most recently in Huntington, LaPorte, Madison, and Vigo counties have found themselves the targets of sometimes crippling - and expensive - cyber and ransomware attacks, and Indiana utilities find themselves regularly probed for cyber weaknesses by unknown attackers. Hackers are now tweaking their malware to create more - and more sophisticated - cyberattacks against state and local governments, the Center for Internet Security tells StateScoop last week.

Through the unique collaborative partnership, Purdue and Cyberbit also will launch several initiatives:

- Purdue will enhance current cybersecurity offerings of its Cyber Technical Assistance Program via the Cyberbit Range.
- Purdue will expand research on the most effective lab-based, hands-on approaches to teach cybersecurity.
- Cyberbit will support the joint development of an Operational Technology Security Lab at Purdue for the study of protocols used in advanced manufacturing of defense and aerospace products.

IFD burns over Rep. Forestal

Facing felony, solon disciplined at day job

The hits just keep on coming for an embattled lawmaker, even as he seems to have at least temporarily dodged disciplinary action from the House Democratic Caucus.

The Indianapolis Fire Department suspends Rep. Dan Forestal (D) from his day job as a firefighter with IFD, following his recent arrest on Level A misdemeanor charges of operating a vehicle while intoxicated and resisting law enforcement, as well as one Level 6 Felony count of impersonating a public servant. The suspension is for 240 hours without pay, and Forestal has also been placed in an employee assistance program.

New reports indicate that Forestal had pleaded guilty to an OWI charge in 2007, five years before his election to the House, and had promised IFD brass that "nothing like this will ever happen again," according to his personnel file, which also indicates that this will be his third suspension in 12 years.

Forestal's initial hearing before Marion County Superior Court, Criminal Division 9 Judge Charnette Garner is August 27. Judge Garner was appointed to the bench by the Governor in January. She had been chief counsel to the Marion County Prosecutor's Office and an assistant U.S. Attorney. Marie Castetter, Hancock County's chief deputy prosecutor, will serve as special prosecutor.



IN Politics

Federal Office Races . . .

● We're not sure of the actual request from the Federal Election Commission (we told you about the lack of contributions from the committee during the second quarter), but the campaign committee for former U.S. Rep. **Dan Burton** (R) sent this missive to FEC officials last week: "To Whom It Concerns, This form is in response to the FEC's letter requesting information regarding use of campaign funds. The Dan Burton for Congress Committee uses its funds to make occasional contributions to other candidates and intends to remain active."

● Perhaps these numbers from a new NBC News poll may suggest why so many prominent Republicans have shied away from an open seat CD 05 race: presidential approval nationally is only 36% among suburban women, compared to a 61% disapproval – and a generic Democrat running against the incumbent President cruises with a 61% to 32% margin among suburban women . . . one big-name Repub who seems not to be discouraged by those numbers is State Treasurer **Kelly Mitchell** (R). While she is still looking for a CD 05 abode and has not publicly stated her intentions, she is being talked up publicly and privately by outgoing U.S. Rep. **Susan Brooks** (R), who had earlier simply told those who asked that she had talked with lots of potential candidates and offered them encouragement. Rep. Brooks is likely pleased that a female state officeholder who has won both of her statewide races as well as her earlier county races (just north of the district, which gave her some name ID in nearby Howard County and a network among area local officials) and has not been identified with controversial social issues is willing to take the plunge. Mitchell also has some street cred in the business community (helpful in southern Hamilton and Boone counties and the north side of Indianapolis) from her work as treasurer and in that office as Mourdock era division director (where she also worked closely with local officials, but the Mourdock ties may be dredged up by Ds as a negative . . . and a female Democratic nominee would eagerly paint an opponent in Hamilton County as a Trump-Pence-Mourdock disciple). Quietly helping her through the early phases of setting up the campaign – and likely to serve as general consultants going forward – is D.C.-based RightVoter, a national firm with local roots. The firm is led by partners **Michael Biundo**, Hoosier native **Kory Wood**, and two others, and its recent client list includes the 2016 Trump and Paul presidential campaigns, Protect Freedom PAC, and more than one-dozen U.S. Senate or congressional races around the country. Biundo served as senior advisor to the 2016 Trump and Paul campaigns, and national campaign manager for the Santorum 2012 presidential campaign, so Mitchell will have some help in messaging Trump and disaffected GOP voters. All of the partners have run or consulted on campaigns for president, U.S. Senate, or Congress . . . unsuccessful 2018 CD 04 primary candidate **Steve Braun** (R), a former state workforce development commissioner and lawmaker who made his mark running IT firms, opens a committee for a CD 05 run, and he'll have cash – and consulting aid from familiar local names.

State Office Races . . .

● Bad news for Democrats seeking the office of governor – particularly Dr. **Woody Myers** (D) and Sen. **Eddie Melton** (D). A poll of Marion County voters for Indy Politics by Mason Strategies (08/11-14; 400 LVs; 42% D, 27% R, 26% I; margin of error ± 4.9 percentage points) shows high marks for Governor **Eric Holcomb** (R) in a key Democratic stronghold, even among African American voters.

□ Those surveyed offer the Governor a hefty 60% approval rating (even as 55% support re-electing Circle City's Democratic mayor **Joe Hogsett**), while only 24% profess to disapprove of his job performance (16% offer no opinion). A majority of Indianapolis voters (53%) feel the state is headed in the right direction. Almost one-half of local Democrats (47%) also indicate approval of Gov. Holcomb's performance, as do almost two-thirds (65%) of independents, and more than three-fourths (78%) of Republicans. A majority (56%) of black voters surveyed approve of the Governor's job performance, vs. only 22% who disapprove – a smaller disapproval among African Americans than in the overall sample. Almost one-half (49%) believe that the state is headed in the right direction.

● Retired Muncie industrialist **Van Smith** makes a \$10,000 contribution to the Governor's re-election campaign committee on August 19.

● Senate Democratic Caucus Chair **Karen Tallian** (D) makes official the 2020 bid for attorney general to which we had tipped you. The attorney from Ogden Dunes has served in the Senate for 14 years, and her seat is not up for election next year.

□ The Senate Democratic fiscal leader releases this statement outlining her reasons for running, contending that "a decade of Republican supermajority across three branches of government has made Indiana a state of extreme politics. I am running to restore checks and balances to the Statehouse and to be a voice for all who live here. It is time that Hoosiers have leadership that listens to their problems and fights for solutions. The Attorney General should be the Citizen's Advocate and work for all of us, not filing lawsuits trying to take away our legal rights. The Attorney General's office should not be trying to promote a right-wing agenda to overturn healthcare for pre-existing conditions and take away the ability for Hoosiers to have affordable insurance coverage. **Curtis Hill** has not been an advocate for Indiana citizens, and he has not brought integrity and reason to this office."

□ Sen. Tallian adds, "My Senate record speaks for itself: I wrote the law that makes it harder for banks to foreclose on homeowners. I have protected our pensions and I have defended our civil rights. As a member of the Criminal Law committee, I helped revise our outdated criminal code to make sure that the punishment fits the crime. As the Attorney General, I will continue to advocate for our citizens." In her work on behalf of her district, on Lake Michigan and home to steel mills, she has been a strong union and environmental advocate.

□ If the race is between Tallian and Hill, one other issue that you can certainly expect a spirited face-off over – as attendees experienced at the 2016 BGD Legislative Conference is marijuana reform. Sen. Tallian was the first Hoosier lawmaker to affirmatively call for reform of marijuana laws, seeking to decriminalize marijuana possession and legalize use of medical marijuana. General Hill has been a strong advocate of maintaining the status quo on marijuana laws. A race between these two candidates will certainly generate a statewide debate over marijuana deregulation issues in advance of the 2021 session, when any expect the issue to come to the fore.

IN Legislative Races . . .

● We told you to expect a Cass County candidate for the SD 18 vacancy selection caucus on September 9, and now former Sen. **Randy Head** (R), whose retirement caused the opening, throws his support behind second-term at-large Cass County Councilmember **Stacey Donato** (R).



□ In addition to her elective service, Donato, an accountant by training and vocation, has served on several local boards and commissions. A Eucharist minister, she is a member of the church choir in her Catholic church, and she and her husband have experience as foster parents. She tells the *Logansport Pharos-Tribune* the key issues for SD 18 are “substance abuse, educational funding along with other educational issues, economic development and decline of population in rural areas.” Donato also notes that “On the state level, I’ve heard conversations on gun control, abortion and legalized marijuana.”

□ Amy Anne Roe (R) also joins the fray. The president of Fulton County H.O.P.E. and former executive director of the Fulton County Chamber of Commerce is from Rochester and graduated from Grace College and earned a master’s degree from Western Governors University. She had a brief stint working for the logistics industry in South Carolina before returning home, and lost a May primary bid for one of two at-large seats on the Rochester City Council before the SD 18 opportunity arose, and she opted to seek the Senate seat to serve as a “voice for the voiceless.”

□ A Rochester City Council member, Brian Fitzwater (R) is running. The only attorney in the race to date has served as a chief deputy prosecutor, public defender, town judge pro tem, and town attorney. His private practice focuses on farm and small business law, estate planning, family law, and real estate matters. He has served on the boards of several community organizations.

□ There will be at least five candidates from four different counties in the race. The two women join two men in the race, Jake Adams (R) of Flora and Jeffery Staker (R) of Peru.

● Jason Fletcher (D), who works for the Marion County Prosecutor’s Office, opens an SD 36 campaign committee for a challenge to Sen. Jack Sandlin (R). Fletcher opened a campaign committee for an HD 97 run in 2016 (the seat was occupied by Rep. Justin Moed (D) and Demo dynamo Elise Shrock was his chair), but didn’t go to the gate.

● Ballotpedia, which bills itself as “The Encyclopedia of American Politics,” finds that thus far this year, legislative special elections have been held for 50 seats, and four “have flipped from Democratic control to Republican control. One seat has flipped from Republican control to Democratic control. One seat has flipped from Republican control to an independent officeholder.” In the three Indiana vacancies this year, all will remain in the hands of the same party, because Indiana law requires those vacancies to be filled by caucuses of the party of the departed lawmaker ... offering no opportunity for voters to have a say under potentially changed political circumstances.

IN Mayoral Races . . .

● Hammond’s Democratic Party chair files a challenge to the candidacy of the Republican mayoral candidate – selected in a post-primary caucus – contending that the failure of Edward Lipkovitch, Jr. (R) to personally sign his required statement of economic interest renders him ineligible to face off on the ballot against four-term Mayor Tom McDermott, Jr. (D).

IN the Presidential Race . . .

● South Bend Mayor Pete Buttigieg (D) is tied for fourth place with five percent in a new CNN poll by SSRS (08/15-18; 402 Democrats and D-leaning independent RVs; margin of error ± 6.1 percentage points), up from four percent in June CNN polling after the initial debate, but not benefiting as much as others from the crash (- 12 points) of U.S. Sen. Kamala Harris (D-CA). He remains at five percent in the latest

Morning Consult national polling, and drops one percentage point over the week to five percent in Morning Consult polling among Democratic primary voters in Iowa, New Hampshire, South Carolina, and Nevada ... the 2019 Cast Your Kernel presidential poll at the Iowa State Fair found almost as many fairgoers casting their kernels for a Democratic candidate for president as for a Republican – anomalous for the 15 years the poll has operated, and Mayor Pete’s 18% trails only former Vice President Joe Biden (D) and his 25% of the unofficial tassel-free tally ... Team Pete is on the Iowa air waves with a pair of radio spots highlighting rural and veterans issues. “When the President gets on Twitter to brag about the high-stakes game he’s playing with China, he’s not seeing the same rural America that I see,” Mayor Buttigieg says in one of the spots, suggesting the President is too focused on the stock market while his own “trade war is tearing apart the very fabric of rural America.” In the other spot, Mayor Pete explains, “As a veteran of the war in Afghanistan, I saw firsthand the sacrifice made by those in uniform ... and I noticed how many of them came from places that look a lot more like South Bend than the big coastal cities.” He then spotlights his plan to “expand opportunities for veterans – providing those who’ve served with two weeks of training on what it takes to start a small business ... followed by a \$10,000 grant to help transform a good idea into a successful company.” Another pair of radio spots in both Iowa and New Hampshire targets an interesting demographic: Students heading back to college. Both spots focus on the current political environment, the incumbent, and need for not simply “recycling the same arguments and politicians that have dominated our politics for as long as I’ve been alive,” Buttigieg says, hitting on policy issues that will resonate with a generation raised in a post-9/11 era in which school- and mass shootings are common cultural touchstones. “We’ve got to do something completely different” is the coda for both of the latter spots.



● The more moderate the Democratic presidential nominee, the better the party's chances of retaking the White House, former U.S. Sen. Evan Bayh (D) tells Martha MacCallum of Fox News Wednesday.

IN Other Political News . . .

● U.S. Reps. Jim Baird (R), Dan Crenshaw (R-TX), and Brian Mast (R-FL) – all three disabled combat veterans who earned a Bronze Star – will be the special guests at the 2019 Team Holcomb Fall Dinner on October 14 at the JW Marriott in downtown Indianapolis. The state GOP adds, “You might remember this trio from a tweet posted by Congressman Mast in January, – with the caption ‘5 eyes. 5 arms. 4 legs. All American.’”

● A new Fox News poll conducted under the joint direction of Beacon Research (D) (formerly known as Anderson Robbins Research) and Shaw & Company Research (R) (08/11-13; 1,013 RVs; margin of error \pm 3.0 percentage points) finds Vice President Mike Pence (R) not only remaining underwater, but that his favorability drops to its lowest level since the 2016 election. His low point in this polling came after the then-governor was nominated, while he peaked just before the election, falling back below 50% favorability after the 2016 election, and progressively declining since then. His unfavorable numbers have grown by more than one-half since Fall 2016.

□ Of the 39% who view the Vice President favorably in the most recent round of polling, 21% are “strongly” favorable and 18% are “somewhat” favorable, while among the 48% who view the VP unfavorably, the numbers are more polarized, with one-third (33%) “strongly” unfavorable, while 14% are “somewhat” unfavorable (numbers may not add up due to rounding). We’ve divided the numbers by pre-election, post-election, and post-inauguration periods.

Mike Pence	Favorable	Unfave.	Spread	Can't Say	Never Heard of
08/11-13 2019	39%	48%*	(9%) [†]	10%	4%
02/10-12 2019	42%	44%	(2%)	10%	4%
08/27-29 2017	46%	43%	3%	6%	4%
06/25-27 2017	47%	42%	5%	6%	5%
03/12-14 2017	47%	43%	4%	6%	5%
01/15-18 2017	45%	37%	8%	11%	8%
12/11-13 2016	42%	37%	5%	13%	7%
10/22-25 2016	51%*	34%	17%*	7%	8%
10/10-12 2016	47%	35%	12%	8%	9%
10/03-06 2016	46%	32%	14%	12%	11%
09/27-29 2016	40%	30% [†]	10%	14%	16%
07/31-08/02 2016	35% [†]	30% [†]	5%	15%	21%

* High

† Low

● Brandy Terrell takes over from Jim Springer as chair of the Orange County Democratic Party.

● Fady Qaddoura (D), controller and chief financial officer for the City of Indianapolis and Marion County, opens an exploratory committee for an undisclosed office.

● A poll of Marion County voters for Indy Politics by Mason Strategies (08/11-14; 400 LVs; 42% D, 27% R, 26% I; margin of error \pm 4.9 percentage points) shows these approval numbers, which suggests considerable discernment among those surveyed:

Candidate	Favorable	Unfavorable	No Opinion/?
Donald Trump (R)	38%	58%	4%
Mike Pence (R)	43%	51%	5%
Pete Buttigieg (D)	41%	28%	28%
Eric Holcomb (R)	60%	24%	16%
Curtis Hill (R)	14%	30%	54%

IN Brief

IN Federal Circles . . .

● U.S. Sen. Todd Young (R) is now a target of Dudley Brown, president of the National Association for Gun Rights, the entity that has taken aim at Rep. Jim Lucas (R) – probably the top gun rights advocate in the House – for not being ardent enough in his pursuit of Second Amendment rights (and which earlier this month took shots at U.S. Sen. Mike Braun (R) for what it saw as him bailing on defending gun rights). “Sen. Young has made it clear he’s ready to compromise away your gun rights. Just last week, Sen. Todd Young said: ‘I think Indiana’s red flag law, the most robust red flag law in the country, is the sort of thing other states should be looking at, and perhaps we should be looking at that at the federal level.’ Why is Sen. Young playing right into their hand?” Brown asks rhetorically. He calls upon gun owners to call Young, a Naval Academy alum who served in the Marines, and “Urge him to reverse course and oppose all gun control, especially ANY ‘Red Flag’ gun confiscation law and any national gun registration scheme being ushered through by anti-gun Democrats with the help of spineless Republicans,” claiming that “‘Red Flag’ laws allow SWAT teams to bust down your door, raid your home at 5 in the morning, and seize your legal firearms – all based on an anonymous complaint. Not a single one of the states that have this law protect the right to due process.”

● U.S. Sen. Mike Braun (R) tells Terry Meiners of WHAS 840-AM in Louisville August 12 that “The economy has never been better.” He also tells Meiners that he is growing increasingly concerned about the concentration of larger companies, particularly in the health care and insurance sector. “The thing I worry most about, next to big government – because it’s lethargic, it doesn’t get things done, it’s the opposite of a Main Street entrepreneur – is big business. Many of our industries have become highly concentrated and that worries me. Health care is the epitome of it, where increasingly we have fewer and fewer large corporations that dictate health insurance – there’s actually many pharma companies – you’ve got fewer and fewer companies at home, the hospitals, and I’m worried about it most of them are MBAs, but they want to play by different rules. Most of us in the business world [want] no barriers to entry, full transparency, we live off of competition. It’s not like that in the health care industry. Where do you spend that much money and never ask ‘What does it cost?’ So I challenge the industry, now that 80 senators are trying to fix your industry – that’s how many senators have weighed in on the bills going through the Senate. That should tell the industry, “Wake up. Are you that thick-headed? You’re going to have a business partner in Bernie Sanders and Medicare for all if you don’t get with it.” Sen. Braun says ‘Medicare for all’ “would literally double the size of the federal government” . . . asked by WHAS’ Meiners about whether it was time to open the door and look at changes to the law to address gun violence, Sen. Braun replied, “It really is for those of us who have been purists in the past, I think it’s analogous to what’s happening in health care. If you do not do something when you’re at crises points, which we are in health care, and I think we are in gun

violence now. The other side always has plans that are much more drastic, and if you drag your feet, and don't do things that have common sense as the foundation, that aren't going to comprehensively change the dynamic of gun ownership, I think we risk that. So red flag laws - yes. Leader McConnell said that, and some type of focused background checks that aren't universal, but at least keep guns through - background checks, they're going to have to be improved, just like you would in a business that's not functioning right - we've got to find common-sense ideas that make it work better, and I think he'll bring to the floor something like that. They've got the two House bills there, that's going the other way, it wouldn't make it through the Senate because it's trying to do too many things that are radical when it comes to impacting law-abiding citizens that shouldn't be impacted in any way with the right to bear arms."

● U.S. Rep. Trey Hollingsworth (R) tells constituents, "Last month, I joined the Indiana congressional delegation in sending a letter to U.S. Department of Agriculture Secretary **Sonny Purdue** (sic). This letter shared our strong support of a Secretarial disaster designation in 88 counties, including all counties that make up Indiana's Ninth Congressional District. This designation would help farmers who have experienced severe losses caused by excessive rain and flooding that occurred during the 2019 crop year." He then poses his "Question of the Week: Do you support providing extra assistance to farmers to enhance risk management and address loss due to flooding?" . . . Rep. Hollingsworth spoke to the Morgan County Republican Party's monthly breakfast, and the *Martinsville Reporter-Times* tells readers that "One of the first concerns brought to Hollingsworth's attention was on the topic of immigration. Hollingsworth said that believed immigration to be an important issue that affected the United States' sovereignty. He stated that the country needed to protect its borders and address the problem of illegal immigration. 'We need to make sure that we continue to be a country for Americans, by Americans,' said Hollingsworth. Hollingsworth said that those that waited their turn and went through the legal process were of course welcome, but as a nation of laws, the United States needed to 'stop the flow of drugs and illegal immigrants into this country.' When asked about sanctuary cities, Hollingsworth said that he believed that they should be defunded as America could not have different rules for illegal immigrants. 'We are a country of laws,' said Hollingsworth."

● U.S. Rep. Jim Banks (R) questions whether a peace deal in Afghanistan will be successful. The veteran of the Afghan conflict calls it "Smoke and mirrors" in an interview with POLITICOPro. "We're going to be right back in a similar situation if we're not careful, if we draw down and pull out, leave a vacuum of power. We know it's not going to be filled by the Taliban. It's going to be filled by ISIS," Rep. Banks, a member of the House Committee on Armed Services, contends . . . Rep. Banks tweets, "The Dow has hit more than 100 record highs since November 2016. Why does it seem the media only covers if there's a drop?"

● U.S. Rep. Greg Pence (R) tells Brock Turner of Indiana Public Media after a closed-door meeting Wednesday with farmers in Shelbyville that "he trusts President **Donald Trump** to take care of farmers and mitigate their potential losses. 'It's really up to the administration to lead and tell us where they're going to go next,' he says. 'It's our oversight responsibility to kind of monitor that.'" Rep. Pence "would not elaborate on his plans to help farmers. The first-term congressman says he's 'just started' hearing the concerns of farmers and plans to champion those concerns."

IN State Circles . . .

● Our sister Hannah newsletter, *INDIANA GAMING INSIGHT*, has the big scoop: The State of Indiana and the Pokagon Band of Potawatomi Indians have entered into compact negotiations at the request of the tribe, and the State has 180 days to agree to a compact (and have it ratified by both chambers of the General Assembly under IC 4-29-3-5, enacted in 2015) before the tribe can approach the U.S. Department of Interior to ask it to grant approval for the activities it seeks. The Governor has tasked Indiana Gaming Commission Executive director **Sara Gonso Tait** to lead the compact negotiations on his behalf. The Governor intends to create a negotiating committee, which will be led by Tait (we don't expect any lawmakers to be part of what should be a small panel, but you can be assured that legislative leaders will be kept closely apprised about the discussions).

□ What you need to know: Four Winds Casino South Bend is a Class II gaming facility, and cannot offer Class III Gaming (including traditional slot machines, live table games, and sports wagering) absent compact approval. We're hearing that the sports wagering component is the reason the Pokagons have decided to approach the State. The Pokagon casino's location on the U.S. 31 bypass in South Bend is only some seven miles from "Touchdown Jesus" and Notre Dame Stadium, and it could be the closest facility to the University of Notre Dame to offer sports wagering. The location would also offer convenient access for Michigan residents who might want to bet on the University of Michigan (or against The Ohio State University!), Michigan State University, or Detroit professional baseball, basketball, hockey, and football franchises.

□ While it would seem that any competitive advantage for the Pokagons (at least for in-state sports wagering) would disappear when mobile sports wagering goes live in the Hoosier State, but our sister newsletter explains how - absent a compact - federal and state law might combine to require "geofencing" of tribal land to affirmatively prohibit and sports wagering over computers or personal electronic devices. That would mean that not only could the Pokagon casino not offer sports wagering, but that patrons (and others on tribal land) could be locked out of even placing a bet from a smartphone while watching the Fighting Irish play football on a television screen at Four Winds. This - and some other aspects of the process - get technical and complicated, and you need to follow our sister newsletter for the unfolding details.



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- Count the Indiana Black Legislative Caucus among those not pleased with a photo posted online by Rep. Jim Lucas (R) of a gallows with nooses on a story about an African-American man who pleaded guilty to rape. He is unapologetic and says he posted the stock image simply to indicate his displeasure with the sentence the offender received, and to indicate his support for capital punishment. IBLC's chair, Rep. Robin Shackleford (D), said he was wrong to use the picture, and wants to meet and open a dialogue with him "so that we may, as colleagues, share with him how his actions are hurtful and intimidating to the African-American community." Rep. Shackleford says "The type of behavior exhibited by Rep. Lucas is abhorrent. The history behind an image of a noose is something that we all know too well as a powerful visual symbol connected to the history of lynching of African-Americans in this country." She adds, "We must work together to stop the normalization of racism and hate that has risen in the past couple of years in our country and state. As an elected official and lawmaker, we would have hoped Rep. Lucas would use his platform to work against these detriments to our society."

- Could Hoosier public attitudes about environmental laws, regulations, and enforcement be changing before our eyes? Consider these vignettes from the last two weeks or so:

- Reuters reports that "The Indiana Farmers Union has filed a friend of the court brief to petition the state's top court to reconsider a lawsuit by homeowners against a massive agribusiness operation with 8,000 hogs. The (Hendricks County) operation has been largely protected from any penalties because of controversial Indiana Right to Farm laws. The state's Right to Farm Act was initially approved to protect farmers from nuisance lawsuits from people buying homes near farms and then complaining about the farm operations. But now, the suit argues, that law and a companion statute are being used by a massive agribusiness operation to pollute and disrupt with impunity. 'Noxious gases' from the operation are not 'farm smells; they are factory pollution,' the suit claims." *Himsel, et al., v. 4/9 Livestock, LLC, et al.*, No. 18A-PL-00645, *transfer pending*.

- The City of Muncie works out an agreement with Waelz Sustainable Products under which the company will abandon its controversial plans for a zinc production plant (largely described locally as a "steel-dust recycling facility") that was to be built by the end of 2020 on an 85-acre former BorgWarner brownfield site. The company called off work - after having invested more than \$2 million in the project after long and loud local citizen objections which followed Indiana Department of Environmental Management construction permit paperwork that revealed large potential air emissions of pollutants including mercury and lead. Waelz pulled the plug after making "every effort to engage in meaningful dialogue with community leaders, address the concerns of residents and make this project a reality. Unfortunately, a campaign of misinformation tainted the process and ultimately made it impossible for the city council to continue supporting the project. In agreement with Muncie city and redevelopment officials, we have collectively decided to move on from Muncie. We met or exceeded all environmental regulations, were evaluating enhanced emissions control technologies to implement that would further address stakeholder concerns and believed in the merits of the investment, but the project was never judged fairly nor given the time and unclouded consideration it deserved. While not the outcome we wanted, we wish the City of Muncie and all the hard-working families residing there nothing but the best."

- WBBM-TV *CBS 2* in Chicago reports that "Steel manufacturer ArcelorMittal has admitted that it knew about a chemical spill that contaminated the Little Calumet River in Northwest Indiana as far back as Sunday, Aug. 11, but did not notify Indiana state officials until four days later. ArcelorMittal told the Indiana Department of Environmental Management about the blast furnace failure that caused the spill on Thursday, Aug. 15." The spill resulted in what was described as a plume of cyanide and ammonia at toxic levels making its way into Lake Michigan, causing a broad-spectrum kill of at least 3,000 fish and eventually forcing the closure of three Lake Michigan beaches - including two at America's newest national park, the Indiana Dunes National Park (out to 300 feet). nearby Ogden Dunes closed its beach and restricted its Lake Michigan water intake before Indiana American Water ultimately shut it down. But the information was closely guarded for several days, with the mayor of Portage, whose city encompasses a chunk of the lakefront west of the steel plant, complaining that his city was not notified of the spill until three days later, and no local or federal officials purporting to know just how much of what toxic material had been released and for how long (he tells the *Washington Post* he blames IDEM for the reporting delay). A post on the City of Portage Facebook page observed that "The Mayor is calling for action to be taken. Further, the City of Portage will be taking aggressive action with the EPA to ensure the breakdown of communication, like this, does not occur again." ArcelorMittal also responded to an oil spill at the Port of Indiana Wednesday, August 16. *CBS 2* reported that "It remained unclear Tuesday afternoon (August 20) how much ammonia and cyanide ArcelorMittal spilled in the most recent incident."

- The saga received national media attention (query whether it would have done so had the Dunes not recently become part of the National Park system), and left citizens and officials from Chicago through Porter County frustrated over the run of events and secrecy - which was reminiscent of a pair of mysterious 2017 breaches at U.S. Steel that dumped some 300 pounds of hexavalent chromium into Chicago's drinking water supply and left the mayor of Chicago, among others, livid (particularly over its request that IDEM keep the spill details secret) - and resulting in a lawsuit by the city against the company over federal Clean Water Act violations. That spill resulted in a \$900,00 settlement with the federal government. The *Chicago Tribune* reported last week that "ArcelorMittal's plant has violated the Clean Water Act during five of the past 12 quarters, according to a U.S. Environmental Protection Agency website that tracks enforcement and compliance."

- Tim McNicholas of *CBS 2* - a former WISH-TV reporter in Indianapolis - told viewers last week that "In May, [ArcelorMittal] was fined more than \$5 million for Environmental Protection Agency violations dating back to 2006. The company had a 'high-priority violation' at least two East Chicago facilities, and violations of the Clean Water Act at three Northwest Indiana locations - including two this year. *CBS 2* has learned that the Portage Port Authority, which is not part of city government, plans to sue ArcelorMittal."

- Robert Weinstock, a law professor at the University of Chicago's Abrams Environmental Law Clinic - which sued U.S. Steel over the 2017 release - tells *TIME* magazine last week that "the core issues of industrial compliance and shortcomings in state agency oversight are the same He says there is a need for a shift at the state and federal level towards informing the public, instead of being overly cautious."

□ According to *TIME*, “Weinstock says the IDEM ‘has a lot of discretion’ and perhaps ‘don’t want to incite panic.’ But, he adds: ‘When you view industry as your client instead of an entity you’re supposed to be regulating, that could lead you to tip the balance towards corporate interests when thinking about whether or not to notify the public.’”

□ As residents of The Region were starting to comprehend what had transpired over the previous week, word spread on Tuesday (August 20) that U.S. Steel was reporting a “discoloration” in the outfall of its Midwest Steel facility along the Burns Waterway – where the Hexavalent Chromium had leaked from two years ago – and had contacted the appropriate authorities and local officials. According to the *Times of Northwest Indiana*, “The Indiana Department of Environmental Management followed Tuesday with reports that it is investigating an oil release at the U.S. Steel plant, and a ‘sheen’ and two releases at the ArcelorMittal discharge in Burns Harbor. The *Times* editorialized that the incidents were shaking public confidence in safeguards for local waterways.

□ Finally, Goshen Mayor Jeremy Stutsman (D) told his City Council last week about his plan to create a city Department of Environmental Resilience to handle proactive environmental issues including implementation of the city’s carbon neutrality goal, and its push to achieve 45% tree canopy coverage in the coming decades.

● A September 11 hearing is set in Lake County Superior Court, Civil Division 1 on the City of Hammond’s request for a preliminary injunction in the Lake County Convention & Visitors Bureau board appointment case (which Hammond Mayor Tom McDermott (D) pledges will continue, despite some positive entreaties from Bureau chief Speros Batistatos and some board changes since the suit was filed earlier this month). With a constitutional question certified to the Office of the Attorney General, the State has until October 3 to decide whether to intervene. Ice Miller LLP has been added to the LCCVB defense team.

● The Office of Medicaid Policy and Planning (OMPP) issues a notice of proposed changes to methods and standards governing reimbursement policy for Medicaid-enrolled hospitals. OMPP proposes to revise the Disproportionate Share Hospital (DSH) payment methodology for the current fiscal year in the event that the Centers for Medicare and Medicaid Services (CMS) reduces the Indiana federal DSH allotment for that year. These changes would be effective October 1. OMPP says it is making these changes to implement changes to the DSH payment methodology to allow for an equitable distribution of the allotment among DSH hospitals, if the allotment is reduced. OMPP estimates that there will be no fiscal impact from the State Plan Amendment (SPA) changes, as they are only a revision of the methodology used to distribute the allotment, which is determined by CMS. The payment methodology changes introduced in the SPA will become effective only if CMS reduces the Indiana DSH allotment applicable to FY 2019 payments.

● Moser Consulting, Inc. of Indianapolis is selected to provide Application Services for the Family and Social Services Administration’s Division of Family Resources, a two-year contract with an estimated value of \$32,353,638. Moser Consulting was selected over a field that included Bucher + Christian Consulting, Inc. (D/B/A BCforward); Deloitte Consulting LLP; Infosys Public Services, Inc.; IDC Innovations LLC; RCR Technology Corporation; and TEKNTIME LLC.

● Spending on Medicaid-covered prescriptions to treat opioid use disorder and overdose in Indiana (Buprenorphine, Naloxone, and Naltrexone) almost quadrupled from about \$7 million in 2015 to more than \$26 million in 2018 according to an Urban Institute analysis of Medicaid State Drug Utilization Data from the Centers for Medicare & Medicaid Services. The number of prescriptions soared from about 40,000 to more than 250,000 over the same period.

● Road construction causing detours at peak season for motor carrier oversize/overweight permitting requests seems to be causing delays for some operators, and the Department of Revenue is spreading the word in the industry that truckers should allow for extra time to allow their permit requests to be reviewed and permits issued with route details – particularly for permits that require complex routes, Indiana Department of Transportation district-level approval, or an Indiana State Police escort. *Commercial Carrier Journal* reports that a new state permitting system is expected to launch this Winter that should improve service and speed of issuance.

● Indianapolis Mayor Joe Hogsett (D) uses a Moms Demand Action for Gun Sense in America rally at the State House to formally sign up with Mayors Against Illegal Guns, a bipartisan group of more than 1,000 current and former mayors operating under the umbrella of Everytown for Gun Safety.

□ Mayors Hogsett, Karen Freeman-Wilson (D) of Gary, John Hamilton (D) of Bloomington, Pete Buttigieg (D) of South Bend, Tom Henry (D) of Fort Wayne, and Jim Brainard (R) are the only six Hoosier mayors among 262 mayors nationally to sign an August 8 letter under the auspices of the U.S. Conference of Mayors urging Congress to tighten gun laws.

□ The sole Hoosier Republican to sign, Mayor Brainard, tells *Current in Carmel*, “It makes sense to me that we would want to strongly encourage Congress to pass legislation to close the loopholes that make it possible for those with criminal backgrounds or a violent past to legally purchase weapons. There have been too many senseless killings of innocent people by those who have been able to easily purchase weapons, and it needs to stop.”

● Attorney General Curtis Hill (R) is not among 43 state and territorial attorneys general signing a letter under the auspices of the National Association of Attorneys General (NAAG) to leading U.S. streaming services, encouraging the industry to adopt business practices that protect young viewers from tobacco imagery in video content. Letters were sent to Amazon.com, Apple, AT&T, CBS Corporation, Comcast Corporation, Discovery, The Walt Disney Company, Google, Netflix, Sony, Lionsgate, Viacom, and Walmart. The letter notes that the Office of the U.S. Surgeon General (now a Hoosier, Dr. Jerome Adams) has found that tobacco imagery is linked to the “initiation of smoking among young people.” Recent reports by the Truth Initiative and U.S. Centers for Disease Control and Prevention (CDC) showed that on-demand content contained more tobacco imagery than traditional content or broadcast shows, and more than half of PG-13 films released between 2002 and 2017 showed tobacco use.

□ Given the recent significant rise in tobacco use by young people, particularly the use of cigarettes, preventing initiation and use of tobacco products is of critical importance to us and the public health community, and we sincerely hope it will be addressed by the streaming industry,” read the letters signed by the bipartisan NAAG coalition that did not include Indiana.

□ Five of the nine members of the executive committee of the Republican Attorneys General Association, including its chair from Texas and Vice Chair Hill, did not sign the letter.

□ The letters are the latest action taken by state attorneys general to curb the use of tobacco and its marketing to youth through popular media. The 1998 Tobacco Master Settlement Agreement, which settled litigation brought against tobacco manufacturers by 46 states and six other U.S. jurisdictions, prohibits those manufacturers from targeting youth through advertising and promotions.

● A Thursday ruling by the U.S. Court of Appeals for the Seventh Circuit upholds a preliminary injunction granted by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana – but only insofar as it allows Texas-based Whole Woman’s Health Alliance to open a South Bend abortion clinic “as though it were provisionally licensed,” after it was denied the license it sought. *Whole Woman’s Health Alliance, et al., v. Hill, et al.*, No. 19-2051. The panel led by Chief Judge Diane Wood and including judges Joel Flaum and Frank Easterbrook, finds that “For purposes of this preliminary injunction, we see no clear error in the district court’s conclusion that Indiana has not given the Alliance’s license application a fair shake,” but believes that the provisional licensing route was “the best way to accommodate the state’s legitimate interest in licensing during the pendency of this litigation.”

□ The panel has some harsh words for the Indiana licensing process, explaining that case law required them “to scrutinize the facts rigorously, in order to determine what the Department was doing with the Alliance’s license application over the past two years. The record before us paints a troubling picture. A seemingly endless cycle of demands for information, responses, and new demands does not suggest a bona fide process. At some point, enough is enough. As courts throughout the nation recognize every day in resolving litigation discovery disputes, there comes a point where record requests become so duplicative, or marginally (if at all) relevant, that they are nothing but harassment.” An example: One requirement was “the equivalent of asking if you have ever had a speeding ticket, and instead of accepting a sworn affidavit, asking you to go to all 50 states, the District of Columbia, and the 14 U.S. territories (or why not all 195 countries in the world?) and obtain certifications from each confirming that you have not. There is no need for such scorched-earth tactics. Indiana is entitled to protect patient safety and fetal life through its licensing scheme, but if it is doing little more than throwing up one hurdle after another in an effort to keep the Alliance’s doors closed, it has gone beyond constitutional boundaries.”

□ Perhaps the most important passage of the 27-page ruling, however, is this case proceeds to the Supreme Court of the United States, may be one observing that Judge Barker’s “broad condemnation of Indiana’s licensing scheme runs contrary to Supreme Court precedent.”

● Earlier this month we told you that assessed value in Hamilton County had grown by \$1.4 billion (more than 6.3%), but while the rich get richer, others see significant declines, such as Pike County, where officials just learned that assessed value there took a 20% plunge, down by about \$88 million in a county in which the total assessed value before that drop wasn’t even half as much as the *increase* in AV in Hamilton County.

□ The principal reason for the “life-changing” plunge: IPL’s decision to redistributing its assets on a statewide basis; IPL’s Petersburg Generating Station is the largest property tax payor in the county.

● A hearing on outstanding Office of the Inspector General discovery issues in the disciplinary case pending against Attorney General Curtis Hill (R) was presided over by Hearing Officer Myra Selby on Thursday afternoon. She issued an order Monday that closed the hearing to the public.

□ Attorneys for Hill also asked Selby to refuse the motion by Andrew U.D. Straw, the original complainant, seeking to allow him to introduce affidavits and exhibits into the record, arguing that “It is apparent from Straw’s tendered affidavit that his agenda is to exploit this case, which has nothing to do with him, as a platform for re-litigating his Indiana lawyer discipline case and to otherwise pursue a personal agenda having nothing to do with the merits of this case.” On Wednesday, Selby issued an order denying the Straw motion to intervene, and ordering it “stricken on the grounds that its allegations are wholly immaterial to this case”

● Our sister Hannah newsletter, INDIANA GAMING INSIGHT, had followed for several years a property tax assessment case involving one of the casinos, *Switzerland Cty. Assessor v. Belterra Resort Indiana, LLC*, 101 N.E.3d 895 (Ind. Tax Ct.), *review denied*, and thought the judicial aspect of the dispute was over in July 2018, when the Indiana Tax Court issued its order affirming in part and reversing in part an Indiana Board of Tax Review final determination in the matter (or in October, when the Indiana Supreme Court denied transfer). However, it turned out that neither IBTR nor the local assessor had taken the steps ordered by Tax Court Judge Martha Blood Wentworth, and more than one year later, attorneys for the casino asked her to enforce her ruling. The local assessor opposed the request, claiming the motion was based on material outside the record, is not ripe, and the Tax Court lacks subject matter jurisdiction to hear it.

□ Judge Wentworth was unimpressed by the government’s arguments, and in case you’re unclear about how Judge Wentworth felt about the actions by the state and local governmental units here, she explains, “[T]he Indiana Board must ensure that the Court’s instructions contained in its May 24, 2018, opinion have been specifically carried out. This oversight process guarantees that the Indiana Board – Indiana’s assessment and property tax expert – has determined the accuracy of a corrected assessment, reducing the possibility that additional judicial resources must be expended. Moreover, as a practical matter, the Indiana Board’s oversight insulates an assessor – typically a party in property assessment cases – from the appearance that she advanced her own self-interest.”

□ Judge Wentworth then included this scathing footnote directed at the Switzerland County assessor: “Here, the Assessor’s post-decision actions and claims appear to be intended to reduce the adverse effects of the Court’s decision. First, the Assessor conjured an ambiguity in the Court’s instructions for calculating the corrected assessments where there was none. Then, when corrected values were issued presumably based on that conjured ambiguity, the Assessor invented procedural infirmities to prevent the Court from enforcing its decision. Taxpayers deserve more than taxation by trickery, and the Court will not countenance such actions,” the clearly miffed judge writes.

● As more counties experience cyberattacks, more seek to prevent them or mitigate the damage. Just last week, the Pulaski County Board of Commissioners invested ≈ \$4,100 in an annual EMC Insurance policy protecting it with \$1 million of cyber coverage and \$500,000 of data protection coverage . . . while Marshall County looks to harden its IT system with a potential \$42,000 investment in upgrading email protection.

● Some key states are not sharing driver information with the Indiana - Kentucky RiverLink consortium that the contractor needs “to get billing details for hundreds of thousands of drivers from across North America last year, resulting in free rides on the Ohio River toll bridges and no chance to collect any of the money owed,” reports Marcus Green of WDRB-TV in Louisville – the only reporter who has systematically been following the twin bridges project since its inception. Illinois and Iowa have proven particularly problematic, he reports. “Collecting from out-of-state drivers has been among the challenges of RiverLink, the privately operated toll system overseen by Kentucky and Indiana state governments. Hoosiers and Kentuckians can’t re-register their cars if they have unpaid tolls, but there are no penalties for other drivers. Instead, officials must count on people to pay the tolls they owe. Of course, they have to be located first.”

□ Green reports that “Kentucky and Indiana hired HNTB in late 2017 as its top adviser on RiverLink, agreeing to pay \$2.2 million for the first six months of work. Within that time, the states required HNTB to complete a ‘risk assessment report’ of the toll system. The Kentucky Transportation Cabinet initially declined to release the report, which was finished in April, under the state’s open records law,” but finally released it after WDRB appealed to the Kentucky attorney general’s office. The HNTB analysis reviewed RiverLink operator’s “success getting out-of-state vehicle owner information for just one month, January 2018. The 52 percent response rate was deemed a ‘medium risk to revenue, cost and/or public perception.’ The report doesn’t estimate how much revenue is being lost when drivers aren’t identified. If each attempt to look up a license plate’s owner represents one unique transaction, it’s likely RiverLink missed out on \$2.8 million last year Overall, in 2018, about 89 percent of Kentucky and Indiana drivers who owed RiverLink bills were identified. The out-of-state rate was 68.5 percent. Out-of-state drivers were located at a 67 percent rate during the first four months of 2019”

● Attorney General Curtis Hill (R) joins the attorneys general of North Carolina and New Hampshire Attorney in leading a bipartisan and public/private coalition of 51 attorneys general and 12 telecommunications companies that have agreed to adopt eight prevention and enforcement principles to help protect phone users from illegal robocalls and make it easier for state authorities to investigate and prosecute violators.

□ Phone companies will work to prevent illegal robocalls by:

- Implementing call-blocking technology at the network level at no cost to customers.
- Making available to customers free, easy-to-use call blocking and labeling tools.
- Implementing SHAKEN/STIR caller ID authentication technology to differentiate between real and spoofed calls..
- Monitoring their networks for robocall traffic.

□ Telcos will assist AG anti-robocall enforcement by:

- Knowing who their customers are so bad actors can be identified and investigated.

● Investigating and taking action against suspicious callers, including notifying law enforcement and state attorneys general.

● Working with law enforcement, including state AGs, to trace the origins of illegal robocalls.

● Requiring telcos with which they contract to cooperate in traceback identification.

IN the Economy

● The July unemployment rate in Indiana dropped for a second month in a row by one-tenth of a percentage point, now sitting at 3.4% - the lowest monthly unemployment rate in Indiana since April 2018. July saw a marginally lower unemployment rate than the 3.5% unemployment rate one year earlier (down by 0.1 percentage point). We need only to look back to February 2018 to see the lowest rate we’ve enjoyed (3.3%) since the peak of the national financial crisis in July 2009 when the state sat at 10.6% unemployment. Indiana is tied for 22nd among all the 50 states and Washington, D.C. for the lowest unemployment rate, Indiana is down two places from our best ranking of 2019 when we were 20th for lowest unemployment in January.

□ Indiana’s unemployment rate continues to hold below the national unemployment rate, which did not see any change from June to July, remaining at 3.7 percent. The current national unemployment rate is only two-tenths of a percentage point lower than the 3.9% national unemployment rate seen in July 2018. With the exception of two months when it was equal (in October 2014 at 5.7% and April 2019 at 3.6%), Indiana has held below the U.S. rate for more than 5½ years (67 out of 69 prior months). Our unemployment rate is now one-half of a percentage point lower than in January 2017, when the new administration assumed office both nationally and at the state-level, although this decrease is at a lower rate by half than that seen nationally (the national unemployment rate has decreased by 1.1 percentage points since January 2017), and well below the rate of decrease our neighbors have seen over the same period (though Indiana’s unemployment rate in January 2017 was far lower than our surrounding states posted at the time).

Rate of Change in Unemployment Rate

	07/19	01/18	01/17	vs. 01/18	vs. 01/17
Indiana	3.4%	3.3%	3.9%	0.1%	(- 0.5%)
Illinois	4.2%	4.4%	5.2%	(- 0.2%)	(- 1.0%)
Kentucky	4.3%	4.3%	5.2%	0.0%	(- 0.9%)
Michigan	4.3%	4.5%	5.0%	(- 0.2%)	(- 0.7%)
Ohio	4.0%	4.5%	5.2%	(- 0.5%)	(- 1.2%)
National	3.7%	4.1%	4.8%	(- 0.4%)	(- 1.1%)

□ Indiana maintained the lowest monthly unemployment rate compared to our immediate neighbors once again (for the 35th consecutive month), with only Illinois and Kentucky joining Indiana in enjoying a slight decrease from June to July, and only Michigan experiencing a marginal increase. On a year-over-year basis, Indiana, Kentucky, and Ohio recorded a decrease in unemployment rates as did the national average.

Monthly Unemployment Rates, Indiana vs. Neighbors

	07/19	07/18	06/19	05/19	04/19	03/19	Monthly	Annual
Indiana	3.4%	3.5%	3.5%	3.6%	3.6%	3.6%	(- 0.1%)	(- 0.1%)
Illinois	4.2%	4.2%	4.3%	4.4%	4.4%	4.4%	(- 0.1%)	0.0%
Kentucky	4.3%	4.4%	4.1%	4.0%	4.0%	4.0%	(- 0.2%)	(- 0.1%)
Michigan	4.3%	4.0%	4.2%	4.1%	4.1%	4.0%	0.1%	0.3%
Ohio	4.0%	4.6%	4.0%	4.2%	4.3%	4.4%	0.0%	(- 0.6%)
National	3.7%	3.9%	3.7%	3.6%	3.6%	3.8%	0.0%	(- 0.2%)

□ Indiana's total labor force – the number of people who have a job or are actively looking for one – decreased by 6,608 from June to July, constituting a third consecutive monthly decrease (April to May declined by 10,677, May to June fell by 10,126). The Indiana Department of Workforce Development attributes the drop in the labor force to a reduction of 1,274 unemployed and 5,334 employed residents in the state.

□ Indiana's total labor force now stands at 3.38 million, down from the seasonally adjusted record high of 3.42 million recently set in April – and now the third consecutive month of slippage we have seen after an impressive 27-month labor force expansion streak. An estimated 122,223 Hoosiers are unemployed and seeking employment, up by 9,087 from 113,136 in June (and an increase of only 568 from a benchmarked 121,655 one year earlier in July 2018).

□ The state's 64.6% labor force participation rate decreased by only two-tenths of a percentage point from June's 64.8%, and once again remains above the national rate of 63.0% (up by a 0.2 percentage point margin from June). Indiana's labor force participation rate has now outperformed the national average for 62 consecutive months (more than five full years).

□ Private sector employment decreased from June to July by 1,300 after having grown by more than five times that amount from May to June (an increased of 6,800). Before we endured the two successive months of decrease in April and May, private sector employment had grown over prior-month levels for nine consecutive months. The Department of Workforce Development attributes the July decrease to losses in the Leisure and Hospitality (- 1,500) and the Trade, Transportation and Utilities (- 700) sectors. On a year-over-year basis, however, we see growth on the order of 27,300 private sector jobs, with the increase attributed in part to gains in the Private Educational and Health Services (1,500) and the Financial Activities (300) sectors. Total private employment of 2,744,900 stands 12,800 jobs above the peak of 2,732,100 seen in December 2018.

□ Vermillion County again holds the unfortunate lead for the highest unemployment rate among Hoosier counties at 5.2%, up by one-half of a percentage point from its 4.7% June rate. Fayette County (which had tied with Vermillion County in June at 4.7%) takes second place for highest unemployment in July at 5.1%, only one-tenth of a percentage point lower than Vermillion County, with the two each hugging opposite latitudinal state borders. Lake County continues to post the third highest unemployment rate in the state, and joins Vermillion and Fayette as the only three counties at or above 5.0% unemployment in July. Fifteen counties register an unemployment rate at or above 4.0% for July, up by six counties from June – although as recently as January, more than 50 counties had reached 4.0% or higher. Only 16 counties enjoyed an unemployment rate below 3.0%, down by 13 counties from June. In May there were 55 counties that enjoyed unemployment below a rate of 3.0 percent. Bartholomew, Dubois, and Gibson counties share the honor of lowest county unemployment rate for a second consecutive month, with all three up by 0.1 percentage point from June numbers to sit at 2.6% for July.

● IHS Markit, the State Budget Committee's contract economic consulting firm, reports that the manufacturing sector in August contracts for the first time since September 2009 – the month in which most realized we were formally in a significant recession. Unemployment across manufacturing-heavy Northwest Indiana in July also rose for a second straight month.

□ We told you after IHS Markit's April forecast presentation that "Lawmakers asked lots of questions about a potential recession and assorted markers." When IHS economist Tom Jackson "was asked what constituted 'red flags' for a coming recession, he indicated a decline in manufacturing (hard goods and vehicle manufacturing in general) as well as 'rising gas prices,' " but largely "shook off specific questions about the decline in RV jobs and production (labeling it a 'leveling off ... that we've been expecting,' adding, 'We don't really see that as a red flag at this point'), current gas prices hikes, and a decline in Hoosier housing starts, seeming to leave some more dubious about the prospects of avoiding a recession than he might be."

● The *Wall Street Journal* finally catches on to what we've been telling you about for several months: Lagging RV production numbers are an ominous national sign. The *Journal* reported Monday that Elkhart "is flashing a warning sign that a recession could be just ahead. Capital of the country's recreational-vehicle industry, the northern Indiana city and the surrounding area are watched by economists and investors for early indications of waning consumer demand for luxury items, often the first sign of economic anxiety. Shipments of recreational vehicles to dealers have fallen about 20% so far this year, after a 4.1% drop last year, according to data from the RV Industry Association. Multiyear drops in shipments have preceded the last three recessions. 'The RV industry is better at calling recessions than economists are,' said Michael Hicks, an economist at Ball State University Hicks says softening consumer demand for RVs coupled with rising vehicle prices due to tariffs suggests the economy is either in a recession or soon headed for one."

□ The *Journal* also notes that tariffs have forced suppliers of parts to RV manufacturers into "raising their prices to account for the hit they are taking from imported goods such as aluminum and steel The industry estimates that as many as 523 items could be hit by the tariffs, everything from the toilet-seat covers that go into RV bathrooms and cow hides for leather furniture to the aluminum or steel used throughout the vehicles." Those price increases – some (such as steel) in the double-digit percentages – must also be accounted for in the prices RV manufacturers themselves charge, a difficult choice as dealers "sense cooling desire for a luxury item like an RV" that also quickly depreciates in value.

□ Data not available to *WSJ* for its article: Elkhart County's July unemployment rate rose by 20%, up 1.6 percentage points to 3.6%, from 3.0% in June . . . even as the state rate decreased by one-tenth of a percentage point. The July 2019 rate is up one full percentage point from 2.6% in July 2018. And new Bureau of Labor Statistics numbers show Elkhart County suffered the largest decline in average weekly wages from Q1 2018 to Q1 2019 among the 355 largest counties (- 7.6%)

● In his latest *Washington Post* column, Purdue University President Mitch Daniels, who as governor of Indiana in 2011 labeled the growing national debt as the "new red menace, this time consisting of ink," and said it was the responsibility of conservatives to unite the country in a battle against that menace, returns to the topic and seems to have given up hope that Republicans can tackle the deepening problem. "There is no need to restate all the ruin that unpayable debt does to nations that indulge in it. Debt such as what we are now piling up will end badly. With entitlements and interest payments devouring available funds, the result will be some combination of economic catastrophe, the collapse of basic services or a disastrous weakening of national defense. For anyone still in denial, the Flat Earth Society is accepting applications," the former Office of Management and Budget observes.

□ However, Daniels continues, “No Republican can even put a dent in this problem. The party’s Scrooge stereotype, however unfair in many cases, is too burned into the public and media consciousness to permit the necessary ideas to be advanced from that quarter,” and “under present management, the GOP shows zero interest in even raising the issue of the national debt. Hope must come from the other direction. Just as Nixon, one of his era’s most vigorous anti-communists, used the credibility of his personal record and party label to undertake his startling initiatives, a Democrat – and only a Democrat, protected by the party’s tribune-of-the-poor reputation – can lead the country fiscally where it desperately needs to go. Arguments fully consistent with the Democratic image and catechism are already available, and if they are politically premature today, they will become more apparent and viable with each passing year of procrastination. Modernizing the public safety net is not about trashing it, as our puerile public debate now asserts, but about saving it,” Daniels explains. “Absent significant change, Social Security, Medicare and Medicaid will go bust, and no one will be harmed more than those most dependent on the programs. Continued entitlement drift is choking the discretionary government most dear to Democrats – a squeeze that will grow inexorably tighter. Saving public housing, mass transit, federal education funding and (fill in your favorite social program here) will become ever-stronger rationales for what must be done. Attempting to enact even the tiniest portion of the latest Democratic policy fads will require creating some fiscal space on the spending side.”

□ Purdue President Daniels also reminds readers that “For the moment at least, the Democratic brand is strong among younger voters. These of course are the Americans about to be plundered and gouged by the wanton borrowing in which we, their elders, are engaging: borrowing not for appropriate investment in their future but for our current consumption. Today’s young may not know much about the nation’s history or civic institutions, but they will not remain forever oblivious to this giant, unconscionable threat to their economic futures. Here, too, a Democrat has a far greater entree to share the stark facts and make the case for change.”

● Municipal bond sales by Midwest issuers – \$31.8 billion – led all other regions in the first half of 2019, a 34.2% local increase in year-over-year volume, even as no other region even climbed into the double-digits in percentage volume growth, according to *Bond Buyer* – and Indiana led the way. “Ten of the 11 Midwestern states recorded a hike for the first half with only Minnesota seeing a decline that landed at 12.3%. Indiana stood out as it saw a more than 200% gain, followed by Michigan at 72% and Missouri at 59%.”

● The adjustable Indiana gas tax for September is set at 14.9¢, meaning that for a third consecutive month, the tax has declined from the prior month – although the rate of decline, 0.2¢, is lower than the 0.5¢ over-the-month decline from June to July and then from July to August. The rate is also down by a significant 1.2¢ over the prior year, a greater disparity than in August. The three straight months of decline follow four consecutive months of over-the month increases.

□ The new September rate is still higher than any month during the first one-third of 2019. While we noted earlier in the year that the tax in each of the first four months of 2019 was lower than it was during *any* month in 2018, that took a turn in each of the next three months, but turned again with respect to August and September tax rates.

Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April	12.8¢	13.3¢	12.4¢	9.5¢	12.9¢
May	15.1¢	14.4¢	12.9¢	10.9¢	13.1¢
June	16.1¢	15.9¢	12.9¢	12.3¢	14.3¢
July	15.6¢	16.7¢	12.8¢	14.1¢	15.8¢
August	15.1¢	16.2¢	11.9¢	12.5¢	15.9¢
September	14.9¢	16.1¢	12.5¢	11.3¢	14.1¢
October		15.8¢	13.4¢	12.0¢	14.1¢
November		16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

● According to Public News service, “International trade fights are having an unexpected upside for Indiana programs that focus on feeding the hungry. To make up in part for the lost overseas markets, the U.S. Department of Agriculture is buying much more food from producers, and that food ends up at food banks and pantries.”

● The Governor and Indiana Secretary of Commerce **Jim Schellinger** will lead business delegations to Japan and the Republic of Korea September 4 - 10 (including the mayors of Seymour and Westfield), and then to China and India September 22 - October 5 (joining the Indiana Pacers in Mumbai for the National Basketball Association’s first-ever game in India in addition to work on trade).

● Biofuels producer POET will idle production at its bio-processing facility in Cloverdale, blaming the latest round of small refinery exemptions (SREs) granted to oil companies by the U.S. Environmental Protection Agency (EPA) under the Renewable Fuel Standard (RFS). Look for the Putnam County plant to be ramped down over a period of several weeks, after which the facility will cease the processing of more than 30 million bushels of corn annually, with what POET says will be “hundreds of local jobs” affected, and 50 workers at the refinery itself will be laid off by mid-October. POET is cutting production at half of its biorefineries, with the largest reductions in Iowa and Ohio. Jobs will be consolidated across its 28 biorefineries, with corn processing dropping by an additional 100 million bushels across the Iowa, Ohio, Michigan, Indiana, Minnesota, South Dakota, and Missouri.

□ “The Renewable Fuel Standard was designed to increase the use of clean, renewable biofuels and generate grain demand for farmers,” said **Jeff Broin**, POET’s chairman and CEO. “Our industry invested billions of dollars based on the belief that oil could not restrict access to the market and EPA would stand behind the intent of the Renewable Fuel Standard. Unfortunately, the oil industry is manipulating the EPA and is now using the RFS to destroy demand for biofuels, reducing the price of commodities and gutting rural economies in the process.” EPA’s “mismanagement” of SREs has placed an artificial cap on domestic demand for ethanol, according to POET, cutting demand for biofuels by 4 billion gallons and reducing demand for corn by 1.4 billion bushels.

□ “POET made strategic decisions to support President Trump’s goal of boosting the farm economy,” laments **Jeff Lautt**, president and COO of POET. “However, these goals are contradicted by bailouts to oil companies. The result is pain for Midwest farmers and the reduction of hundreds of jobs and hundreds of millions of dollars of economic activity across Indiana.”

● Fruit and vegetable merchant wholesaler Caito Foods, LLC of Indianapolis will close its Caito Fresh Kitchen Operations by mid-October, eliminating almost 55 jobs . . . add Warsaw's Kmart to the victimization list arising from the Sears Holding bankruptcy. The Kosciusko County Kmart is one of five such discount stores added to the list of the latest communities which will no longer have Blue Light Special savings by Thanksgiving . . . Nestlé USA, Inc. is downsizing its Fort Wayne Edy's Grand ice cream frozen food inventory transfer and distribution center operations as it transitions from a direct store delivery network to a warehouse model, ending about 40 jobs by year's end (not 70 as it initially told the state) . . . in Richmond, food wholesaler McFarling Foods is planning to close its operations later this month, ending jobs for almost 15 workers . . .

● TriCore Logic, a Fort Wayne firm specializing in supporting small businesses by providing IT helpdesk and troubleshooting services, backup and disaster recovery, and cyber security, plans to invest more than \$200,000 to expand its footprint in downtown Fort Wayne, adding up to eight new IT managed services specialists in the next four years. The Indiana Economic Development Corporation offers TriCore Logic up to \$60,000 in performance-based tax credits. Northeast Indiana Works will provide the company with additional hiring and training assistance . . . Germany-based Messer Group Global, a producer of atmospheric gases for health care providers, food processors, and glass and metal fabricators, plans to invest \$38.3 million in a new production facility on the south side of Indianapolis, and is seeking local incentives . . .

IN Transition

● The Governor names **Matthew A. Brown** to serve as director of the new Office of Administrative Law Proceedings, an entity created by HEA 1223-2019. The Office of Administrative Law Proceedings within the State Personnel Department (SPD) will house and assign a pool of administrative law judges. Brown has served in a variety of roles at SPD from 2006 to 2012 and, after a stint in private law practice, he returned to the department in 2014. Most recently, Brown has served as SPD's deputy director of operations.

● You can find more detail and deeper color on this in our sister Hannah newsletter, INDIANA LEGISLATIVE INSIGHT, but **Deena Pitman** will take over as executive director of the Indiana Horse Racing Commission next month, succeeding **Mike Smith**, the former lawmaker who has been executive director since 2016 but announced many months ago that he wished to retire. Unlike most state agencies - and this has been a sore point with other governors - the Commission itself appoints the executive director, not the governor. The Commission received 17 applications for the position and interviewed four candidates, ultimately choosing Pitman who has been with the Commission almost since the beginning of the pari-mutuel horse racing industry in Indiana, joining IHRC in 1993, one year before the first racetrack opened. After spending about five years as the first director of licensing, she has served as assistant executive director since 1999.

□ With Pitman ascending to executive director, the racing commissioners hired **Thomas Linkmeyer** as the new assistant executive director. Linkmeyer is new to the Commission but has been around horse racing all his life and holds an IHRC license as a driver and trainer. The former Carmel police officer currently works in public education. He has been a teacher, athletic director, coach, assistant principal, and principal. You may also recall that Linkmeyer was a Republican primary candidate in HD 39 in both 2016 and 2018, seeking to oust Rep. Jerry Torr (R).

● Two former congressional staffers join the Office of the Lieutenant Governor.

□ **Sara Broadwater** comes aboard as OLG communications director. The Hoosier native worked in Washington, D.C., as the communications director for U.S. Rep. **Roger Williams** (R-TX) and served as the deputy press secretary for U.S. Secretary of Education **Betsy DeVos**. She started her career working for Procter & Gamble after graduating from the Indiana University Kelley School of Business.

□ **Thomas Barclay** becomes director of intergovernmental affairs, where the Hoosier native will act as the liaison between the LG and state and local legislators and government. He leaves his post as CD 04 and CD 08 district director for U.S. Sen. **Todd Young** (R), handling community affairs and federal relations for constituents. Prior to that role, the Penn State University alum also served as field director for the Young U.S. Senate campaign.

● **Liz Hill**, press secretary for the U.S. Department of Education, and a former press secretary for then-U.S. Rep. **Luke Messer** (R), is promoted to serve full time as communications director for U.S. DOE.

● Former Sen. **Mike Delph** (R) earns a promotion to the rank of lieutenant colonel in the U.S. Army Reserve.

● **Janet McCabe** becomes director of the Prepared for Environmental Change Grand Challenge initiative for Indiana University. McCabe, currently the assistant director of policy and implementation at the Environmental Resilience Institute and a professor of practice at the IU McKinney School of Law, is a former U.S. Environmental Protection Agency official (acting assistant administrator for the Office of Air and Radiation), and assistant commissioner for the Indiana Department of Environmental Management.

IN Court

● The Judicial Nominating Commission voted to reappoint **Loretta Rush** as Indiana's Chief Justice. The unanimous vote came after all current justices appeared before the panel to discuss the attributes important in a CJ and told the Commission members that Chief Justice Rush should be retained in the post for a new five-year term.

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Attachments: [Howey 8-29-19.pdf](#)
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Pillar 1- Diversify our economy

Inside IN Business- [Heartland Ventures Expands to Indy](#)
Republic- [City prepares application on riverfront project](#)
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CBS4- [Indiana one of leading states with biggest decrease at gas pump](#)
Inside IN Business- [KAR Auction to Invest \\$3.7M in Downtown Tech Office](#)
Inside IN Business- [Opinion: Tough Economic Times Mean Tough Fiscal Choices Ahead](#)
Times Herald- [POET's scaleback of ethanol production not expected to affect Alexandria](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [IFN Chief: Broadband Grants Send Positive Message](#)
WISHTV- [IFN chief says broadband grants send a positive message](#)
WLFI- [INDOT celebrates completion of new maintenance facility](#)
Herald Bulletin- [State studying climate change impact on storm water systems](#)

Pillar 3- Strengthen our workforce

Inside IN Business- [Garrett High School Earns SEAL Certification](#)
Recorder- [Manufacturing jobs today more automated, less physical](#)

Pillar 4- Attack the drug epidemic

Times Herald- [Aspire Indiana opening addiction treatment center](#)

2019 Legislative Session

WDRB- [State Police on hunt for cars speeding past stopped school buses](#)
Herald Tribune- [Opinion: Remove veterans' taxes, add skilled workers](#)
RTV6- [Veterans miffed democrats, advocates left out of bill signing](#)

Gaming

Indy Star- [Indiana sports betting: Here's when 5 casino sportsbooks officially open](#)
NWI Times- [Indiana Gaming Commission approves inland relocation of Gary casinos](#)
NWI Times- [State commission gives final OK for legal sports wagering at Indiana casinos](#)
Inside IN Business- [Commission OKs Gary Casino, Accepting Terre Haute Proposals](#)
Wave- [Indiana sports betting starts Sunday; Horseshoe Casino starts Sept. 12](#)
WIBC- [Sports Betting Starts Sept. 1, Five Indiana Casinos Approved So Far](#)
WLKY- [Horseshoe Southern Indiana sets starting date for sports betting](#)
Journal Gazette- [Gaming commission approves sports betting rules](#)

Misc.

Indy Star- [Schools leader, Gov. Holcomb call for delay of repercussions for poor ILEARN test scores](#)

Chalkbeat- [With low ILEARN scores, McCormick wants to change how state evaluates schools, teachers](#)

WHAS- [New state exam finds Indiana students didn't learn enough](#)

Chalkbeat- [5 times problems derailed Indiana's standardized tests](#)

Indy Star- [Appeals court upholds ruling blocking parental consent for abortions](#)

WIBC- [Parental Permission for Abortions Put on Hold By Court Decision](#)

NWI Times- [Appeals court upholds injunction on Indiana abortion law](#)

Indy Star- [AG Curtis Hill wins legal fight for records on groping claims](#)

Indy Star- [VP Pence boasts of 'new American strength' in Indianapolis](#)

CBS4- [Pence: Indiana's red flag law blueprint for rest of the country](#)

Tristate Homepage- [Gov to announce youth-based approach to tobacco cessation](#)

WTHR- [State leaders to meet to address teen smoking](#)

Inside IN Business- [E-filing Now in All Indiana Counties](#)

Sincerely,

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RUCKELSHAUS PASSES ON 5TH CD RUN; TO SEEK REELECTION: The open 5th CD race continued to take shape on Thursday with State Sen. John Ruckelshaus announcing he will seek reelection rather than mount a congressional race, while Indiana Treasurer Kelly Mitchell is in, filing FEC paperwork earlier this week ([Howey Politics Indiana](#)). It brings the Republican field looking to replace the retiring U.S. Rep. Susan Brooks to three. Mitchell is joining Noblesville pastor Micah Beckwith and former legislator Steve Braun in the race. Ruckelshaus said in a statement, "I've had occasion this summer to reflect on my relationship to Indiana and how I can best serve the community I love so dearly. I was humbled to receive encouragement to run for Congress from across the district, and indeed, across the aisle, as many Democrats and Republicans alike thought I should give it a shot. It was gratifying to hear that the brand of politics that is my DNA – committing to bipartisan solutions and giving everyone a seat at the table – is endorsed by so many of my constituents." But Ruckelshaus said, "It soon became clear that a run for Congress would be more about politics rather than focusing on the substance of the issues that I believe we need to address. Therefore, we have ultimately decided that the best way to continue serving my community is to stay in the State Senate." Mitchell and Braun did not release statements after filing FEC documents. The field is likely to grow, as former state senator Mike Delph told HPI on Monday that he continues to travel the district, but a decision won't come until after the November municipal elections. Delph said he did not want to detract from mayoral campaigns. Hamilton County businessman Terry Henderson is also look at a bid.

BUCHSHON CITES ELECTION YEAR SECURITY RISKS: U.S. Rep. Larry Bucshon told the [TriState Homepage](#) that he holds town halls in non-election years on the advice of Capitol Police due to security risks. "I do these town halls in off election years because in election years it turns into more of a security risk and the Capitol police have said because of the intensity in the last couple of years, during an election year – last year – they recommended we don't do these large events," Bucshon said. "I like to do these, I thought we had a good discussion. I expect people to agree and disagree and I heard a lot from my constituents, which is the intent for me to hear what they have to say." Bucshon is the only delegation member who has conducted a series of town halls during the August recess this year. Several members have participated in agriculture roundtables and U.S. Rep. Greg Pence has also had several public appearances in the 6th CD though they have not been billed as town halls.

LANDSKE GUILTY OF MURDER: A Lake Criminal Court jury convicted William "Bill" Landske of murder Wednesday for shooting his wife's longtime friend and family tax attorney over tax filing delays (Reese, [NWI Times](#)). T. Edward Page, 64, of Hobart, died Aug. 15, 2018, from a close-range gunshot wound to his chest and three gunshots to his back, which pierced a number of his organs as he collapsed from the first shot. Page was a prominent local attorney who had submitted his retirement as a senior judge days before his death. Because of his many friends among local court officials, the Indiana Supreme Court appointed Special Judge Rex Kepner to hear the murder case against Landske. The families of both Page and Landske, 84, along with a number of local court officials, filled the courtroom Wednesday morning to listen to closing statements by Lake County Supervisory Deputy Prosecutor Michael Toth and defense attorney Scott King. Toth said two of Landske's daughters; Page's husband and partner of 37 years, Kevin Swanson; and Landske himself, in a videotaped statement to police, all said Landske shot Page. Hours after the homicide, Toth said, Landske "quipped" to police, "You know, when you shoot someone, you don't shoot them to walk away living."

INDIANA STUDIES CLIMATE CHANGE IMPACT ON SEWERS: Anticipated increases in annual rainfall should signal a need for Indiana to consider whether existing storm water systems can handle flooding, experts told a legislature-appointed panel (Miley, [CNHI](#)). "We are seeing an increasing number of days per year that are having these extreme rainfall events," Indiana State Climatologist Beth Hall said. "These maximize the capacity of the storm water systems, the drainage systems in the area." Indiana's annual rainfall has increased by about 5 inches during the past century; southern Indiana has seen the largest jump, about 7 inches. In late August, Hall and other experts discussed climate and water trends with the 14-member Storm Water Management Task Force, which will issue by December recommendations for storm water needs in Indiana. The panel is to discuss rural issues Sept. 18 and Oct. 1. In 2014, the Indiana Chamber of Commerce issued a report on Indiana's water utilities noting it would take \$100 million annually to improve Indiana's storm water infrastructure. That figure doesn't take into account an initial investment of more than \$2 billion to improve drinking water infrastructure.

QUINNIPIAC HAS BIDEN LEADING TRUMP 54-38%; TRUMP CEILING AT 40%: If the 2020 presidential election were held today, 54 percent of registered voters say that they would vote for former Vice President Joe Biden, while only 38 percent would vote for President Trump according to a [Quinnipiac Poll](#) released Wednesday. Matchups against other top Democrats show: Vermont Sen. Bernie Sanders topping Trump 53 - 39 percent; Massachusetts Sen. Elizabeth Warren ahead of Trump 52 - 40 percent; California Sen. Kamala Harris beating Trump 51 - 40 percent; South Bend Mayor Pete Buttigieg leading with 49 percent to Trump's 40 percent. Looking at all of the matchups, President Trump is stuck between 38 and 40 percent of the vote. These low numbers may partly be explained by a lack of support among white women, a key voting bloc that voted for Trump in the 2016 election. Today, white women go for the Democratic candidate by double digits in every

scenario. Though it is a long 14 months until Election Day, Trump's vulnerability among this important voting group does not bode well for him. "In hypothetical matchups between President Trump and the top five Democratic presidential candidates, one key number is 40," said Quinnipiac University Polling Analyst Mary Snow. "It's the ceiling of support for Trump, no matter the candidate. It hovers close to his job approval rating, which has stayed in a tight range since being elected." Voters say 56 - 38 percent that they disapprove of the way Donald Trump is handling his job as president, compared to the 54 - 40 percent disapproval he received a month ago.

TRUMP REPORTEDLY WILLING TO BREAK LAW TO BUILD WALL: President Trump's signature campaign promise to build a wall along the southwestern border is far behind schedule. So he has told his aides to get the job done by whatever means necessary, including by seizing land on the Mexican frontier ([New York Times](#)). The president has repeatedly suggested during meetings on immigration policy that aides "take the land" and "get it done," according to a person who has heard him say it. The Washington Post first reported that Mr. Trump had brought up the land seizures, and had floated the idea of offering pardons to aides willing to break the law, a suggestion he has made before when exploring ways to fulfill his campaign promises. On Wednesday, a senior administration official did not deny that Mr. Trump had made the comments but said that the president had been joking — "he winks when he does it," that person said — and added that Mr. Trump had never seriously suggested the idea of pardons.

TRUMP URGES SUPPORTERS TO SPURN FOX NEWS: President Trump on Wednesday lashed out at Fox News, accusing the conservative network of "heavily promoting the Democrats" and urging his nearly 64 million Twitter followers to "start looking for a new News Outlet" ([Washington Post](#)). "The New @FoxNews is letting millions of GREAT people down!" Trump wrote in a series of tweets. "We have to start looking for a new News Outlet. Fox isn't working for us anymore!" His tweets followed an interview of Xochitl Hinojosa, the communications director for the Democratic National Committee, in which she discussed next month's Democratic presidential debate, among other things. In his tweets, Trump said Hinojosa had been "spewing out whatever she wanted with zero pushback" from anchor Sandra Smith.

TRUMP TO DENY AUTOMATIC CITIZENSHIP FOR MILITARY KIDS BORN OVERSEAS: The Trump administration said Wednesday that children born to U.S. military members and government employees working overseas will no longer automatically be considered United States citizens ([The Hill](#)). U.S. Citizenship and Immigration Services (USCIS) issued a policy on Wednesday rescinding previous guidance stating that kids born to U.S. service members and other government officials abroad are considered "residing in the United States" and automatically given citizenship under a section of the Immigration and Nationality Act (INA). The new policy guidance states that USCIS "no longer considers children of U.S. government employees and U.S. armed forces members residing outside the United States as 'residing in the United States' for purposes of acquiring citizenship under INA 320."

MATTIS SAYS 'I SERVED AS LONG AS I COULD': Former defense secretary Jim Mattis, who resigned last year after clashing with President Trump, says in a book excerpt that "I did as well as I could for as long as I could" and warns of the dangers of a leader who is not committed to working with allies ([Washington Post](#)). Mattis, who announced his resignation in December after Trump shocked U.S. allies and overruled his advisers by announcing a troop withdrawal from Syria, writes in his book that he decided to depart "when my concrete solutions and strategic advice, especially keeping faith with our allies, no longer resonated." "Nations with allies thrive, and those without them wither," Mattis writes. "Alone, America cannot protect our people and our economy. At this time, we can see storm clouds gathering. A polemicist's role is not sufficient for a leader. A leader must display strategic acumen that incorporates respect for those nations that have stood with us when trouble loomed." Mattis told [The Atlantic's](#) Jeffrey Goldberg: "The duty of silence. If you leave an administration, you owe some silence. When you leave an administration over clear policy differences, you need to give the people who are still there as much opportunity as possible to defend the country. They still have the responsibility of protecting this great big experiment of ours. I know the malevolence some people feel for this country, and we have to give the people who are protecting us some time to carry out their duties without me adding my criticism to the cacophony that is right now so poisonous. There is a period in which I owe my silence. It's not eternal. It's not going to be forever."

CAPT. LUCK RETIRES FROM TWITTER: Say goodbye to Capt. Andrew Luck and his squirrel oil. The viral twitter account embracing the Colts former quarterback's image as a soldier is shutting down ([WTHR-TV](#)). "Dearest friends — A heartfelt thank you. And a fond farewell." Just days after the real Andrew Luck announced he is retiring from the NFL, so did the Captain. In a post to his 540,000+ followers, Capt. Andrew Luck said: "A heartfelt thank you. And a fond farewell." We'll miss you Captain. It's time for you to go home to "Dearest Mother."

HPI DAILY ANALYSIS: Rep. Bucshon's revelation that Capitol Police have urged members of Congress not to hold town halls during election years is another disturbing benchmark in how violent our nation has become. If the people's representatives fear appearing before the people in a civic context in a public setting, then we've crossed another unfortunate threshold. This, coming in the context of an emerging culture of mass shootings (and another one was thwarted at a North Carolina university this week), exposes the culture of violence that is overtaking the public space in a nation awash in weaponry. - *Brian A. Howey*

Campaigns

BRAUN TO HEADLINE SMITH FUNDRAISER IN FORT WAYNE: U.S. Sen. Mike Braun will help raise campaign funds for Tim Smith, the Republican candidate for Fort Wayne mayor ([Fort Wayne Journal Gazette](#)). Smith announced Wednesday that Braun, R-Ind., will headline an Oct. 9 fundraiser in Fort Wayne to benefit his campaign. Smith is challenging third-term Democratic Mayor Tom Henry in the Nov. 5 municipal election. Smith's fundraiser will be at the Keith Busse Corvette Museum on Eggeman Road. Ticket prices range from \$100 for individuals to \$500 for sponsors to \$2,500 for hosts. Sen. Todd Young, R-Ind., was the featured guest at an Aug. 2 fundraiser for Smith in Fort Wayne.

Presidential 2020

PENCE SAYS 2020 ABOUT 'SOCIALISM': Vice President Pence is making his pitch for President Trump's reelection to American Legion members, in a speech in his home state ([WIBC](#)). Addressing the Legion's national convention in Indianapolis, Pence lamented "some in Washington" advocating socialism, and echoed other Republicans in framing next year's campaign as a choice between socialism, which he says has "impoverished millions," and freedom.

BUTTIGIEG TARGETS SEC. DeVOS IN ADS: Democratic primary contender Pete Buttigieg called out U.S. Education Sec. Betsy DeVos in national campaign ads for her policies as secretary of education. Buttigieg's campaign began running a series of Facebook ads this week to coincide with the first day of school (*Howey Politics Indiana*). Buttigieg's campaign criticized DeVos for saddling college students with debt. The ads call out DeVos for rolling back Obama-era policies protecting students from predatory loan practices and for-profit colleges. Federal judges have blocked DeVos' delays of Obama administration regulations, including those governing loan forgiveness for defrauded borrowers, and other legal challenges are ongoing. "The ads come at a make-or-break moment for our public education system," Buttigieg's campaign said in a statement. "The same old debates have left the country with underfunded schools, underpaid teachers, and growing inequality. Public education is key to meeting the challenges of today and the future, which is why Pete is offering a new approach and bold ideas that transform how we value our teachers, fund our schools, and educate our students."

GILLIBRAND DROPS OUT: Sen. Kirsten Gillibrand (D-N.Y.) announced Wednesday she is dropping out of the presidential race ([The Hill](#)). The announcement came hours before the deadline to qualify for the September primary debate, with Gillibrand not meeting the criteria. "I know this isn't the result we wanted. We wanted to win this race," Gillibrand said in a video posted to Twitter. "But it's important to know when it's not your time and to know how you can best serve your community and country. I believe I can best serve by helping to unite us to beat Donald Trump in 2020."

Congress

WALORSKI TO PARTICIPATE IN AG ROUNDTABLE: U.S. Rep. Jackie Walorski (R-Ind.) today will be joined by U.S. Department of Agriculture (USDA) Under Secretary for Trade and Foreign Agricultural Affairs Ted McKinney and Indiana Lt. Governor Suzanne Crouch for a roundtable discussion with local farmers and other Indiana agriculture leaders about the importance of passing the U.S.-Mexico-Canada Agreement (USMCA) and other trade-related issues affecting Hoosier farmers (*Howey Politics Indiana*). Under Secretary McKinney is the top USDA official for ag-related trade issues. He previously served as director of the Indiana State Department of Agriculture. Lt. Gov. Crouch serves as Indiana's Secretary of Agriculture and Rural Development.

YOUNG IN KOKOMO, WARSAW AND SOUTH BEND TODAY: On Thursday, August 29, U.S. Senator Todd Young (R-Ind.) will speak to veterans in Kokomo, present a police patch in Warsaw, and present WWII medals in South Bend (*Howey Politics Indiana*). At 11:00 a.m., Young will be speaking about veteran care issues at the Military Foundation in Kokomo with Veterans Service Officers, members of the military, and various veterans' organizations. At 1:30 p.m., Young will present a Police Patch from the United States Capitol Police in Washington D.C. to Drake Price at Lincoln Elementary School in Warsaw. Senator Young will be joined by students, Principal Cathy Snyder, and Mayor Joe Thallemer. At 5:15 p.m., Young will present the WWII Victory Medal and American Campaign Medal to Edmund Farmer at the Indiana National Guard Armed Forces Reserve Center in South Bend.

SEN. ISAKSON TO RESIGN DUE TO HEALTH PROBLEMS: Sen. Johnny Isakson is resigning at the end of 2019 in the face of mounting health problems, adding another competitive seat as Republicans look to defend their narrow majority in 2020 ([Politico](#)). "I am leaving a job I love because my health challenges are taking their toll on me, my family and my staff," Isakson said in a statement. "My Parkinson's has been progressing, and I am continuing physical therapy to recover from a fall in July. In addition, this week I had surgery to remove a growth on my kidney." The retirement of the Georgia giant will hurt Republicans' chances of keeping the Senate next year.

AYRES NOT INTERESTED IN GA SENATE SEAT: Veteran Republican operative Nick Ayers said in a statement Wednesday that he is not interested in being appointed to the Senate to fill a vacancy in his native Georgia next year ([Politico](#)). Ayers, who left his role as Vice President Mike Pence's chief of staff at the end of 2018, was the subject of early Senate speculation after GOP Sen. Johnny Isakson announced that he would resign later this year. Ayers attributed the decision to a desire to focus on his family. "My decision to leave the White House and Washington, D.C. earlier this year was for the sole purpose of stepping back from politics and enjoying this season of life with my wife and three young children. They are the priority now and for the many years to come," the 37-year-old Ayers said in statement lavishing praise on Isakson.

General Assembly

DEMOCRATS MIFFED OVER BILL SIGNING: A state lawmaker and veterans from several organizations are raising concerns about being left out of an August 5 bill signing despite their involvement in getting the legislation passed. On August 5, Governor Holcomb held a ceremonial signing at the Indiana State Fair for House Bill 1010, which helps military veterans and their spouses by exempting their retirement income and survivors benefits from the state income tax (Kenney, [WRTV](#)). Pictured with the Governor at the bill signing include Rep. Bob Cherry, R-Greenfield, and co-sponsor Sen. Mike Crider, R-Greenfield. Democrats Senator Lonnie Randolph, a co-sponsor of the bill, and co-author Karlee Macer, D-Indianapolis, were not included in the ceremony. "I wanted to attend the bill signing that took place, however, I did not receive notice of the event and apparently Representative Macer was also not invited," Randolph said. "It may have just been an oversight by the governor's office, but it is unfortunate that the Democrats on the Bill were left off the guest list. While I would have liked to have been notified, I am glad that other legislative colleagues of the General Assembly were present." Lisa Wilken, chairman of the National Women Veteran Committee, AMVETS, did not receive an invitation and said no one from AMVETS was requested despite their efforts to get the law passed.

State

GOVERNOR: HOLCOMB SCHEDULE - Below find Gov. Eric J. Holcomb's public schedule for August 29 and 30, 2019. Thursday, August 29: Indiana Leadership Forum Annual Luncheon. The governor will participate in a Q&A, noon, Indiana Roof Ballroom

140 W. Washington St. Indianapolis, IN 46204. Announcement with Indiana State Department of Health, Gov. Holcomb and State Health Commissioner Kris Box, 2 p.m., Thursday, August 29, Fishers High School College and Career Academy, Entrance 19 13000 Promise Rd., Fishers. Friday, August 30: One Region Conversation with Governor Holcomb will participate in a Q&A, 10 a.m. CT, NIPSCO, 801 E. 86th Ave., Merrillville. Grade Separation Construction Visit, noon CT, intersection of 45th St. and Calumet Ave., Munster.

STATEHOUSE: McCORMICK SAYS DON'T 'FREAK OUT' OVER ILEARN - With ILEARN results disappointing parents and schools across the state, Superintendent of Public Instruction Jennifer McCormick on Wednesday said she wants the General Assembly to take action so that the scores do not penalize schools or put them a step closer to a potential state takeover (Loughlin, [Terre Haute Tribune-Star](#)). McCormick said she'll also ask lawmakers to give the State Board of Education emergency rule-making power to address these types of issues going forward. "We know there is frustration with the ILEARN for this year," the first year that the new ILEARN test has been administered, McCormick said. "Although those implementation results were expected they can be very, very difficult," she said. "We are hopeful that our General Assembly will take a hard look at our state accountability system and address some of those concerns so a year from now we're not having the same conversation." Indiana currently grades schools on an A to F scale, with too many Fs putting a school at risk of a state takeover. If schools' letter grades went up after the ILEARN exam, McCormick said, "we feel we should honor that" by counting that higher grade. But if they went down, "they should be held harmless," she said, adding that they also should not be facing a state takeover.

STATEHOUSE: HILL BACKS AUTISM CARES ACT - Attorney General Curtis Hill today announced that he and Mississippi Attorney General Jim Hood are leading a bipartisan coalition of 47 attorneys general calling upon Congress to authorize the Autism CARES Act of 2019. This legislation provides federal support for research into autism spectrum disorders ("ASD") and services to those affected by these conditions (*Howey Politics Indiana*). "The United States is a caring and compassionate nation," Attorney General Hill said. "As Americans, we must stand together to help alleviate the challenges imposed by ASD upon families across the country." A previous version of this legislation is set to expire on Sept. 30, 2019. The Autism CARES Act of 2019 currently exists as H.R. 1058 in the U.S. House of Representatives and S. 427 in the U.S. Senate."

GAMING: COMMISSION APPROVES HARD ROCK, ACCEPTING TERRE HAUTE PROPOSALS - The proposed \$400 million Hard Rock Casino in Gary has cleared a key hurdle. Our partners at The Times of Northwest Indiana report the Indiana Gaming Commission has approved the relocation and consolidation of the two Majestic Star Casinos into one land-based location in the Lake County city ([Inside Indiana Business](#)). Indianapolis-based Spectacle Entertainment is developing the new casino, which is expected to employ some 1,800 workers when complete. Hard Rock will assume management of the casino. The second phase will include a hotel and parking garage with construction expected to commence in 2022 or 2023. The facility will be the state's first new land-based casino since the Tropicana Evansville moved inland in October 2017. The commission also announced it has begun accepting proposals for a new casino in Vigo County. Our partners at WFYI report casino operators will have until December 1 to submit their proposals. However, before that deadline, voters in the county must approve a referendum on the November ballot authorizing the new casino. Spectacle Entertainment acquired the two Majestic Star casino licenses earlier this year. One of the licenses will be used for the new Hard Rock casino, while the other will be used for the casino in Vigo County. However, per legislation passed this year by the Indiana General Assembly and signed into law by Governor Eric Holcomb, Spectacle will still have to compete with other casino operators for the Vigo County license.

GAMING: SPORTS BETTING BEGINS SEPT. 1 - You'll be able to place bets on sports at three of Indiana's casinos, beginning Sept. 1, the first day sports betting becomes legal in the state. Two more casinos will start taking bets Sept. 4, said Sara Tait, executive director of the Indiana Gaming Commission, following a Wednesday meeting (Davis, [WIBC](#)). "Indiana Grand, Ameristar and Hollywood are all authorized to go live Sept. 1," said Tait. "And then Horseshoe Hammond is authorized on the fourth of September and French Lick is authorized Sept. 6."

ISP: DUI CHECKPOINT IN MIAMI COUNTY FRIDAY - Indiana State Police will conduct an enforcement checkpoint on Friday targeting impaired drivers in Miami County ([Kokomo Tribune](#)). After the checkpoint, troopers will conduct roving saturation patrols aggressively seeking impaired drivers throughout the Indiana State Police Peru District, which covers Cass, Fulton, Grant, Miami, Howard, Tipton and Wabash Counties. The purpose of enforcement checkpoints is to remove impaired drivers from Indiana roadways before they cause pain, suffering or death to innocent victims.

MILITARY: GRISSOM TOWER TO BE RAZED - The first air traffic control tower built in 1942 at Grissom Air Reserve Base is set to be demolished after officials say falling debris from the dilapidated structure is causing hazards at the base's air strip (Gerber, [Kokomo Tribune](#)). Jim Tidd, executive director of the Miami County Economic Development Authority, said the tower was built when the base was first constructed during World War II as a U.S. Navy installation and served as the main air traffic control tower for decades. Over the years, the structure also housed base operations, a weather detachment and administrative offices.

Nation

WHITE HOUSE: PENCE ADDRESSES AMERICAN LEGION - Vice President Mike Pence was back home in Indiana to deliver a speech at the 101st American Legion National Convention Wednesday ([WTHR-TV](#)). The Vice President is a father to a Marine, and soon to be father-in-law to a Navy Pilot. He was also a member of the American Legion and said he owes his success to that. "I feel I own a debt of gratitude to the American Legion because it was in that American Legion Oratorical Contest that my love affair for the Constitution of The United States began and you have my thanks," Vice President Pence said. He praised the President for all the work he has done to support American Veterans since his time in office. "Since the first day of this administration our President has worked to make this the strongest military in the history of the world," Vice President Pence said. "President Trump has actually signed into law the largest increase in our national defense since the days of Ronald Reagan and this month we signed a budget deal that secured \$738 billion for our military. And gave our soldiers, sailors, airman, marine, and coast guard the biggest pay raise they have had in the last 10 years."

WHITE HOUSE: PENCE FOCUSES ON VA ISSUES - Vice President Pence also talked about how the President has focused on many issues in the VA that are close to home ([WTHR-TV](#)). "Under this President's leadership and with our partners in congress we passed the VA mission act," Vice President Pence said. "The most sweeping reform, VA reform law in half a century and today more than 3 million veterans have been able to see the doctor of their choice and get the medicine they need." The President also signed the VA Accountability and Whistleblower Protection Act, which makes it easier for the VA to fire employees for misconduct and protect staff that brought the issues to light. Since the bill was signed, Vice President Pence said they have seen great success in the care of our veterans. "Today I am pleased to report that we have

fired more than 7,000 VA employees for negligent behavior," he said. "The error of abuse at the VA is over. We are not going to put up with it anymore."

WHITE HOUSE: PENCE PROMOTES RED FLAG LAWS - Vice President Mike Pence believes Indiana's red flag law could be used as a potential blueprint for similar laws across the country ([CBS4](#)). The VP held a roundtable discussion over red flag laws Wednesday with various Indiana law enforcement officials. The discussion was part of a conversation Pence says the Trump administration is engaging in to help prevent tragedies like the mass shootings in El Paso, Texas and Dayton, Ohio. "I'm here to listen and to carry back Indiana's experience into our discussions at the White House," Pence said. The Vice President touted Indiana's red flag laws as a tool that's helped to prevent incidents of gun violence, specifically when it comes to those with mental health issues and instances of suicide. "While we will always defend the rights of Americans to keep and bear arms, we don't want people who are a danger to themselves or others to have access to firearms," Pence said. Pence said President Donald Trump is looking closely at red flag laws as a method of dealing with gun violence and mass shootings, but stopped short of saying the administration would pursue a nationwide policy. "As we look at these proposals in congress, they're designed to encourage states to adopt these laws, because the ability to process these warrants, to give individuals the due process that's essential to protect the constitutional rights of every American, best happen in state and local jurisdictions," said the Vice President.

WHITE HOUSE: MONDALE ISSUES SCATHING ASSESSMENT OF TRUMP, PENCE - In a scathing assessment of the current White House, former Vice President Walter Mondale has branded President Donald Trump a liar who does not understand U.S. law or the constitution, while Vice President Mike Pence merely stands behind his boss and does nothing ([Newsweek](#)). "He lies all the time, it doesn't seem to bother him. He lies several times a day," Mondale said about the president. "He has this thing about dividing people, splitting the country up, getting people fighting. That seems to be what he wants to do every day, and he's getting it done. And we're all paying the price for it." Pence, too, is failing to reach the standard expected by Mondale, a veteran political figure who also served Minnesota as an attorney general and senator as well as President Bill Clinton as the U.S. ambassador to Japan. Regardless, Mondale suggested the vice president is near anonymous within the administration. "Pence is in the White House, what he is doing I don't know," Mondale said. "I keep telling them not to just stand behind the president. Go out and do your own thing and help the president, but don't think you only have the chore of standing to attention when the president talks." "Look at this guy, [at] all he does," he added. "What's he thinking? What is he doing?"

WHITE HOUSE: TRUMP SCHEDULE - President Trump will participate in the establishment of the U.S. Space Command at 4 p.m. in the Oval Office.

FBI: UAW CHIEF'S HOME SEARCHED - Federal agents searched the homes of the United Auto Workers' current and former presidents and a Northern Michigan conference center used by union leaders, widening a multiyear criminal investigation into alleged corruption in the UAW's top ranks ([Wall Street Journal](#)). The FBI executed search warrants Wednesday at the Michigan home of Gary Jones, who took over as UAW president last year, and the California residence of his predecessor, Dennis Williams, according to a bureau spokeswoman. Neither man has been charged with any crime.

FCC: IU PROF APPOINTED CHIEF ECONOMIST - An Indiana University professor has been appointed as chief economist at the Federal Communications Commission ([Bloomington Herald-Times](#)). Jeff Prince, a professor of business economics and the Harold A. Poling Chair of Strategic Management at IU's Kelley School of Business, is scheduled to begin working at the commission Tuesday.

SAFETY: RED LIGHT DEATHS AT A 10-YEAR HIGH - The number of people killed by drivers running red lights has hit a 10-year high, and AAA is urging drivers and pedestrians to use caution at traffic signals ([AP](#)). In 2017, the latest figures available, 939 people were killed by vehicles blowing through red lights, according to a AAA study of government crash data. It's the highest death toll since 2008 and 28% higher than in 2012. AAA says two people are killed every day in the U.S. by drivers who don't stop for the signals. "Drivers who decide to run a red light when they could have stopped safely are making a reckless choice that puts other road users in danger," David Yang, executive director of AAA's Foundation for Traffic Safety, said Thursday.

MEDIA: MSNBC'S O'DONNELL RETRACTS REPORT ON TRUMP, RUSSIANS - MSNBC host Lawrence O'Donnell on Wednesday retracted his reporting that claimed Russian oligarchs had co-signed for Deutsche Bank loans to President Donald Trump, and he apologized for not adhering to professional standards ([Politico](#)). "Last night on this show I discussed information that wasn't ready for reporting," O'Donnell said at the top of his show Wednesday night. "I did not go through the rigorous verification and standards process here at MSNBC before repeating what I heard from my source. Had it gone through that process I would not have been permitted to report it. I should not have said it on air or posted it on Twitter. I was wrong to do so." "Tonight we are retracting the story," he added. "We don't know whether the information is inaccurate. But the fact is, we do know it wasn't ready for broadcast, and for that I apologize."

NORTH CAROLINA: POLICE THWART CAMPUS MASS SHOOTING - Police in North Carolina thwarted a campus shooting at High Point University Tuesday, arresting a freshman who had two guns and ammunition in his dorm room with plans to "shoot up the school" ([New York Daily News](#)). Paul Steber, 19, was being held without bail, charged with three felonies after he stashed guns in his dorm and admitted to police that he planned to use them. University security contacted police on Tuesday reporting that a student had two firearms and ammunition. Arriving officers seized a 9mm semi-automatic pistol and a black powder/percussion double-barrel 12-gauge shotgun, and arrested Paul Steber, 19, of Boston, police said in a statement. After his arrest, Steber admitted to plotting a massacre, police said.

Local

CITIES: HAMMOND TOURISM BOARD NOMINEE REJECTED OVER PLEDGE - The City Council appears to be backing down from their initial pick to represent them on the tourism board, with one council member saying Raymundo Garcia has become too much of a political distraction (Cross, [NWI Times](#)). Garcia argues he believes he's being "vilified" for his personal choice not to recite the Pledge of Allegiance during CVA public meetings. "To be a good patriot and to be a good American means you vote, you pay your taxes, you don't break the laws. You pick up garbage in the streets," said Garcia, the operator of a popular Hammond taco restaurant. "I grew up in a time when we were taught to question authority, not to just go along with whatever our leaders say." He said he stands for the pledge at South Shore Convention and Visitors Authority meetings, but folds his arms and doesn't recite it during meetings in a quiet act of "civil disobedience." "The First Amendment guarantees my right to not say the pledge," he said.

CITIES: SOUTH BEND BLINKS ON HIGH RISE STANDOFF - The city has blinked in a standoff with developer Dave Matthews that had stalled his apartment high-rise project on the East Bank (Parrott, [South Bend Tribune](#)). The Board of Public Works has awarded a \$4.3-million contract to Ohio-based High Concrete Group to supply concrete wall panels for the project. Matthews is planning a 10-story, \$42 million building adjacent to his Commerce Center at 401 E. Colfax Ave. He says work on the site should resume next month now that the standoff with the city is over. Matthews' general contractor, FA Wilhelm Construction, had dug a massive hole at the site but stopped work three months ago as the city and Matthews became entangled in a dispute over a grocery store and pharmacy envisioned for the ground floor.

CITIES: PERU RALLIES AT CLOSING SCHNEIDER PLANT - A large group of workers at Schneider Electric held a rally across from the factory Wednesday to decry the upcoming closure of the more than 100-year-old plant that will layoff more than 300 people (Gerber, [Kokomo Tribune](#)). The rally was organized by the Indiana branch of the activist group Our Revolution, which advocates for progressive political values, according to its website. The crowd was made up of current workers, as well as employees who have already been laid off as part of the ongoing cuts that will ultimately end with a total closure of the facility.

CITIES: COLUMBUS PREPARES FOR RIVER FRONT PROJECT - The city of Columbus is preparing an application for the proposed riverfront redevelopment, planning to submit it to the Indiana Department of Natural Resources by the end of October (Thomas, [Columbus Republic](#)). Redevelopment director Heather Pope said the city is awaiting a response to its jurisdictional determination from the Army Corp of Engineers. The Army Corp of Engineers is studying the area between the Robert N. Stewart Bridge and the Third Street bridge where the city has proposed an \$8.6 million riverfront project. Pope said the response from the Army Corp of Engineers is expected in October and must be included in the city's application to DNR.

COUNTIES: KNOX COMMISSIONERS REMOVE CONFEDERATE FLAG - Knox county official says a replica of an early Confederate flag that was displayed near a Civil War monument in southwestern Indiana has been removed ([AP](#)). Knox County Commissioners President Kellie Streeter says the commissioners "weren't fully aware" that the flag near the monument outside the county courthouse in Vincennes represented the Confederacy. It was replaced with an Indiana state flag this week. She says "misunderstandings" about its origins kept it flying among seven different flags the Marine Corps League owns and maintains near the war monument.

COUNTIES: ST. JOE PROBATION EMPLOYEE ARRESTED FOR BRIBERY - An employee with the St. Joseph County Adult Probation Department has been charged with selling clean drug screens to people on probation. Raymontow Davis, 34, was charged Wednesday with bribery and official misconduct (Wright, [South Bend Tribune](#)). He was arrested Tuesday in the County-City Building and booked into the St. Joseph County Jail. He is being held without bond until his Thursday arraignment. On Aug. 21, a "cooperating source" who is not named in charging documents, asked to speak with Chief Probation Officer Jesse Carlton. The source is on probation and required to submit to random urine drop tests, which are administered by the Court's Substance Abuse Program (CSAP).



UPDATE: Indiana just days away from legalized sports betting

August 28, 2019 | [Associated Press](#) and [IBJ Staff](#)

KEYWORDS [GAMBLING](#) / [PRO SPORTS](#) / [SPORTS BETTING](#) / [TAXES](#)

Sports betting is days away from becoming legal in Indiana and the state's casinos are lining up to start collecting wagers just in time for the NFL regular season, which starts Sept. 5.

Indiana will become the 12th state—and the first in the midst of major Midwest markets—with sports betting when a new state law takes effect Sunday, Sept. 1. For now, sports betting will only be allowed on an in-person basis at casinos.

Three casinos—Indiana Grand Racing & Casino in Shelbyville, Ameristar in East Chicago and Hollywood Casino and Hotel in Lawrenceburg—plan to open on-site sports wagering areas Sunday.

Horseshoe Hammond will follow on Sept. 4 and French Lick Casino will launch on Sept. 6.

The Indiana Gaming Commission approved emergency wagering regulations Wednesday. Eleven of the state's 13 casinos and all three of its off-track betting parlors have received temporary sports betting licenses. The casinos are still working to launch mobile betting apps in the state.

Indiana Gaming Commission Executive Director Sara Gonso Tait said casino operators are working quickly to add mobile options for sports betting, but their immediate focus was on preparing for the retail launch.

WHEN WILL SPORTS BETTING START?

A flurry of sports books are set to open in early September once they gain approval from state regulators.

Caesars Entertainment is Indiana's biggest casino operator and will be one of the first operators to launch sports betting when Indiana Grand goes live Sunday. Caesars plans to offer it at its OTB in downtown Indianapolis on Tuesday and at its Horseshoe Hammond casino just across the state line from Chicago the following day.

Rival Penn National is also jumping in quickly with Sunday starts planned for its casinos that also tap big nearby metro areas: Ameristar and Hollywood, which are a short drive from Cincinnati and its northern Kentucky suburbs.

Plenty of hoopla will accompany the openings. Boyd Gaming says former Chicago Bears star Brian Urlacher will place the first bet at its Blue Chip casino in Michigan City on Sept. 5, while the Lawrenceburg casino plans a ceremony Sept. 7 with retired Cincinnati sports stars Anthony Munoz of the Bengals and Tony Perez of the Reds.

Several casinos plan to start mobile wagering this fall but haven't set dates. How quickly mobile betting becomes available will depend largely on the casinos, Tait said.

A WINDFALL FOR INDIANA?

Iowa became the first Midwestern state with legalized sports betting on Aug. 15. But Indiana's proximity to several large cities makes sports wagering available to more potential gamblers.

Sports wagering generally provides only slim profit margins for casinos, though operators say it is a way to help draw in gamblers. Indiana's jump on neighboring states comes amid a \$482 million—or nearly 18%—drop in gambling revenues at its casinos since 2012 amid competition from new casinos in Cincinnati and southern Michigan.

An Indiana legislative report projects that the state will collect only about \$13 million a year in revenue from its 9.5% tax on the casinos' sports bets winnings.

Sports wagering revenue has fallen short of expectations in many states that quickly legalized it after the U.S. Supreme Court cleared the way with a ruling last year. The tax rates range widely among states: Pennsylvania set its rate at 36%—four times that of neighboring New Jersey—and Iowa's is near the bottom, at 6.75%.

Regulators are working on sports wagering rules in Illinois, which legalized it in June but hasn't set a date for it to begin.

WHAT ARE INDIANA'S RULES?

The commission is expected to draft permanent sports wagering rules over the next year, but Tait said she doesn't expect it to change much from the emergency rules.

Gamblers must be 21 or older in order to place a bet. Indiana will allow the casinos to take wagers on dozens of professional, collegiate and international events, including football, basketball, baseball, auto racing, hockey, soccer, boxing, golf and Olympic competitions. No betting is allowed on high school or youth sporting events, or e-sports.

Gamblers will have to register and prove their age with a casino before being able to use a mobile wagering app. Those online apps, however, must use geofencing technology so that the bets are placed within the state borders, meaning any Chicago residents would have to cross into Indiana each time they wanted to place a bet using their cellphone.

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.

https://www.tribstar.com/news/indiana_news/mccormick-don-t-freak-out-over-ilearn-results/article_51c147e2-bc41-5ce9-9bde-c72af26728b5.html

FEATURED

McCormick: Don't freak out over ILEARN results

But, she adds, entire discussion needed on standardized testing

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By Brynna Sentel The

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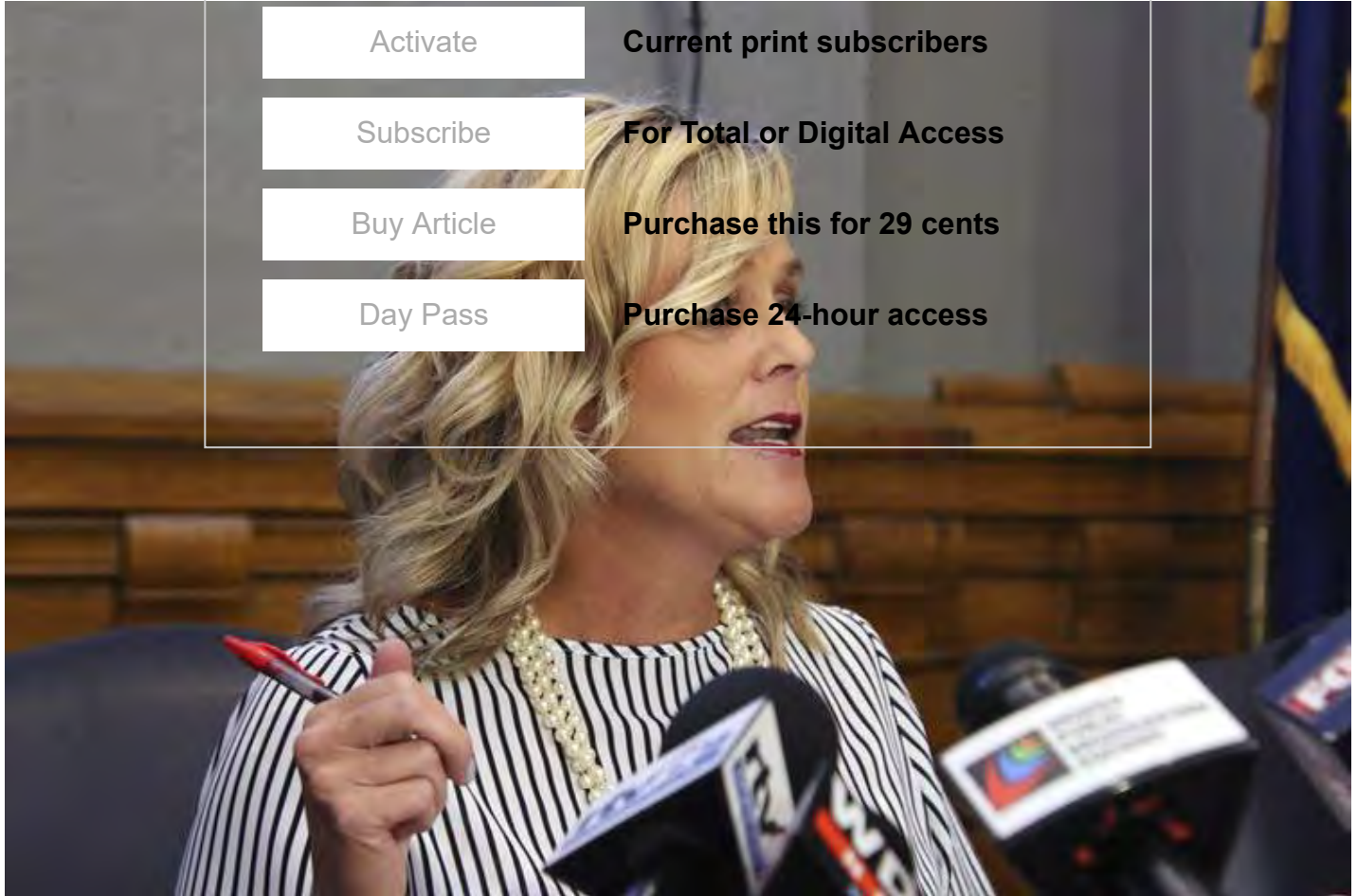
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Brynna Sentel/TheStatehouseFile.comSpeaking: Indiana Superintendent of Public Instruction Jennifer McCormick says she will ask the General Assembly to not penalize schools for lower scores on the new ILEARN standardized exam.

With ILEARN results disappointing parents and schools across the state, Superintendent of Public Instruction Jennifer McCormick on Wednesday said she wants the General Assembly to take action so that the scores do not penalize schools or put them a step closer to a potential state takeover.

McCormick said she'll also ask lawmakers to give the State Board of Education emergency rule-making power to address these types of issues going forward.

"We know there is frustration with the ILEARN for this year," the first year that the new ILEARN test has been administered, McCormick said.

"Although those implementation results were expected they can be very, very difficult," she said.

"We are hopeful that our General Assembly will take a hard look at our state accountability system and address some of those concerns so a year from now we're not having the same conversation."

Indiana currently grades schools on an A to F scale, with too many Fs putting a school at risk of a state takeover. If schools' letter grades went up after the ILEARN exam, McCormick said, "we feel we should honor that" by counting that higher grade.

But if they went down, "they should be held harmless," she said, adding that they also should not be facing a state takeover.

Indiana school districts went into panic mode after receiving the ILEARN results, the new statewide standardized test which replaced ISTEP+ in the 2018-19 school year.

While schools and parents have the results, the Department of Education has embargoed the exact numbers from the public until after the State Board of Education officially gets them at its meeting next Wednesday.

However, in a statement issued Monday, McCormick said that, compared to past ISTEP+ scores, Indiana students showed lower achievement levels across the state in both mathematics and English/language arts.

Asked whether the millions of dollars Indiana has spent on assessment exams has been worth it, McCormick said: "I think that's the question we need to have a lot of conversation about. There's a lot of money on the line. There's a lot of time on the line, a lot of stress on the line."

There were a lot of changes from the past test, she said, including making it computer adaptive so that questions got harder or easier depending on a student's answers. But, she added, "at a time when (Indiana) educators are 50 out of 50 (states) on seeing pay raises since 2002" the state needs to discuss whether this is the best use of state dollars.

"It's past time to decouple" teacher pay from the standardized testing results, she said.

Indiana has seen multiple changes since the 1980s in student and school assessments, including changing the tests, which grades take the test, when it is given, how it is given and what skills are assessed. The frequent churn has frustrated many educators and parents – including teachers who see their pay tied to the test and parents who see their children's future defined by it.

Asked what it would take "for Indiana to stop basing everything on the test," McCormick – who is not seeking re-election and will be replaced in 2020 by an appointed, rather than elected, superintendent of public instruction – pointed to government.

"It comes down to a philosophy of leadership," she said. "It takes leadership in the state who has that power to make those policies to look at where we are, look at that trend data and make some of those difficult decisions."

She said there's a movement across the nation "to be better stewards of that money and look at assessment a little differently, but Indiana is very much to where we were even still five years ago in the mindset of that punitive piece of assessment."

Gov. Eric Holcomb also issued a statement Monday calling on the lawmakers to pass "hold harmless" legislation so that the first year of ILEARN data would not be reflected in schools' overall grades. Legislative leaders have signaled their willingness to hit the pause button at least for a year.

Keith Gambill, president of the Indiana State Teachers Association, said that "we heard it at the Teacher Compensation Commission meetings this month – the ILEARN test scores do not reflect the hard work of our educators and students and don't provide a timely measure of student progress."

ISTA, he said, concurs with McCormick's call to hold schools harmless and wants the state "to take immediate steps to ensure that schools and teachers are held harmless until educators feel confident in the new system."

McCormick said that "the good news for Indiana is we are seeing an uptick in trends nationally with our performance and we cannot lose sight of this. ILEARN was a snapshot in time. It was a one-day assessment. It gave us information on where students are performing, but there are a lot of pieces to student performance beyond one assessment."

McCormick offered some explanations for the lower scores, saying this test, given to third through eighth grades, was “much more rigorous” than in the past and the skills assessed were different than in the past.

“Our goal is to make sure that students in that 3-8 space are prepared for high school and beyond, and this is one indication of that performance,” she said. “Our goal is just to make sure that parents, educators and students have a lens and something to work from in order to continue to improve.”

Brynna Sentel is a reporter at TheStatehouseFile.com, a news website powered by Franklin College journalists.



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Casino supporters schedule forums for Sept. 3 and 4

Tribune-Star staff report Aug 27, 2019 Updated Aug 27, 2019

Supporters of a casino for Vigo County have scheduled two public forums next week.

The Advance West Central Indiana Political Action Committee will host the first forum at 6 p.m. Tuesday (Sept. 3) at Indiana Union of Operating Engineers Local 841, 6801 S. U.S. 41, Terre Haute.

The second will be at 6 p.m. Sept. 4 at The Landing at Fort Harrison, 3350 N. Fourth St., Terre Haute.

The casino question will be the first referendum question listed on the Nov. 5 general election ballot. It will read, "Shall inland casino gambling be permitted in Vigo County?"

In a second and separate ballot question, the Vigo County School Corp. will seek additional property taxes in the amount of \$7 million for eight years to bolster its operating funds.

Advance West Central Indiana PAC was formed in July and supports a local casino. Officers include Chairman John Collett, Co-chair Brian Kooistra and Treasurer Sara Smith. The PAC hosts the website www.CasinoTerreHaute.com.

Efforts for a Terre Haute-area casino took a major step forward in early May, when Gov. Eric Holcomb signed House Bill 1015.

That legislation put in place mechanisms for such a casino, including the Vigo County referendum.

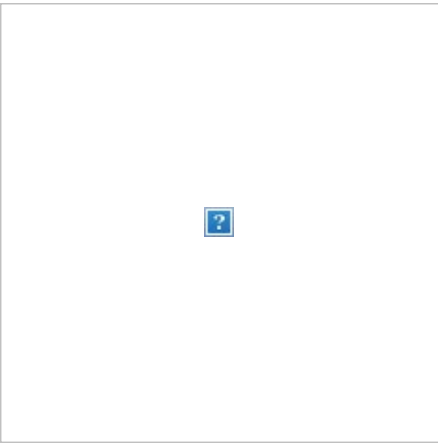
The Indiana Gaming Commission has begun accepting applications from potential operators of a Vigo casino and will continue to do so until Dec. 1.

At least two casino operators have publicly expressed interest in opening a Terre Haute casino -- Spectacle Entertainment and Full House Resorts.

Terre Haute businessman Greg Gibson is vice chairman of Spectacle, which has rights to the the Majestic Star casinos in Gary. Spectacle it intends to relocate its Gary operations into a single, larger casino near Interstate 80/94.

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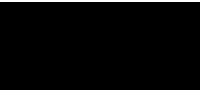
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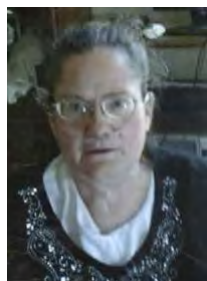
Gamble, Donald



CATLETT, Christopher Aug 14, 2019



HAYNES, Carolyn Dec 13, 1941 - Aug 24, 2019



Stark, Sandra



BEASLEY, Carolyn Mar 24, 1935 - Aug 26, 2019



DICKERSON, Thomas Jan 20, 1961 - Aug 25, 2019

MILLS, Anna Mar 28, 1927 - Aug 24, 2019

Anna Mae Miller Mills, 92, passed Aug. 24, 2019, at home peacefully. Services at Samaritan Funeral Home, Saturday, 11 a.m. to p.m. To make a donation, search for "Anna Mae Mills" at:

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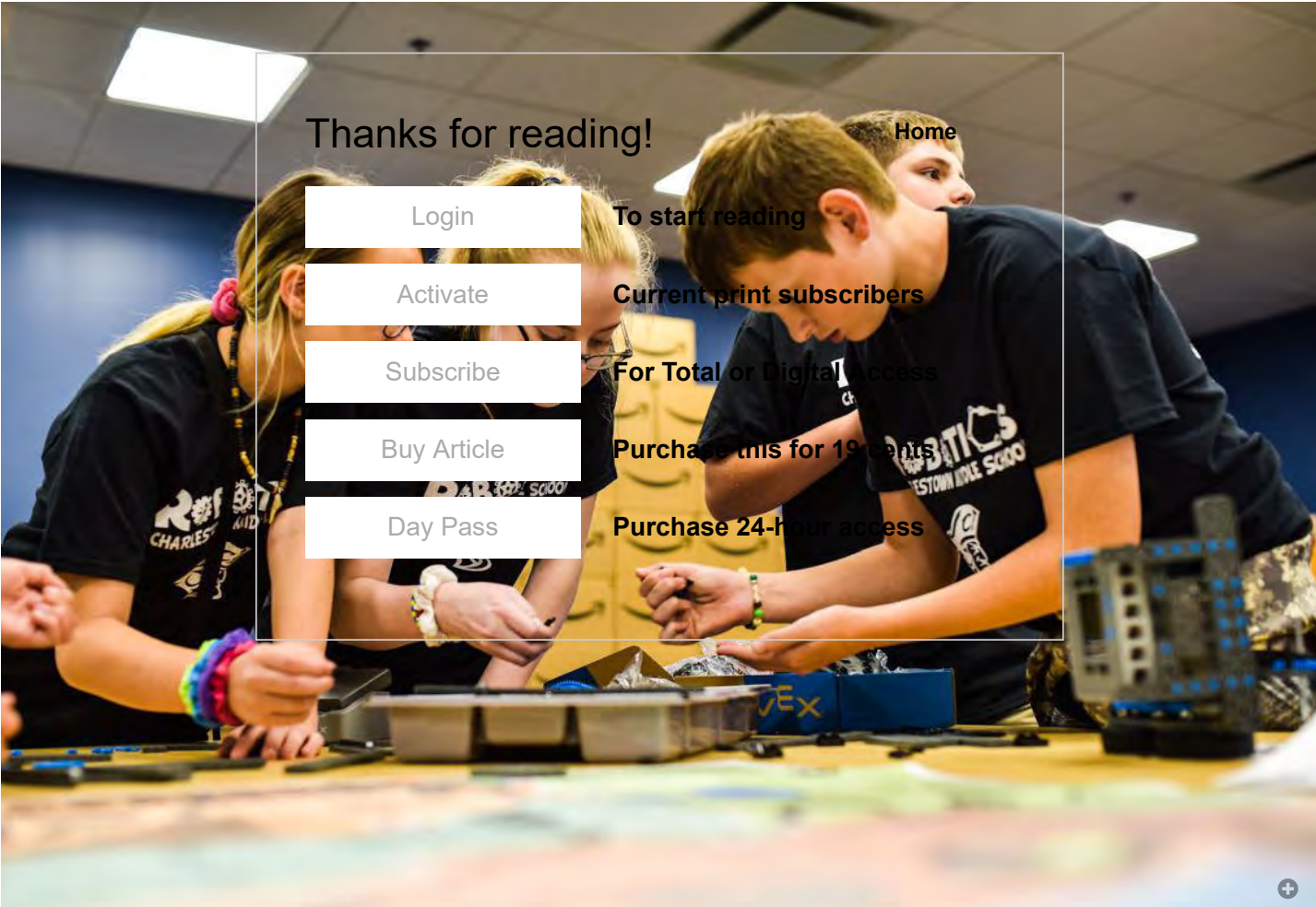


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Amazon donates \$20,000 to Greater Clark for robotics program

By BROOKE MCAFEE 2 hrs ago



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RIVER RIDGE — Many local schools will now be able to expand their STEM programs after receiving thousands of dollars from Amazon.

On Wednesday, representatives from the Amazon Fulfillment Center in River Ridge announced a donation of \$20,000 to Greater Clark County Schools to fund the district's VEX K-12 Robotics Program for the 2019-2020 school year. Robotics club members from Jeffersonville High School and Charlestown Middle School attended the announcement and participated in tours of the facility.

Sunender Mann, director of operations from the Amazon Fulfillment Center, said Greater Clark has "done a great job in developing the leaders of tomorrow," and the award is a way to give back to the community.

The donation means that students will have the latest technology to develop real-world skills, he said.

"We certainly hope that this opportunity is going to ignite the students' curiosity regarding how they can take advantage of the STEM education in the classroom, as well as getting access to the technology to help them learn and make learning more fun," Mann said.

Wednesday's event provided opportunities to show students how Amazon uses science, technology, engineering and math in its day-to-day operations, Mann said. In addition to the tour, students worked together to build "clawbots," or robots that can pick up objects, from a robotics kit.

Greater Clark Superintendent Mark Laughner said the \$20,000 donation will go a long way in the growth of the district's robotics program, which is supported by VEX Robotics. VEX trains robotics coaches and provides schools with building materials, instructions and access to software.

"We know that STEM jobs are the jobs of the future, and we know that as a district, it's our responsibility to prepare our students for those jobs," he said. "We want to do our part."

Laughner said through the donation, the district can make sure every school in the district has a robotics team, along with the supplies and equipment they need to compete at the state level and to learn about STEM career opportunities, including robotics, advanced technologies and automation.

"We've been doing this for two to three years at the schools, and we're always looking for funding, so this really helps us in that regard to get kids involved and keep them involved," he said.

The robotics programs allow Greater Clark students to build critical thinking skills, and it allows them to compete throughout the district or state. The district is working to establish programs at each high school, middle school and elementary school, Laughner said

He said Greater Clark wants to partner with businesses inside and outside of the district, and he was happy the students could learn about career opportunities in the area.

"With Amazon being in our backyard, it's great they are willing to partner with us," he said. "Our job is to try to build the workforce for companies like Amazon and the other companies in River Ridge and throughout the district. Any time we can partner with a partner like Amazon we're very pleased and want to be involved with them."

Mann said STEM programs in schools help teach students real-world applications and critical thinking skills that apply to jobs at companies such as Amazon. He said while the River Ridge site is not a robotics facility, Amazon has robotics facilities throughout the country.

Brian Hester, teacher and robotics coach at Charlestown Middle School, said the school has many kids who want to participate in robotics, but they cannot afford to provide enough equipment for all who are interested in joining. He hopes Amazon's donation will allow the program to grow.

"They make robots that will pick up balls, that throw figures, that will move figures, that will stack cones," he said.

Zach Anderson, teacher and robotics coach at Jeffersonville High School, said as the school's program continues to grow, the donation will not only help the robotics club receive additional equipment, but it will also provide more updated equipment to the students.

"When we go to these competitions, other schools have the newest and latest editions of this VEX stuff," he said. "It's nice to be on that same level with them."

Adela King, a senior at Jeffersonville High School, is a member of the school's robotics club who attended Wednesday's event at Amazon. She said she enjoyed learning about the process behind the Amazon Fulfillment Center at the tour, and she hopes the grant allows more people to become involved in the robotics club and STEM programs at the school.

"It's very cool to be able to interact with other people who have different ideas, come together and build something with one common goal," she said. "It's very neat and cool to be able to do this. I want to be a mechanical engineer, so building stuff is kind of what I want to do — this is good practice for that."

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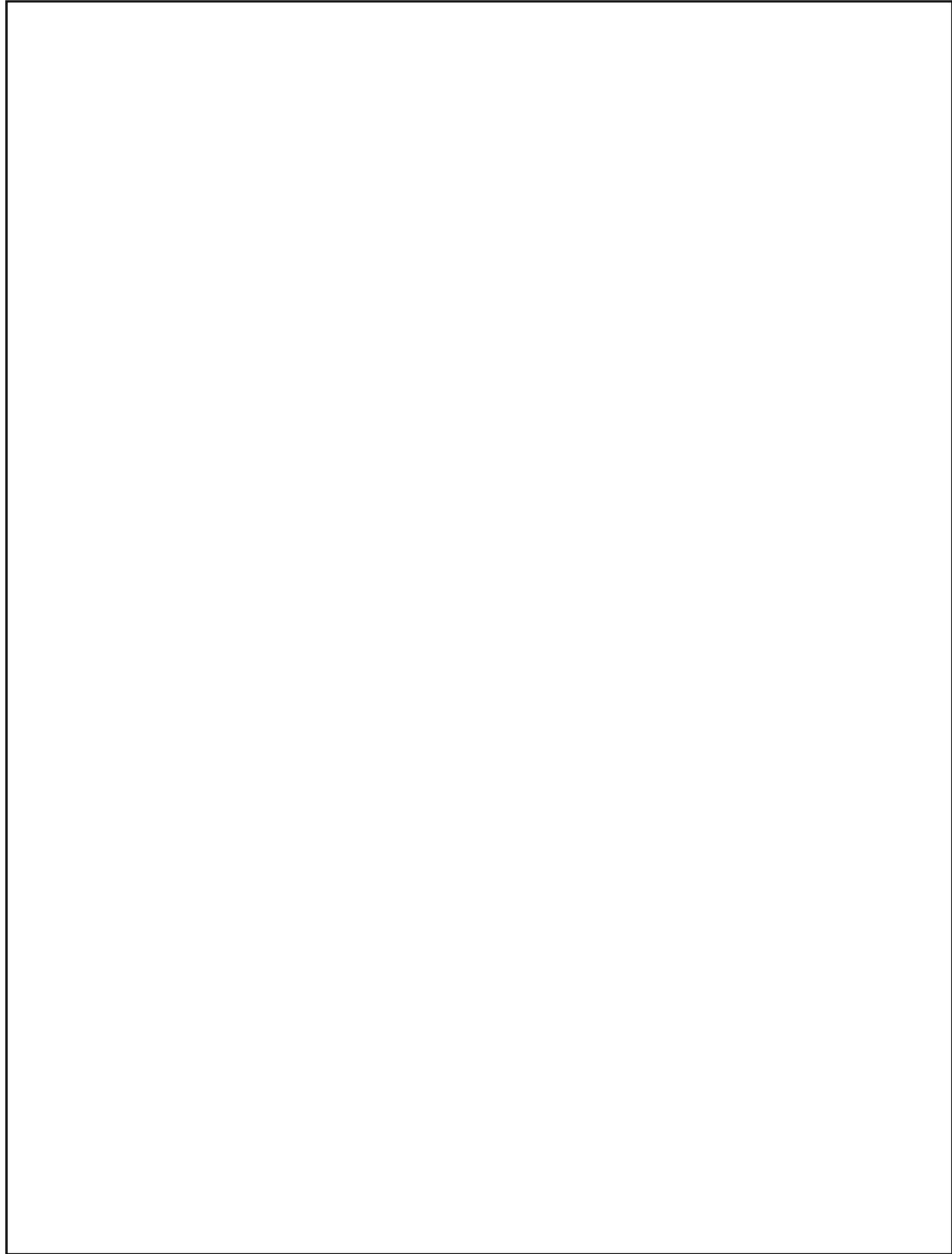
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OPINION

Indiana deputy: Fentanyl is killing our kids and neighbors, and we're missing the source

Toby Deaton, Opinion contributor Published 6:54 a.m. ET Aug. 29, 2019

In March, the Clark County Health Department was forced to issue [an alert \(https://www.facebook.com/permalink.php?story_fbid=2242559055822575&id=165340420211126\)](https://www.facebook.com/permalink.php?story_fbid=2242559055822575&id=165340420211126) regarding the [increased drug overdoses \(/story/news/2019/03/10/fentanyl-possibly-blame-clark-county-indiana-overdose-rise/3123077002/\)](https://www.courier-journal.com/story/news/2019/03/10/fentanyl-possibly-blame-clark-county-indiana-overdose-rise/3123077002/) that had recently occurred there. Aligned with the unfortunate trend of the rest of the country, fentanyl-laced drugs were the main culprit in our communities in Southern Indiana.

Law enforcement officers have been trained to protect themselves from accidental contact with drugs. We are careful by using gloves and assessing the scene for possible dangers that may contain fentanyl or other illegal substances.

Fentanyl is unlike any drug my colleagues and I have seen before. This terribly deadly opioid is killing thousands across America every year, from addicts here in Southern Indiana to party-going college kids thinking their recreational cocaine is safe. In both cases, [fentanyl-laced drugs are killing our people \(/story/news/crime/2019/02/28/dea-lab-solved-louisville-mass-drug-overdose-mystery/2850176002/\)](https://www.courier-journal.com/story/news/crime/2019/02/28/dea-lab-solved-louisville-mass-drug-overdose-mystery/2850176002/).

Even trace amounts of fentanyl can kill. At the quantities of which fentanyl is transported across our borders and into our towns, there is enough for it to be considered a weapon of mass destruction. Innocent people and brave law enforcement officers are often victims of this drug without ever using it.

Read this: [Kentucky drug trafficking bust yields more than 20 indictments \(/story/news/crime/2019/06/23/drug-trafficking-bust-dayton-kentucky-arrests-guns-fentanyl-meth/1541969001/\)](https://www.courier-journal.com/story/news/crime/2019/06/23/drug-trafficking-bust-dayton-kentucky-arrests-guns-fentanyl-meth/1541969001/)

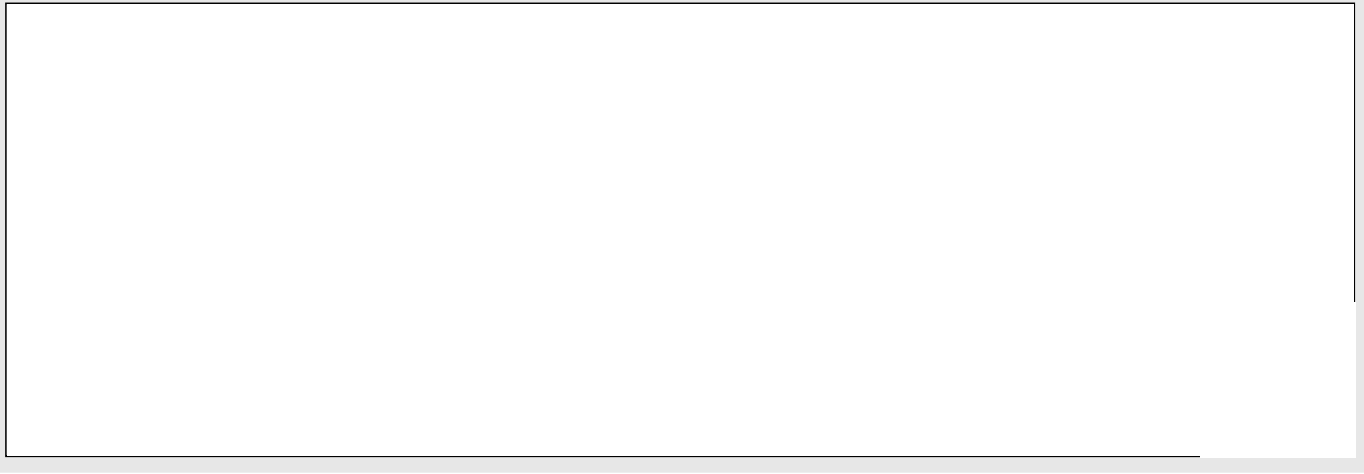
While our lawmakers have focused recent efforts on limiting access to prescription opioids, the crisis has evolved. The primary way addicts are getting their fix begins with illegal fentanyl being smuggled across our southern border or through the U.S. Postal Service.

The problem is, our leaders have failed to evolve with it.

When we turn on the news, we read about another federal, state or local lawsuit against drug manufacturers, doctors and pharmacists. Certainly, at one point in the arc of this epidemic, those players were a large part of the crisis, but the threat has morphed. Research predicts 80% of opioid overdose deaths between now and 2025 will be from heroin and fentanyl. That number shakes me to my core.

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We are prescribing fewer prescription opioids, yet more people are dying at the hands of illicit drugs. Americans have turned to the dark web to source illicit opioids from drug manufacturers in China and Mexican cartels.

Report: [Overdose deaths fall in Kentucky for the first time since 2013 \(/story/news/local/2019/07/18/kentucky-overdose-deaths-decline-first-time-since-2013/1768838001/\)](https://www.courier-journal.com/story/news/local/2019/07/18/kentucky-overdose-deaths-decline-first-time-since-2013/1768838001/)

Unfortunately, with polarizing political fights in Washington concerning both Mexico and China, we can't even agree to come up with a plan of attack on dealing with fentanyl and other illicit drugs that are trafficked over our borders and killing our people. There are technologies available that would more easily detect drugs at points of entry that are coming through our own postal service, yet bureaucrats and politicians aren't moving with the urgency we need when it comes to integrating these tools.

When we miss these drugs at our ports and borders, they end up all the way here in small towns and big cities across Indiana and the Ohio Valley. They kill our neighbors, our kids and put our safety officials at risk. While the borders may seem far away, the results of its lack of security are felt in our own backyards.

This has gone on long enough without real solutions. We must come together as a nation now and approve funding at all levels of governments that allow us to evolve along with the drug climate in real time. If we do not evolve and properly educate, the death rate will continue to rise.

Our leaders must never become complacent with our tragic reality. There is time to stop the epidemic in its tracks and prevent future citizens from falling victim to the dangers of illicit fentanyl. We need a real commitment to interdiction to save our people.

Opinion: [Stop debating drug addiction treatment in Kentucky and consider all options \(/story/opinion/2019/07/03/opioid-epidemic-kentucky-drug-addiction-treatment-system-broken/1623821001/\)](https://www.courier-journal.com/story/opinion/2019/07/03/opioid-epidemic-kentucky-drug-addiction-treatment-system-broken/1623821001/)

Toby Deaton is chief deputy of the Scott County, Indiana, Sheriff's Department.

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IN Public Media- [Gaming Commission Accepting Proposals For Vigo County Casino](#)
Inside IN Business- [French Lick to Launch Sportsbook with Rush Street](#)
WSBT- [Indiana board backs casino's move to on-land Gary location](#)
WNDU- [Indiana just days away from legalized sports betting](#)
Journal Gazette- [Sports wagering legal across state](#)

Vaping Announcement

Indy Star - ['What's Beyond the Haze': Indiana launches 'blitz' campaign to curb vaping by teens](#)
Journal Gazette- [Indiana leaders plan education, media initiatives against e-cigarettes](#)

WHAS - [Indiana Governor, health department announces plan to combat teen vaping](#)
WTHR - [Governor, health department announce plan to curb youth vaping](#)
Fox59- [State officials reveal Indiana's plan to curb vaping among minors](#)
RTV6 - [State launches effort to slow down youth e-cigarette usage](#)
WFYI - [State Targets Youth Vaping As Rates Rise By 300 Percent](#)
WBIW- [Indiana Launches Efforts to Curb Youth Vaping](#)
WISH - [Indiana launches campaign to stop teen vaping](#)
WIBC- [\\$2M State Ad Campaign Targets Youth Vaping](#)

Todd Meyer

Indy Star- [DCS official resigned after intern reported 'creepy' texts](#)
Reporter- [College intern accuses Meyer of inappropriate behavior](#)
NWI Times- [Indiana governor 'disgusted' by texts official sent intern](#)
Journal Gazette- [Governor expresses disgust over former DCS staffer's actions](#)
WIBC- [Gov. Holcomb Confirms Why Todd Meyer Resigned From DCS Last Month](#)
WTHR- [Governor: Meyer resigned amid investigation for sending inappropriate messages](#)

Misc.

SB Tribune- [Indiana education chief wants a pause on impact of ILEARN](#)
WIBC- [State Superintendent Jennifer McCormick Addresses ILearn Concerns](#)
NWI Times- [Supt. McCormick visits Region schools; addresses ILEARN, teacher pay](#)
Wave- [Educators agree with state leaders' call for hold harmless as ILEARN results loom](#)
NWI Times- [No fix in sight for reduced Medicaid payments to out-of-state children's hospitals](#)
CBS4- [Franklin Central is first Indiana school to install new weapons detection system](#)
WIBC- [Surgeon General's Warning: Pot Is Not Safe for Pregnant Women or Adolescents](#)
Politico- [Surgeon general advises pregnant people, youth against marijuana use](#)
CBS4- [Conservation officers dealing with people stealing ginseng, trading for drugs](#)
WSBT- [Officials: Local cases of severe respiratory illnesses could link to vaping](#)
NWI Times- [Court keeps Indiana voter registration purge law on hold](#)
Inside IN Business- [Public Defender of Indiana to Retire](#)
WBIW- [Stephen Owens to Retire in December](#)

Sincerely,

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OFFICIAL RESIGNED AFTER 'CREEPY' EMAILS: 13 Investigates has learned a former prosecutor hand-picked to help reform the Department of Child Services resigned amid an internal investigation for sending inappropriate messages to an intern (Chapman, [WTHR-TV](#)). Todd Meyer left his job as the Associate Director of DCS on July 16. Now Gov. Eric Holcomb is confirming Meyer left under disturbing circumstances. In fact, the Governor said the man he chose to help Indiana's abused and neglected children is "not welcomed in state government. Meyer is the former Boone County Prosecutor. His abrupt resignation from DCS came just a year after taking the high profile job with the state. Holcomb confirmed Meyer was under scrutiny for inappropriate messages to an intern. 13 Investigates does not know the content of those messages, but published news reports characterized them as "creepy" but not sexual in nature. Holcomb said, "Disgusted by what I read, beyond disappointed. It was in fact handled appropriately. This was brought to the attention of the agency on one day and was followed up all the way up the chain and he resigned the very next day as the investigation was starting. When it went to the state personnel it was deemed that the communication was inappropriate, and therefore he would be ineligible to work as a state employee."

MEYER STATEMENT: Former DCS associate director Todd Meyer made this statement to [WTHR-TV](#): "I should not have communicated in the manner I did. I am sorry for doing so and I apologize. I have learned from this mistake such that it will never happen again. These messages were intended to be received in a positive and friendly manner, but I now recognize they were not, and I understand. As soon as this matter was brought to my attention I spoke with my wife and children, we discussed the situation in its entirety, and we are learning and moving on from it."

ZODY CITES TROUBLING TREND IN ADMINISTRATION: A week after Indiana National Guard Adj. Gen. Courtney Carr was forced to resign over retaliation for an extramarital affair, Gov. Holcomb has acknowledged DCS Associated Director Todd Meyer resigned over inappropriate emails with an intern. Indiana Democratic Party Chairman John Zody said Thursday that a trend is developing (*Howey Politics Indiana*). "Another week, another disgraced Holcomb administration official accused of inappropriate conduct and betraying the public trust. Holcomb's hand-picked hire to turn around the agency resigned in disgrace just one year later," Zody said. "Did the administration fail to vet Meyer or was his hiring just a political favor? Either way, the governor looks like a lightweight after staking DCS's turnaround on Meyer's hire. It's just the latest example of a culture of cronyism fueled by little to no accountability and where the governor allows perpetrators to quietly slink away without facing consequences for their actions. All while the number of child deaths is on the rise in Indiana."

PAGE FAMILY FILING 'RED FLAG' SUIT AGAINST LANDSKE FAMILY: Just one day after a jury found William "Bill" Landske guilty of murdering Senior Judge T. Edward Page, an attorney representing Page's husband announced Thursday he filed a civil lawsuit against Landske family members that will seek to curb further gun violence (Reese & Kasarda, [NWI Times](#)). The suit will seek to evoke Indiana's "red flag" law, which "allows law enforcement to seize the guns of someone deemed dangerous to himself or others — even if that person is licensed to carry a weapon," attorney Kenneth J. Allen said. "We intend to give the red flag law teeth through this litigation," said Allen, who represents Page's husband, Kevin Swanson. "If we hold those with knowledge who fail to act accountable, then we will encourage others to act responsibly in the future." "Landske's adult children, Jacqueline Basilotta, Cheryl Boisson and Eric Landske, were aware Landske always carried a handgun and that his behavior had become increasingly bizarre," Allen said. "The morning of the shooting, Landske had been conversing with his late wife's ashes, something he apparently did regularly," Allen said. "Landske had become more and more irrational, enraged and profane, particularly when discussing Page, who had been preparing Landske's taxes, but hadn't yet finished the task. The morning of the shooting he told his adult children that today 'it would be over.'" Landske, the widower of former state Sen. Sue Landske, shot and killed Page, 64, after arriving with Basilotta and Boisson to pick up tax documents Aug. 15, 2018, at the Hobart home Page shared with Swanson.

HPI DAILY WIRE TO RETURN NEXT TUESDAY: Due to the Labor Day holiday, the next *HPI Daily Wire* will be published Tuesday Sept. 3, unless events warrant. We'll be updating the HPI website at www.howeypolitics.com throughout the holiday weekend. Thanks for reading, folks, and have a safe final holiday of the summer. We're heading to the Indiana Dunes!

YOUNG REPUBLICANS CONCERNED ABOUT CLIMATE: A growing majority of U.S. Republicans, especially younger voters, are worried that human behavior is damaging the planet, according to a survey of global attitudes to the environment conducted by an Amsterdam-based polling agency ([Reuters](#)). President Donald Trump, a Republican, has said he will pull the United States out of the 2015 Paris climate accord involving nearly 200 countries and has reversed environmental protections put in place by his Democratic predecessor Barack Obama. Trump skipped a meeting on climate change during last weekend's G7 summit in France and said he would not let "dreams" undermine U.S. dominance in fossil fuel production. The new report by Glocalities, which canvassed views worldwide, showed the number of U.S. Republicans who said they "agreed" or "strongly agreed" with the statement "I worry about the damage humans cause the planet" rose by 11 percentage points to 58% between 2014 and 2019. The number of Republican voters aged 18-34 who are worried about the issue rose by 18

percentage points to 67%, said the poll, which also showed a 10 percentage point increase among all U.S. Republicans who said they tried "to live eco-consciously".

TRUMP SEEKS TO ROLL BACK METHANE REGS: The Trump administration will seek to roll back rules limiting methane pollution from oil and gas production, gutting a regulation put in place under President Barack Obama that was designed to curb emissions of the powerful greenhouse gas ([Politico](#)). The move is the latest by the Trump administration to eliminate rules designed to fight climate change — even as rising temperatures made July the hottest month on record, accelerated Arctic ice melting and intensified forest fires around the globe. The new proposal released on Thursday by the Environmental Protection Agency is also notable in that it is opposed by many oil and gas producers that it is designed to help by easing requirements on leaks of methane, the main component of natural gas, from their oil and gas equipment.

MENACING HURRICANE DORIAN TAKING AIM AT FLA: Florida residents picked the shelves clean of bottled water and lined up at gas stations Thursday as an increasingly menacing-looking Hurricane Dorian threatened to broadside the state over Labor Day weekend ([AP](#)). Leaving lighter-than-expected damage in its wake in Puerto Rico and the Virgin Islands, the second hurricane of the 2019 season swirled toward the U.S., with forecasters warning it will draw energy from the warm, open waters as it closes in. The National Hurricane Center said the Category 2 storm is expected to strengthen into a potentially catastrophic Category 4 with winds of 130 mph (209 kph) and slam into the U.S. on Monday somewhere between the Florida Keys and southern Georgia — a 500-mile (805-kilometer) stretch that reflected the high degree of uncertainty this far out. Models this morning are showing the hurricane taking aim at south Florida.

ADAMS, AZAR MAKE MARIJUANA WARNING: Federal health officials issued a national warning Thursday against marijuana use by adolescents and pregnant women, as more states legalize the increasingly potent drug for medicinal and recreational use ([AP](#)). Health and Human Services Secretary Alex Azar and Surgeon General Jerome Adams made the announcement, with Azar calling marijuana "a dangerous drug." Officials said President Donald Trump has donated \$100,000 — one-quarter of his annual government salary — toward a digital campaign to raise awareness of the risks. Trump has forgone his official salary since taking office. The warning comes as legal marijuana has grown into a \$10-billion industry in the U.S. with nearly two-thirds of states legalizing it, mainly for medical uses. Adams said science shows that marijuana is harmful to the developing brains of teenagers and to the human fetus. The drug has also gotten stronger, with a three-fold increase in the concentration of the active ingredient THC in cultivated plants over the last 20 years. "This ain't your mother's marijuana," Adams said.

HISTORICAL MARKER FOR RYAN WHITE TO BE PLACED TODAY: More than 30 years after he was diagnosed with AIDS, the Ryan White State Historical Marker will be placed, forever recognizing the impact he made that continues decades later in a ceremony today ([CBS4](#)). "Ryan needs to be remembered not only because of his life but because of what he taught us," said Dan Smith, who is on the committee to bring the marker and a former teacher of White's. "Not only to honor Ryan and Jeannie and the White family but to honor the communities that welcomed the White family." Others, like former classmate Jeff Beechler, who now teaches at Hamilton Heights, were also part of the group effort to honor the teen who so bravely touched so many. "When Ryan came he wasn't trying to teach a lesson, he was trying to be a kid," said Beechler. "I don't know if he realized the lesson he was teaching us at the time." Threats of violence forced his family from their life in Kokomo, and they moved to the Arcadia area. In 1987, Ryan was welcomed with open arms at Hamilton Heights High School. He died in April 1990, one month before he would have graduated. The ceremony takes place at 9 a.m. at the high school. The event is free but tickets are required.

HPI DAILY ANALYSIS: The Todd Meyer saga becomes another example of botched crisis communications. His departure was abrupt and lacking the normal comments for someone simply moving into a better job opportunity. That's why *HPI* pressed the administration for an explanation several weeks ago and received a statement that failed to reveal the nature of Meyer's departure. It took the Holcomb administration six weeks to acknowledge the real reason of Meyer's departure. The problem with that is DCS has been the highest profile agency in this administration following the abrupt departure of former director Mary Beth Bonaventura in December 2017. Gov. Holcomb received high marks for ordering a study and acting on its conclusions with significant financial resources. Meyer was a key official in implementing the new policies. This case, along with problems at the Veterans Affairs office that resulted in the resignation of Jim Brown and the Indiana National Guard after the sudden resignation of Gen. Courtney Carr now represent a trend that will become a topic in the coming gubernatorial election. - *Brian A. Howey*

HOGSETT, MERRITT DEBATE: Candidates for Indianapolis mayor used their first debate of the race to lay out their plans for regionalism and tackling Indianapolis' road problems (Quinn, [IBJ](#)). The debate was the first of 2019 between Indianapolis Mayor Joe Hogsett, a Democrat, and longtime state Sen. Jim Merritt, a Republican. The candidates disagreed strongly on a topic of upmost importance to voters: how to pay for fixing and maintaining the city's 8,000 miles of roads. Hogsett earlier this year introduced a regional plan that pools future income tax revenue from a nine-county area to pay for infrastructure improvements throughout the region. Mayors in cities surrounding Indianapolis—particularly those in Hamilton County—have balked at the idea, saying the plan unfairly creates winners and losers. Thursday night, Hogsett defended his plan, saying he believes his idea is a compelling one and provides a solution without creating a new tax, such as a commuter tax, which also has been an unpopular proposal. He wants to see his plan "fully vetted" but said he's open to discussing other ideas. "The truth is every day nearly 200,000 people get up and drive into Indianapolis from outside of our county," Hogsett said. "They go to work, and when they drive home that night, they take their income tax home with them. That is fundamentally unfair to the residents of Marion County." Merritt has proposed adding optional toll lanes on commuter-heavy roads such Binford Boulevard and Fall Creek Parkway. The toll lanes would give drivers traveling downtown from the suburbs an express lane if they are willing to pay for it. Thursday night, he said the toll lanes could create new funding to help address the city's infrastructure problems. "I see that as a real possibility for the future of our infrastructure," he said.

HOGSETT, MERRITT DISCUSS POVERTY: Both candidates agreed poverty is an issue facing the city, where 20 percent of the population is affected by it. Sen. Merritt said it's important to discuss food deserts and food insecurity when talking about poverty ([IBJ](#)). He was critical of Mayor Hogsett's plan to combat food insecurity in Indianapolis, which involves using public funds to transport people to grocery stores via Lyft. Merritt called for a "robust" program in which food is delivered to people's homes, saying "Lyft is decaying neighborhoods." He also proposed the idea of creating a food tax increment financing district to help those who are struggling. Meanwhile, Hogsett said quality education is the ticket to pulling people from poverty. He touted his Indy Achieves Promise Scholarship, a new program sponsored by the city that provides financial aid to low-income students from Marion County who attend IUPUI or Ivy Tech.

MAYOR HENRY LANDS LABOR ENDORSEMENT: The Northeast Indiana AFL-CIO announced Thursday it has endorsed Fort Wayne Mayor Tom Henry for re-election ([Fort Wayne Journal Gazette](#)). The third-term Democratic mayor is challenged by Republican Tim Smith in the city's Nov. 5 municipal election. The organized labor organization endorsed nine other Democratic candidates in the Fort Wayne election: Katie Zuber for city clerk, Misti Meehan for 1st District City Council; John Henry Jr. for 3rd District City Council; Patti Hays for 4th District City Council; 5th District City Councilman Geoff Paddock; Sharon Tucker for 6th District City Council; and Michelle Chambers, Steve Corona and Glynn Hines for City Council at-large seats.

Presidential 2020

BUTTIGIEG WAS RISING; THEN CAME THE POLICE CONTROVERSY: On a Tuesday in March, just after Pete Buttigieg began to catch fire with Democrats nationally, he flew home for his final State of the City address. Mr. Buttigieg, the two-term mayor, drew more than 40 rounds of applause as he described the "comeback decade" in South Bend, pointing to new businesses and apartments downtown and the demolition of hundreds of blighted houses ([New York Times](#)). He had far less to say about his city's police department: He devoted nearly as much time to it as he did to South Bend's "smart sewers." But out of the spotlight, public safety was about to get worse. Reports of violent crime increased nearly 18 percent during the first seven months of 2019 compared to the same period in 2018. The number of people being shot has also risen markedly this year, after dropping last year. The city's violent crime rate is double the average for American cities its size. Policing problems in South Bend came to national attention on June 16, when a white sergeant fatally shot a 54-year-old black resident, Eric Logan. The officer's body camera was not turned on, which was widely seen as a sign of lax standards in the department. Mr. Buttigieg found himself flying home again, regularly, to face the fury of some black citizens and the frustrations of many others. It is the great paradox of Mr. Buttigieg's presidential candidacy: His record on public safety and policing, once largely a footnote in his political biography, has overshadowed his economic record in South Bend, which he had spent years developing as a calling card for higher office.

PENCE SAYS TRUMP WILL DEFEND AGAINST SOCIALISM: Defending the American dream and preserving our system of government for future generations is a top priority for Vice President Mike Pence heading into the 2020 election. While visiting Indianapolis this week to deliver an address at the American Legion Convention, the Vice President offered his thoughts to WIBC host Tony Katz on recent polling that revealed an increase in the number of young Americans who support Socialism ([WIBC](#)). "Ronald Reagan very famously said that freedom is never more than one generation away from extinction [and] it is the duty of every American generation to preserve freedom," said Pence. "And that's why I've said many times all across the country that it's not going to be enough for us to win the next the election, we have to win the next generation. Openly advocating Socialism in the United States is something I never thought I'd live to see. And it gives you an idea of how incredibly far left the modern Democratic Party has gone."

BIDEN BOTCHES MILITARY STORY: Joe Biden painted a vivid scene for the 400 people packed into a college meeting hall. A four-star general had asked the then-vice president to travel to Kunar province in Afghanistan, a dangerous foray into

"godforsaken country" to recognize the remarkable heroism of a Navy captain ([Washington Post](#)). The Navy captain, Biden recalled Friday night, had rappelled down a 60-foot ravine under fire and retrieved the body of an American comrade, carrying him on his back. Now the general wanted Biden to pin a Silver Star on the American hero who, despite his bravery, felt like a failure. "He said, 'Sir, I don't want the damn thing!'" Biden said, his jaw clenched and his voice rising to a shout. "Do not pin it on me, Sir! Please, Sir. Do not do that! He died. He died!" The room was silent. "This is the God's truth," Biden had said as he told the story. "My word as a Biden." Except almost every detail in the story appears to be incorrect. Based on interviews with more than a dozen U.S. troops, their commanders and Biden campaign officials, it appears as though the former vice president has jumbled elements of at least three actual events into one story of bravery, compassion and regret that never happened.

Congress

WALORSKI, AG OFFICIALS RENEW CALL FOR USMCA PASSAGE: There seems to be a strong consensus in the Indiana agricultural community about the need for a new trade deal with Mexico and Canada (Semmler, [South Bend Tribune](#)). At least those were the feelings dominating a meeting Thursday morning organized by U.S. Rep. Jackie Walorski at the Lichtenbarger farm at 25345 Brick Road on the northeast side of the city. One after another — those producing pork, poultry, eggs, feed, biofuels, dairy, corn, soybeans, and many other agricultural products — spoke of the need for the passage of the United States-Mexico-Canada Agreement or USMCA. The agreement, sometimes referred to as NAFTA 2.0, was worked out between the three countries last year but requires legislative approval. "I'm confident it's going to move with majorities on both sides," Walorski said in a brief news conference prior to a roundtable discussion in a cleared-out machine shed at the farm. "The only person who actually knows when USMCA is actually coming down is House Speaker Nancy Pelosi and we really want to send the signal to her — just bring the bill down." Ted McKinney, the USDA under secretary for trade and foreign agricultural affairs, said the USMCA agreement will provide a lot of relief for agriculture, which has been especially hard hit by tariff battles as well as bad weather.

State

GOVERNOR: TOBACCO ADVOCATES COMMENT ON STUDY - Gov. Eric Holcomb and State Health Commissioner Dr. Kristina Box released data from the state's annual youth tobacco survey that revealed tobacco use among young people continues to increase. Bryan Hannon, chair of Raise It for Health, released the following statement in response: "It's deeply troubling to hear that tobacco rates among Hoosier youth continue to increase. Unfortunately, this is yet another sign that tobacco companies continue to successfully target our kids and draw them into a lifetime of addiction. What's particularly striking is that one in five Hoosier high schoolers use tobacco, which mirrors our statewide adult smoking rate. This is little surprise considering Indiana's lawmakers have failed time and time again to pass policies that address the state's tobacco epidemic. The initiatives announced today are a step in the right direction, but more must be done if we are to protect the next generation from a lifetime of tobacco addiction."

STATEHOUSE: McCORMICK PRESSES FOR ILEARN PAUSE - With ILEARN results disappointing parents and schools across the state, Superintendent of Public Instruction Jennifer McCormick on Wednesday said she wants the General Assembly to take action so that the scores do not penalize schools or put them one step closer to a potential state takeover (Sentel, [Statehouse File](#)). McCormick said she'll also ask lawmakers to give the State Board of Education emergency rule-making power to address these types of issues going forward. "We know there is frustration with the ILEARN for this year," the first year that the new ILEARN test has been administered, McCormick said. "Although those implementation results were expected they can be very, very difficult," she said. "We are hopeful that our General Assembly will take a hard look at our state accountability system and address some of those concerns so a year from now we're not having the same conversation."

STATEHOUSE: HILL HOLDS CRIME FORUM IN TERRE HAUTE - Good things are happening in west Central Indiana to prevent crime and improve communities, Indiana Attorney General Curtis Hill said Thursday after getting input from area leaders during a forum in Terre Haute (Trigg, [Terre Haute Tribune-Star](#)). The event was Hill's latest stop on a 14-city tour across the state to talk about the challenges in communities and what is working, or not working, in crime prevention. "The good news is there's lots of things that we heard in here that this particular area of Indiana is doing correctly," Hill said following the morning forum. "Programming, engaging in youth and providing them with effective mentorship. So we are very encouraged by that. But we did hear that this like other areas of the state has a major substance abuse issue. Methamphetamine is alive and well in many of the areas that surround Vigo County."

HEALTH: STATE STARTS ANTI-VAPING AD CAMPAIGN - Indiana has launched an anti-vaping campaign. The State Department of Health has kicked off a two-million-dollar youth-focused ad blitz on both traditional and social media, warning of health dangers of e-cigarettes ([WIBC](#)). Health commissioner Kristina Box says e-cigarette manufacturers have targeted the youth market, both with their choice of vape flavorings and their ad campaigns on social media. She says the state needs to respond on the same turf. 200 severe respiratory illnesses among e-cigarette users, including 24 in Indiana, have raised worries about health risks from vaping. That's out of thousands of vapers, and Box concedes a link between vaping and those illnesses hasn't been firmly established.

DOC: 2 INMATES KILLED BY PRISONERS AT MIAMI - Two Miami Correctional Facility inmates are now facing Level 1 felony charges of murder after separate incidents inside the prison this summer (Gerber, [Kokomo Tribune](#)). According to an Indiana State Police press release, police on May 19 investigated the death of prison inmate Richard Carrell, 56, whose body was found in his C Unit cell by a correctional officer. An autopsy ruled the cause of death to be suffocation by strangulation, the release stated, and further investigation into the incident led police to arrest Michael Parrish, 42, who was Carrell's cellmate, and who is currently serving several years in prison for a violent 2014 home invasion, according to the Indiana Department of Correction. Then on June 10, ISP detectives also investigated the death of prison inmate Lannie Morgan, 70, who was found not breathing in his I Unit cell. Morgan was taken to Dukes Memorial Hospital in Peru, where he later died from what an autopsy ruled was suffocation due to smothering, the release noted. Police later arrested fellow inmate Phillip Sadler, 53, in connection to Morgan's death. Sadler was not a cellmate of Morgan's but did reside in the same unit.

DNR: PUBLIC HELP SOUGHT IN SEARCH FOR BOY SWEEP AWAY - Indiana conservation officers are seeking the public's help in their ongoing search for a 4-year-old boy swept away by high waters in May. Owen Jones is presumed dead after getting caught in Deer Creek's rain-swollen current on May 23 during a family outing at a park in Delphi, about 60 miles northwest of Indianapolis. Conservation officer Lt. Dan Dulin tells the [Journal & Courier](#) he's urging people using Deer Creek and the Wabash River, about three miles (5 kilometers) downstream, to look for signs of the Monticello (mahn-tuh-SEL'-oh) boy and to report anything they see to police.

VETERANS: NEW CLINIC WON'T BE BUILT IN KOKOMO - The new Veterans Affairs clinic set to be constructed to replace the current facility in Peru will not be built in Howard County, according to Howard County Commissioner Paul Wyman (Gerber, [Kokomo Tribune](#)). Wyman said Howard County and Kokomo had originally been considered as a potential site for the clinic, which will add more staff and services compared to the Peru clinic, which can service around 3,000 veterans. He said several "exciting" locations in Howard County were submitted to the VA for consideration that could have been easily accessed from surrounding counties. At the same time, Wyman said, those locations would have been closer to a much larger population of veterans in Howard County, which has one of most veterans per capita in Indiana. However, Howard County was removed as a potential site once congressional leaders discovered moving it from Miami County would cross a U.S. congressional district line, he said. The Howard-Miami county line is the border between the 2nd, 4th and 5th districts. It is unclear why that issue factored into a location for the clinic, but officials say it has to do with "politics."

EDUCATION: DEAN LEFSTEIN DIES AT AGE 82 - Norman Lefstein, dean emeritus of Indiana University Robert H. McKinney School of Law and renowned legal scholar in the fields of criminal justice, indigent defense and professional responsibility, died Thursday. He was 82 ([Indiana Lawyer](#)). Lefstein was the longest serving dean in IU McKinney's history, leading the Indianapolis law school from Jan. 1, 1988, until June 30, 2002. He is credited with increasing the financial support for faculty research and promoting the expansion of the clinics, internships and pro bono opportunities for students. Also, Lefstein spearheaded the fundraising and planning for the law school's \$37 million building, Lawrence W. Inlow Hall. The three-story structure, which stands on the IUPUI campus, was dedicated in 2001. "Norm was a wonderful person and transformational leader for our law school and the legal community," IU McKinney Dean Andrew Klein said in a statement.

EDUCATION: PRAISE FOR THE LATE DEAN LEFSTEIN - The Chair and Vice Chair of the Indiana Public Defender Commission released the following statements in tribute to the accomplishments of Norman Lefstein, Indiana University McKinney Professor of Law and Dean Emeritus (*Howey Politics Indiana*). Lefstein served for 17-years as the Chair of the Commission, having been appointed by two Governors. He recently served as a Special Advisor to the Indiana Task Force on Public Defense. "Norm Lefstein was truly a giant among men in the legal community. Countless Hoosiers have benefitted from his visionary leadership in the creation of quality standards for public defense in Indiana. Our state and the nation owe him a great debt for devoting his considerable legal mind and generous spirit to the cause of public service," said Mark Rutherford, chair, Indiana Public Defender Commission. Larry Landis of the Indiana Public Defender Commission said, "Norm's legal legacy is vast, with over 45-years as a distinguished author and scholar, a key leader in the American Bar Association, a respected educator, and an expert witness on criminal defense and legal ethics. He was also a friend, mentor, and inspiration to me and many others in the criminal defense and public policy community."

HISTORY: BROWN COUNTY PHOTOGRAPHER HOHENBERGER HONORED - A photographer known for capturing snapshots of Brown County history is now making history himself ([Indiana Public Media](#)). A group gathered outside The Nashville House Thursday afternoon to unveil a state historical marker for Frank Hohenberger. The Indiana Historical Bureau,

Peaceful Valley Heritage Preservation and the Brown County Community Foundation worked together to secure the marker. It celebrates Hohenberger's contributions to Indiana, where he captured thousands of photos.

AGRICULTURE: MCKINNEY PUSHES USMCA PASSAGE - As weather and trade issues make 2019 a difficult year for many Indiana farmers, a U.S. agriculture official with strong ties to the state says the proposed replacement for the North American Free Trade Agreement would bring something the farm economy desperately needs: stability (Dick, [Inside Indiana Business](#)). "We think it's going to be a great deal for all of our farmers, and particularly (Indiana) with our proximity to Canada," said Ted McKinney, a former Director of the Indiana State Department of Agriculture who is currently serving as U.S. Undersecretary of Agriculture for Trade and Foreign Agricultural Affairs. McKinney says the United States-Canada-Mexico Agreement will provide greater market access for Hoosier ag products, including the state's substantial dairy industry. The USMCA was signed by President Trump, Mexican President Enrique Peña Nieto and Canadian Prime Minister Justin Trudeau in November 2018 during the G20 Summit in Buenos Aires.

SPORTS: NFL PURDUE ALUM COMES OUT AS BISEXUAL - Ryan Russell shares a lot in common with many N.F.L. players: the grueling off-season training rituals documented on Instagram, the competitive fire and, yes, a nagging injury that kept him sidelined for all of last season. But Russell, a free-agent defensive end and Purdue graduate, said in an interview on Thursday night that he was holding something back: He is bisexual. Earlier in the day, Russell opened up about his sexual orientation in a personal essay published by ESPN ([New York Times](#)). Russell, 27, who has played for the Dallas Cowboys and Tampa Bay Buccaneers, is the only male athlete in the four major professional sports leagues to openly identify as L.G.B.T.Q. "It's so much better than hiding and holding it in and just kind of repressing myself," Russell said by phone. "I think the N.F.L. is definitely ready to accept an openly L.G.B.T.Q. player."

Nation

WHITE HOUSE: TRUMP POSTPONES POLAND TRIP DUE TO HURRICANE - President Donald Trump has canceled his trip to Poland as Hurricane Dorian barrels toward Florida ([AP](#)). Trump says it's "very important" for him to be in Washington to deal with the storm, adding, "Our highest priority is the safety and security of the American people in the path of the hurricane." Trump had been scheduled to depart for Warsaw Saturday for a visit to commemorate the 80th anniversary of World War II. He says he'll be sending Vice President Mike Pence in his place. He says he delivered the news to Polish President Andrzej Duda earlier Thursday and plans to reschedule the trip in the "near future."

WHITE HOUSE: TRUMP LAUNCHES SPACE COMMAND - President Donald Trump announced Thursday the official establishment of the US military's Space Command ([CNN](#)). "Those who wish to harm the United States, to seek to challenge us on the ultimate high ground of space, it's going to be a whole different ballgame," Trump said at a White House ceremony marking the command's establishment. Space Command will become the 11th combatant command, joining the ranks of US Central Command, which oversees operations in the Middle East, and US Special Operations Command, which oversees Special Operations Forces.

WHITE HOUSE: TRUMP PERSONAL ASSISTANT OUT OVER BREACH - President Trump's personal assistant, Madeleine Westerhout, whose office sits in front of the Oval Office and who has served as the president's gatekeeper since Day 1 of his administration, resigned on Thursday, two people familiar with her exit said ([New York Times](#)). Ms. Westerhout's abrupt and unexpected departure came after Mr. Trump learned on Thursday that she had indiscreetly shared details about his family and the Oval Office operations she was part of at a recent off-the-record dinner with reporters staying at hotels near Bedminster, N.J., during the president's working vacation, according to one of the people, speaking on the condition of anonymity to discuss White House personnel issues. The breach of trust meant immediate action: Ms. Westerhout, one of the people familiar with her departure said, was now considered a 'separated employee' and would not be allowed to return to the White House on Friday.

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump has canceled his trip to Poland this weekend as Florida braces for a potentially massive hurricane. Trump will go to Camp David. VP Mike Pence will travel to Poland in Trump's place. Hurricane Dorian is taking aim on a track that could potentially take it to Trump's Mar-A-Lago estate. The president will have lunch with Secretary of State Mike Pompeo at 12:30 p.m. today in the private dining room. He will leave the White House at 5:30 p.m. en route to Camp David.

FBI: IG REPORT SAYS COMEY VIOLATED POLICY - Former FBI director James B. Comey violated FBI policies in how he handled memos that detailed his controversial interactions with President Trump, setting a "dangerous example" for bureau employees about substituting personal righteousness for established rules, the Justice Department's internal watchdog found

in a report released Thursday ([Washington Post](#)). The inspector general criticized Comey for keeping the government documents at his home, engineering the release of some of their contents to the news media and not telling the bureau to whom he had given them — even after he was aware that some contained classified information. Comey told investigators that he felt the memos were personal and that he was acting in the best interests of the country. But the inspector general rejected that defense, writing that Comey's senior FBI leaders all agreed the memos were government documents, and that the former director's "own, personal conception of what was necessary was not an appropriate basis for ignoring the policies and agreements governing the use of FBI records."

USDA: PERDUE URGES FARMERS TO 'KEEP ON KEEPIN' ON' - At the Farm Progress Show in Decatur, IL, Ag Secretary Sonny Perdue took the stage and took a phone call from President Trump. Via speakerphone, Trump touted the advancements in trade with Japan over the weekend and told the crowd that he could make a deal with China right now and potentially be considered a hero, but he'd rather get a deal that's good for farmers instead of just a quick one ([Hoosier Ag Today](#)). Perdue was asked during a media session if he felt like farmer support for President Trump and his administration was waning. "What I really find is the media trying to go out and discover that one person or two people that don't like it and focus their media discussions and reports on those...Is it waning? Are people anxious still? Are people hopeful and ready for a solution? Absolutely, but I wouldn't say it's waning." Perdue said farmers are resilient, patient, and real patriots. Despite all of the trade issues we're currently facing, "These are people that just keep on keepin' on."

JUSTICE: PURDUE OPIOID DEAL GETTING PUSHBACK - A proposed deal for Purdue Pharma LP to resolve more than 2,000 lawsuits over its role in the opioid crisis is facing pushback from a vocal group of state attorneys general who say it doesn't bring in enough cash to satisfy their demands, according to people familiar with the matter ([Wall Street Journal](#)). Virtually every state, in addition to thousands of cities and counties across the U.S., sued Purdue, claiming the company's aggressive promotion of its painkiller OxyContin helped trigger an addiction epidemic.

MEDIA: SUNDAY TALK - CNN "State of the Union": Sen. Rick Scott (R-Fla.), Beto O'Rourke. Panel: Rick Santorum, Xochitl Hinojosa, Mia Love and Wajahat Ali. **CBS "Face the Nation":** Rick Scott, Beto O'Rourke, Brock Long, DHS Secretary Kevin McAleenan, Sergio Martin. Panel: David Nakamura, Salena Zito, Sahil Kapur and Shane Harris. **ABC "This Week":** Panel: Matthew Dowd, Rick Klein, Mary Jordan and Asma Khalid. **CNN "Inside Politics"** (guest anchor: Manu Raju): Margaret Talev, Michael Shear, Laura Barrón-López and Molly Ball.

Local

CITIES: CENTRAL AVENUE BRIDGE TO REOPEN FRIDAY - The Central Avenue bridge over Fall Creek is set to reopen after being closed for more than two years ([WIBC](#)). Indy DPW said the bridge will be open in time for the drive home Friday afternoon. The bridge closed for renovation in the spring of 2017 and was originally supposed to open that winter.

CITIES: IRSAY SELLING ZIONSVILLE MANSION - Indianapolis Colts owner Jim Irsay put a \$2.5 million mansion, along with a neighboring \$1.5 million property, up for sale ([WRTV](#)). The 11,710-square-foot home at 3863 Willow Brook Lane in Zionsville was listed for sale in late July and sits on 16 acres that include a pond, creek and woods. The house, which was built in 1993, has been completely remodeled and features seven bedrooms, eight-and-a-half bathrooms, a basement and a wet bar, according to the listing by Century 21 Sheetz agent Stephen Decatur.

COUNTIES: SULLIVAN LAST COUNTY TO GET E-FILING - Hamilton County was the first, Sullivan County the last, but now all 92 Indiana counties and all three appellate courts have electronic filing in court cases. Hamilton County implemented the system in 2015 and Sullivan County joined this month (Parker, [Inside Indiana Business](#)). E-filing is included in the Court's plan to help bring efficiency to courts across the state. Supreme Court staff train and support judges, clerks, staff and attorneys who use the system. A state-offered provider is free and ten commercial providers also are available to train. Nearly 17 million documents had been e-filed as of June 30, 2019. A statewide e-filing celebration is scheduled for Noon Wednesday, September 4 at the Sullivan County Courthouse. Chief Justice Loretta Rush, Justice Steven David, Judge Paul Mathias and others will gather at the courthouse to celebrate the milestone.

COUNTIES: HARRISON EARNS WORK READY CERTIFICATION - Harrison County has officially become a certified ACT Work Ready Community. Representatives from the county's education and economic development sectors underwent an extensive training to bolster the area's work readiness initiatives in an effort to earn the designation (McLaughlin, [Inside Indiana Business](#)). County leaders attended the ACT Work Ready Communities Boot Camp, which aims to prepare officials to implement and develop effective techniques to support the workforce needs. The ACT Work Ready Communities initiative empowers states, regions and counties with data, processes and tools that drive economic growth by identifying skills gaps and quantifying the skill level of their workforce. "We at the Indiana Department of Workforce Development applaud Harrison County's efforts in becoming a certified ACT Work Ready Community," DWD Commissioner Fred Payne said in a news release. "The certification helps to provide counties with the data they require in their efforts to recruit companies and provide them with a productive workforce that meets their needs."



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INDIANA EDUCATION INSIGHT

When will we ever ILEARN?

Absolute carnage on school letter grades without “hold harmless”

The Governor announced August 26 that he'll ask the General Assembly to suspend accountability for schools and teachers in the wake of a dramatic decline in student test scores on the new ILEARN assessment administered for the first time earlier this Spring. House and Senate Republican leaders instantly responded with prepared public statements endorsing the Governor's proposal, and the state superintendent of public instruction also voiced support for enacting “hold harmless” legislation during the 2020 session. In short, everyone is on board with an accommodation that would ensure, in an election year, that the decline in test scores does not negatively impact teacher pay.

The K-12 system is still trying to recover from the 20 percentage-point decline in scores that occurred in 2014-15, the first year of implementation of college- and career-ready standards and assessments. ILEARN results are to be released to the public September 4 at the State Board of Education meeting . . . but you should not be surprised to see statewide passing rates down by 10 percentage points or more.

After the 2014-15 drop, scores were widely expected to rebound as the system adjusted to higher expectations and educators became comfortable with new standards and a new test format. But scores have only worsened over time.

Superintendent of Public Instruction Jennifer McCormick (R) held a press conference August 28 and publicly outlined three legislative asks for 2020. First, freeze school letter grades, unless a school's letter grade goes up. Second, pause the intervention timeline that allows the state to intervene in schools with four consecutive F grades. Third, direct the State Board of Education to initiate emergency rulemaking to diversify the state accountability formula.

Dr. McCormick's third proposal assumes this newest downturn is more than a temporary blip.

State accountability grades based on ILEARN will be calculated in the same way they have for the past three cycles. For elementary and middle schools, 50% is based on performance, and 50% is based on growth. Because there are no non-testing indicators, the dismal ILEARN results would prove devastating to the A-F grade distribution without a hold harmless safety net.

Last year schools received two sets of letter grades – one set based on the formula in State Board of Education rule, and the other pursuant to the methodology in Indiana's Every Student Succeeds Act (ESSA) plan.

This year, federal accountability placements *will not* be in the form of letter grades. The Indiana Department of Education amended the state's ESSA plan to begin assigning schools one of four federal ratings: exceeds expectations, meets expectations, approaches expectations, or does not meet expectations. The federal accountability placements are based on a formula that contains five indicators: performance, growth, growth for the lowest performing subgroup, attendance, and non-native speaker English language proficiency.

Because of the inclusion of non-testing indicators, the federal placements (which had been targeted for November) should be more stable.

IDOE will make a big push in 2020 to unify the state and federal accountability systems. IDOE prefers the more holistic federal framework.

For more, please see the following page . . .

ISTA exits trusteeship early

Growing base helps restore financial health

Following several years of membership growth and stable financial health, the National Education Association has released the Indiana State Teachers Association from trusteeship ahead of schedule.

“This is a big deal and great news for members of ISTA,” explains President Keith Gambill. “With the support of our members, we have come a long way in a short amount of time.”

In May 2009, the national organization assumed control of ISTA operations and installed its own acting chief executive officer to address a financial crisis that began with the ISTA Insurance Trust and spread to ISTA and its related organizations.

The Insurance Trust lost tens of millions of dollars due to inappropriate investments and mismanagement of assets. The State of Indiana settled with ISTA and investment banks for \$14 million, funds distributed to 27 school districts around the state that lost assets in the morass.

The Trust designed and managed medical and disability benefit programs – some of which the State considered as unregistered securities – that Indiana school corporations adopted for their employees.

Cont. under “IN General,” p. 2 . . .

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The School Accountability Panel held its second public meeting on August 22 and will deliver recommendations by November 1 on revising the high school accountability formula. Additional performance indicators under consideration by the panel look at how students fare after graduation: Did they need college remediation? Did they earn a credential? Have they obtained gainful employment? The Indiana Department of Education is not participating on the Panel . . . and was not invited to have a seat at the table.

Lawmakers enacted a hold harmless measure in 2016 when test scores tumbled in the first year of the transition to a more rigorous system of standards and assessments. SEA 200-2016 provided that the A-F grade of a school or district may not be lower than the grade assigned in the previous year. HEA 1003-2016 ensured that the downturn in performance would not prevent teachers from qualifying for a pay raise. The 2016 bills sailed through the legislative process with overwhelming bipartisan support and were signed into law by then-Gov. Mike Pence (R) less than one month after session began.

Here's what Governor Eric Holcomb (R) said in his statement:

"The results of the 2018-19 ILEARN proficiency test are scheduled to be released next week. The results will show a decrease compared to the previously administered ISTEP+ test. Since this is the first year of the ILEARN assessment, I will ask Superintendent McCormick to support my request that the General Assembly take action to hold schools harmless so the test scores do not have an adverse impact on teacher evaluations and schools' letter grades for the 2018-19 school year. This action will ease the transition to ILEARN, which is a student assessment that allows Indiana to comply with federal ESSA requirements."

ILEARN is the fourth new test over the past 10 years. The narrative around the new test and its Computer Adaptive Format started out positive but has gone south.

IN Elementary & Secondary Ed

IN General . . .

→ *Cont. from front page . . .*

School corporations made contributions to the Trust using public revenues, and the Trust held and invested the funds and handled claims to pay benefits to school corporation employees as needed.

A decade ago, we brought you some of the most detailed inside coverage of the legal, financial, and political quagmire – and the attendant state investigation led by the Indiana Department of Insurance and Office of the Secretary of State (as well as the NEA-led ISTA seeking compensation from some of its former officials and consultants).

The short story was that misleading marketing, inappropriate sales tactics, personal aggrandizement, and mismanagement of assets pushed the Insurance Trust to the brink of collapse.

The State alleged that ISTA then used the money from the health plans for their own benefit to cover funding shortfalls in their long-term disability plan. This meant the money was never invested on the school's behalf to offset future health care costs as was promised. The State also alleged that ISTA continuously issued phony financial statements to schools misrepresenting investment fund balances.

With finances back on solid ground, ISTA can afford to offer a wider range of programs and services that make membership more attractive, such as conferences and professional development opportunities for license renewal.

"The fact that the NEA has chosen to release ISTA from trusteeship years earlier than expected demonstrates ISTA's growing membership and responsible stewardship of our members investment in the Association," says Gambill.

- Carmel Clay Schools receives notification from Pearson Clinical Assessment of a student data breach that included student first and last names and in some cases, date of birth. The incident was not a breach of the CCS system. Pearson does not have any evidence that any information has been misused, but as a precaution, the company will be providing the option to enroll in a complimentary one-year membership with Experian's Identity Works SM.

- The Indiana Department of Education reports that 48% of Indiana school districts (182 districts) provide 1:1 technology at every grade level, up from 41% (156 districts) in 2018.

- Edmentum (157 districts) is Indiana's most popular virtual course provider, according to IDOE survey data, followed by Apex Learning (81) and Edgenuity (59). Google Classroom (169 districts) is the market leader among Learning Management Systems, followed by Canvas (100), Schoology (27), and Blackboard (16). Powerschool (162 districts) has the largest market share among Student Information Systems, beating out Harmony (77), Skyward (66), Chalkable (16), and Synergy (13).

- 28% of districts do not currently include any money in their budget for cybersecurity.

- 16 districts across the state meet the broadband access standard established by the State Educational Technology Directors Association (SETDA) of at least 1 Gbps per 1,000 students/staff. Wi-Fi access is now available in 99.2% of Indiana schools.

- The Elkhart Community Schools will be fully 1:1 at all grade levels once the final three elementary schools distribute iPads to students come January.

- *Mapping State Proficiency Standards Onto the NAEP Scales*, a new report from the National Center for Education Statistics based on state assessment results from the 2016-17 school year and the 2017 results from the National Assessment of Educational Progress, finds that Indiana has the fifth-lowest grade four reading standards, the tenth-lowest grade four math standards, the ninth-lowest grade eight reading standards, and the seventh-lowest grade eight math standards.

- A poll of 400 likely Marion County voters by Mason Strategies for Indy Politics (08/11-14; 42% D, 27% R, 26% I; margin of error ± 4.9 percentage points) finds 57% of Republicans, 51% of independents, and 44% of Democrats believe that Marion County schools are on the wrong track.

- Support for school choice was found to be highest among Republicans (64%), Independents (56%), and Blacks (60%). Democrats were evenly split on school choice, with 48% supporting and 48% in opposition.

- South Bend's WNDU-TV tells viewers that even though ILEARN scores were ready to be shared with parents August 15, "it's likely you haven't seen your student's results yet, and here's why Each results report is four to eight pages long. In the South Bend school system, there are about 18,000 students that would need those results sent to them. It will cost a pretty penny to print all those out. So, the school district is waiting until the state mails out hard copies in the middle of September, and those copies will then be mailed to parents."

- A noxious odor that sent several students and staff to the hospital caused the Eastern Greene School Corporation to shut down its buildings in an abundance of caution and summon the local Hazmat Team to investigate. Students were kept out of class for one whole day while testing was conducted. Officials initially suspected a laminator in a poorly ventilated room but later blamed the inadvertent release of chemical pepper spray by an unidentified adult. In a Facebook post after the ordeal ended, the district said it would send "a notice with directives to all staff requiring that anyone carrying the chemical pepper spray into a school building must either maintain possession of the chemical on their person in a place that is inaccessible to students or secure it in a locked drawer or cabinet that is inaccessible to students."

IN Administration . . .

- One school corporation that installed cameras on school bus stop arms over the Summer now finds itself stuck in the middle of a jurisdictional tug-of-war between the county sheriff and municipal police department over which entity should be responsible for processing stop arm violations.

- Dr. Lee Ann Kwiatkowski, the new CEO and director of public education at Muncie Community Schools, endeared herself to MCS teachers when she announced at a school board meeting Tuesday night that the district will reallocate some \$900,000 in federal dollars to purchase 535 new Dell laptop computers for faculty and staff, new smartboards for classrooms, and extra Chromebooks for students. Dr. K said that during her initial rounds of MCS facilities, she noticed that many of the machines used by teachers were more than five years old, and posed issues in allowing the educators to effectively teach and work with their students.

- The *Muncie Star Press* writes that the new technology "acquisitions are being funded with what the superintendent called 'carry-over funds' from last year's Title 1 program dollars. Title 1 is federal funding to support school districts that have large concentrations of low-income students. 'Typically, Title 1 does not like to support a lot of equipment with the funds, but this year they gave us a special exception and we were able to submit an amendment,' Kwiatkowski said."

- MCS teachers were already pleased that they had been recognized by the school board in July with the first pay increase in eight years, and a bump in starting salaries.

IN Budgets & Finance . . .

- S&P Global Ratings places the Daleville Community School Corporation on 90-day CreditWatch with negative implications in reaction to the potential liability associated with the district's role as sponsor for the Indiana Virtual charter schools. The State Board of Accounts determination that Indiana Virtual was overpaid by \$47 million in state aid over three years due to overstated pupil counts implies that the amount of administrative monitoring fees that Daleville collected from the charter schools was similarly inflated.

- During the 90-day CreditWatch period, S&P will review the district's liquidity position and financial control and oversight practices. "There is a one-in-two chance that we could take a negative rating action following the review," according to the agency.

- The Madison-Grand United School Corporation stirs up a commotion with its proposal to reorganize the elementary schools located in

Summitville and Fairmount, designating one for preschool through second grade and the other for grades three through six.

- The Merrillville School Corporation and other local government units in Lake County "could be required to refund Southlake Mall a total of \$7.9 million in past taxes and interest following a state tax review board decision," reports the *Gary Post-Tribune*.

- One upcoming bond issue: September 3 - Porter Township School Corporation General Obligation Bonds, Series 2019, \$1,200,000 (2024-35), Stifel, Nicolaus & Company, Inc. as underwriter . . .

IN Charter Schools . . .

- The Daleville Community Schools Board of Trustees voted to shut down the Indiana Virtual charter schools, and you might see the school district take the failed former charter school into receivership after the Indiana Virtual board of directors dissolved.

- Indiana Agriculture and Technology School (IATS), the blended learning charter school authorized by the Nineveh-Hensley-Jackson United School Corporation (Indian Creek Schools), served 120+ students in its first year. Students spend approximately one day per week in an “Active Participation Day” held at a school farm location or agricultural enterprise. Online courses are pre-recorded so that students can work at their own pace.

IN Programs & Curriculum . . .

- Rock Creek Community Academy adopts CS First, the free introductory computer science program by Google for grades 4-8 (ages 9-14). The video-based curriculum teaches students foundational CS, problem-solving and collaboration skills through themes related to students’ interests.

- Purdue Polytechnic High School will establish a program in partnership with the Hamilton Southeastern Schools to be located at the Hub and Spoke facility that’s currently under construction in Fishers. At first, the program would be open only to HSE students, but down the road, it could be opened up to students in other districts. HSE is looking to enroll between 25 and 70 students in the first year.

- Graduation Alliance sets October 1 for the launch of its online school for Hoosiers over the age of 22 without a high school diploma.

- The Central Noble Community School Corporation puts the finishing touches on “Portrait of a Graduate” illustrating five qualities that the ideal high school graduate should aspire to and possess: effective communicator, critical thinker, engaged citizen, meaningful collaborator, and resilient learner.

- Already in desperate need of \$10 million in repairs, home football games at Roosevelt College and Career Academy in Gary are at risk of being canceled because the lighting at the stadium no longer works after thieves broke in and stole copper wiring.

IN Policy . . .

- WISH-TV *News8* in Indianapolis runs a positive piece on three schools in the Carmel Clay Schools that have eschewed plastic lunchroom utensils in favor of metal silverware.

- WRTV-TV in Indianapolis airs a series of stories by *Call 6 Investigates* reporter Kara Kenney examining why so few Indiana schools have tornado shelters . . . even though the state ranks among the top 15 for most annual tornados per 10,000 square miles on average between 1995 and 2014.

- The Burriss Laboratory School says it will begin notifying parents in advance of the content of annual active shooter trainings in response to complaints the school received about the use of a 911 call from the Columbine shootings. The clip was played during the Civilian Response to Active Shooter Events (CRASE) training session conducted for students by the Ball State University police department.

- The Harrison County Prosecutor’s Office spent \$3,500 from drug bust proceeds to purchase new school bus stop arm cameras for the South Harrison Community School Corporation.

- Do accountability grades influence behavior? Officials at Wabash Middle School, part of Wabash City Schools, cited (or blamed) the federal school accountability framework for the more rigorous attendance policy implemented this school year that cuts the number of absences allowed per semester from 10 to five.

- The Vigo County School Corporation partners with the Hamilton Center to offer an alternative to in-school suspension for students who commit a first violation of the no-vaping policy. Students will attend a 30-40 class weekly for four weeks called “Catch My Breath” with educational materials on the risks of e-cigarettes.

- Students will swipe an ID card each time they get on or off the school bus in the South Bend Community School Corporation. The tracking system could launch at the end of October. Parents will be given access to a website to track their child’s whereabouts.

- The John Glenn School Corporation is paying to send a school bus across district lines into the Greene Township area within the South Bend Community School Corporation to transport new and returning transfer students. The service has been so well received that John Glenn declared the bus full shortly after the start of the school year and said that no more riders could be accepted at this time.

IN Referenda . . .

- The \$7 million operational referendum for the Vigo County School Corporation secures the endorsement of the Taxpayers Association of Vigo County.

IN Construction & Facilities . . .

- The School City of Mishawaka looks forward to a bond sale in early 2020 to pay for construction of a security vestibule and improvements to vehicular and pedestrian traffic flow at Mishawaka High School.

- The Marion Community Schools considers a guaranteed energy savings contract with Performance Services Incorporated to add double doors at school entrances to improve energy efficiency.

- A golf outing is scheduled for September 7 to raise money to expand the capacity of the historic New Castle Fieldhouse. Community members are seeking private financial support to purchase additional bleachers so that the New Castle gym once again reigns as the largest and finest high school gymnasium in the world.

- As it prepares to start providing student transportation using its own buses and own personnel, Barr-Reeve Community Schools eyes a \$2.25 million bond issue to pay for the acquisition of a facility to be used as a bus barn and to purchase \$1 million worth of new school buses. Barr-Reeve has historically contracted out its bus routes.

- The Tippecanoe School Corporation is considering construction of a new middle school to serve the fast-growing northwest corner of Tippecanoe County and renovation of the existing Klondike Middle School to become a new grade 3-5 building.

- The DeKalb County Central United School Corporation works with Barton Coe Vilamaa and Stifel Public Finance on a construction and renovation project at J.R. Watson Elementary School to expand the cafeteria and kitchen and convert a courtyard into usable learning space. The project would be financed by a general obligation bond and would be tax neutral to the debt service rate. According to the *Auburn Evening Star*, "A tentative timeline shows a project hearing will take place at the Sept. 17 board meeting with the additional appropriation hearing and final bond resolution scheduled for the Oct. 22 board meeting. If the project is approved, bids would be accepted and awarded in spring of 2020 with groundbreaking tentatively scheduled for June 2020, the courtyard completed in August 2020 and the kitchen and cafeteria completed in the winter of 2020-21, the timeline showed."

- The Warsaw Community Schools Board of Trustees approves a resolution for an \$8 million general obligation bond to finance assorted projects including HVAC, chillers, construction of a new maintenance, food service and storage building, and the purchase of a new cooling system for the data center. A 10-year facility study by Performance Services Incorporated recommends major work at Warsaw Community High School, Warsaw Career Center, and Lakeview Middle School.

- The Argos School Corporation teams with Johnson Melloh Solutions to install solar panels as part of a guaranteed energy savings project.

- The John Glenn School Corporation anticipates having several proposals to pick from when selecting a firm to help evaluate immediate facility repair needs, as well as whether a building expansion should be on the horizon given the surge in demand from transfer students.

- The Greater Jasper Consolidated School Corporation wins a \$20,000 Keurig Dr. Pepper KaBoom! grant for a preschool playground at Jasper Elementary School.

- Durden Elementary School in Evansville has a new outdoor running track, thanks to construction by volunteers with the Notre Dame Alumni Association.

- Triton School Corporation in Marshall County invites proposals for the long-term lease or sale of the historic Bourbon Gym constructed in 1928. Indiana Landmarks writes that "construction of a new modern activities center at the current high school leaves the historic gym with an uncertain future as the school corporation has no plans for the property and no funds for its ongoing maintenance."

IN Contracts . . .

- The Oak Hill United School Corporation School Board votes 5-2 last week to not renew Superintendent Joel Martin's contract through June 30, 2021. The board's president and vice president were the two dissenters. Superintendent Martin remains under contract through June 30, 2020, and the board appears split on maintaining the status quo after decade of Martin's employment with Oak Hill . . . or making a break in a new direction.

□ Don't be surprised to see the Oak Hill board take a new Martin contract extension vote in the coming months.

IN Transition . . .

- School City of East Chicago Superintendent Paige McNulty resigns to pursue other opportunities.

- The Delphi Community School Corporation Board of Trustees places Superintendent Greg Briles on paid administrative leave due to concerns about district finances . . . and appoints **Dan Ronk**, former superintendent of the Rochester Community Schools, as interim superintendent.

□ Delphi also quickly hires **Ed Eiler**, the highly respected former superintendent of the Lafayette School Corporation and former member of the State Board of Education, to provide financial assistance after the district's treasurer quit.

□ Delphi applied to the state for a \$1.5 million emergency loan in August in order to meet payroll and pay bills.

- The Whitko School Corporation hires **Jake Everett** as the new principal of Whitko Jr./Sr. High School.

- **Sherry Apple Wise** is serving as interim principal of Paoli Junior-Senior High School.

- The Mind Trust announces the selection of **Steven Jones** and **Leigh Ann Pusey** to its board of directors. Jones currently serves as Dean for Professional Development and Director of the Malcolm X Institute for Black Studies at Wabash College. Pusey is the Senior Vice President of Corporate Affairs and Communications at Eli Lilly and Company.

□ The duo replaces **Ariela Rozman**, Founding Partner of EdNavigator and former CEO of TNTP, and former Black Expo exec **Joyce Rogers**, Vice President, Development, Diversity, Equity, & Multicultural Affairs with the Indiana University Foundation.

- The Mind Trust hires **Lauren I. Peterson** as Senior Director of Community Engagement. Most recently, she spent three years as the manager of community outreach and engagement with Enroll Indy.

IN Government . . .

- The legislative Indiana Rural Caucus met privately in August with Madison-Grant United School Corporation Superintendent **Scott Deetz** and Barr Reeve Community Schools Superintendent **Travis Madison**.

- The Interim Study Committee on Education learned at its August 22 meeting that the average school counselor in Indiana has a caseload of 497 students, nearly twice as high as the 250 student level recommended by the American School Counselor Association . . . but not far off from the national average caseload of 482 students.

□ **Chris Lagoni**, executive director of the Indiana Small and Rural Schools Association, noted that to reach the 250-student standard, Indiana would need to employ an additional 2,235 counselors, a standard which would cost approximately \$60 million.



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- The School Accountability Panel met for the second time on August 22. Members discussed issues related to incorporating dual credit completion, remediation, credential attainment, and employment into a new framework for high school accountability.

□ Rep. Bob Behning (R) of Indianapolis, chair of the House Committee on Education, cautioned against rewarding “random acts of dual credit.” Jason Bearce, vice president of the Indiana Chamber of Commerce, agreed. “We hear a lot of stories about students generating college credit in high school, but it doesn’t seem to be leading to the outcomes we want as far as college completion,” he said. Behning suggested focusing on dual credit that’s tied to stackable credentials or sequential tracks of study. Rep. Behning said the panel has to consider holding high schools accountable for the postsecondary readiness of their students, and Commissioner of Higher Education Teresa Lubbers said she was comfortable with including remediation as an accountability metric. Commissioner Lubbers suggested that the four-year colleges aren’t confident that the Core 40 diploma adequately prepares students for postsecondary success. Perry Township Schools Superintendent Pat Mapes observed that Indiana desperately needs to revisit the list of courses required for a high school diploma. Students who have no interest in foreign language and performing arts should be able to pursue courses that better align to their postsecondary pathway goals.

□ The panel also discussed on-track indicators, such as a benchmark of earning 20 credits by the end of a student’s sophomore year. Superintendent Mapes explained, “If we get a kid who comes to us in their junior year, and they’ve only got six credits, who is responsible for that student, the previous school or the current school, and where does that kid land in the accountability matrix? I would tell you it should go a little back to where they were at.” Rep. Behning said he agreed completely. “The accountability system ought to recognize that if I come to your school and I’m credit deficient, and I am still able to graduate on time, you should get extra credit.” Sen. Jeff Raatz (R) of Richmond, chair of the Senate Committee on Education and Career Development, then questioned whether the accountability also needed to extend back to the elementary and middle schools that socially promoted kids who weren’t ready. Mapes added that Perry Township recently enrolled some freshmen students from Guatemala who can’t speak or read English. “If we can get them to know the alphabet and speak some basic English” by the time they reach graduation age, that will have been a huge success, said Mapes.

□ Byron Ernest, chair of the panel, questioned whether there might be a better way to determine whether students are on track that didn’t involve relying on credits. He recalled when he first started as principal of Manual when the school was taken over by the State Board of Education that many of the freshmen had received A’s in algebra, yet only a single digit percentage passed the end of course assessment. “There’s the mobility issue of students swirling among districts and how long they are in one place, and there’s also the issue of credit completion and deficiency,” observed ICHE’s Lubbers. “We need to start with having more data before we move to any sort of recommendation on what we should do.”

- At the first of three town hall listening sessions by the Next Level Teacher Compensation Commission, Chair Michael Smith emphasized from the start that the group’s mission is to seek solutions to increase teacher compensation – not to reform the K-12 system. Indiana State Teachers Association President Keith Gambill was the first from the public to speak. He said Indiana needs new revenue sources. Several teachers who spoke advocated for restoring salary schedules with step increases in order to give teachers more predictability and certainty in how much they can expect to earn over time. Former ISTA President Teresa Meredith asked for a “minimum guarantee” in the school funding formula to stop the bleeding in rural communities. At the second session, teachers commented that the Governor should spend the state surplus on teacher pay, that teacher pay should not be taken over by the state but continue to be determined locally, and that teachers are expected to spend hundreds of dollars out of their own pocket on classroom supplies and educational materials. The third meeting – which took place one day after the state said steps would be taken to ensure that teacher pay is not negatively impacted by this year’s decline in test scores – was the most heavily attended. Not surprisingly, suggestions were made to spend less on testing and more on teacher pay. One person proposed that the Hoosier Lottery sell a #RedforEd scratch-off ticket and direct the proceeds to teachers.

□ The Next Level Commission has already received more than 2,000 online comments.

- The #RedforEd movement that started last Winter and grew throughout the Spring did not let up over the Summer. Teacher demonstrations and rallies have continued across the state through the start of the new school year. Something to keep an eye on heading into the 2020 elections . . .

IN Courts & Conduct . . .

- A student was found in possession of a handgun at Banneker Elementary in the Gary Community School Corporation . . . a BB gun was found in a student’s backpack at Northview Middle School in the M.S.D. of Washington Township . . . the M.S.D. of Washington Township confiscated a handgun from a student at North Central High School . . . a student at Ben Davis High School found with a gun in his backpack was arrested . . .

- The Howard County Sheriff’s Department used the Red Flag law to serve a warrant and confiscate firearms from a home in Russiaville after Western School Corporation staff reported to authorities that a 12-year-old student made threatening comments to teachers at school, reports the *Kokomo Tribune*. WSC Superintendent Randy McCracken released a statement to parents and staff explaining that “In regards to this incident, no threat was made toward the school, students or staff, so information was not shared regarding the situation with the school community. Our Liaison officer, in following up on the parental discussion, used the red flag law to make sure all weapons were secured and away from the student as promised.”

- The mother of a special needs student at Castle High School tells the *Evansville Courier & Press* she plans to hire an attorney after her son was bullied online by his peers in a group chat on Instagram.

□ The bullies “called this student names including sped, retard, tard, weirdo, etc. They tried to get this student to send nudes and inappropriate pictures so they could make fun of him. They also told him they would ‘slap the sh*t out of him on Monday’ if he did not send nudes,” according to a petition that asks the Warrick County School Corporation Board of Trustees to take action in response and institute a stricter bullying policy.

- Indianapolis NBC affiliate WTHR-TV 13 *Eyewitness News* obtained a video shot in the locker room of Alexandria High School of a student being repeatedly punched by a peer while being restrained by two other students so he couldn’t fight back or defend himself. The male victim believes he was attacked because he’s gay. The fight is under investigation by the administration and Alexandria Police Department, and officials have declined to say whether the student’s sexual orientation was a motivating factor in the attack.

- In *Ryan v. Ft. Wayne Comm’ty Schools*, 1:19-cv-00333-HAB-SLC, the parents of a 10th grade student with special needs ask the U.S. District Court for the Northern District of Indiana for damages from Fort Wayne Community Schools after their son sustained a fractured hip and broken femur when he was attacked by fellow students in two separate incidents. In the first, the teenager was injured when FWCS allegedly placed him in a physical education class contrary to his Individualized Education Plan (IEP), according to the suit. In the second incident, the young man was injured when “the teaching assistants, who were supposed to be in the class to monitor and supervise the students, were not present due to a mandatory meeting according to the only teacher present. The teacher acknowledged that because she was left alone as the only teacher to supervise, she was unable to stop the attack,” according to the suit.

- In *Florence W. v. M.S.D. of Lawrence Twp.*, No. 1:18-cv-02698-RLY-TAB, a mother seeks judicial review on behalf of her minor daughter (identified as M.W.) of an Independent Hearing Officer’s conclusion that the Lawrence Township schools provided M.W. with a free appropriate public education under the Individuals with Disabilities Education Act. M.W. has withdrawn from the district and enrolled in the Fortune Academy, a private day facility in Indianapolis, at an alleged annual cost of \$18,000. The case is pending in the U.S. District Court for the Southern District of Indiana.

□ In response, the Lawrence Township schools, represented by Alexander Pinegar of Church Church Hittle + Antrim, files a counterclaim alleging that the lawsuit is frivolous, unreasonable, and without foundation. In late 2017, the district asserts that the plaintiffs requested an independent educational evaluation of M.W. The request was granted by the district, and the independent evaluator (chosen by the plaintiffs) proceeded with her evaluation, completed it in late January 2018, and reviewed it with Florence W. on or about January 23, 2018. After the district’s special education director received the independent educational evaluation report from the independent evaluator, the case conference committee was to convene to discuss the recommendations. But just days before the scheduled case conference, plaintiffs initiated the litigation. The plaintiffs’ attorney serves as a member of the governing body for the private day facility.

- Indiana joins eight other states in a petition before the U.S. Supreme Court requesting reversal of a U.S. Court of Appeals for the Fourth Circuit decision in *Deal, et al., v. Mercer Co. Bd. of Education*, No. 17-2429 (4th Cir. 2018) in which plaintiffs backed by the Freedom From Religion Foundation have challenged the constitutionality of a Bible in Schools program in West Virginia.

□ A student who has left a school district with no stated intention ever to return does not have standing to seek to enjoin a portion of that school district’s curriculum, argue the *amici curiae*, and because the Fourth Circuit held the opposite, summary reversal is warranted. *Elizabeth Deal* alleges that her daughter Jessica was harassed by other students for not participating in the Bible in Schools program and that the mistreatment was a major reason why she transferred to another school district. The Fourth Circuit concluded that respondents could seek an injunction because Jessica faced “ongoing feelings of marginalization.” The *amici* write in their brief, “Allowing hurt feelings to fill in for an imminent threat of harm would render much of this Court’s standing jurisprudence superfluous. No longer would a direct connection between a plaintiff and a challenged action be needed—all a plaintiff would need to allege and prove is that the government action (past or ongoing) continues to cause him emotional distress.” Moreover, “because Jessica’s feelings of marginalization are unconnected to any current exposure to Mercer County’s Bible in the Schools program, it is speculative that an injunction barring the program will redress her hurt feelings. An injunction cannot wipe away the source of Jessica’s feelings – her past exposure to the program. What respondents seek is mere vindication, but that is insufficient to create a case or controversy.”

- Tim Bless, longtime high school football coach in the Bartholomew Consolidated School Corporation, has been sued in the U.S. District Court for the Southern District of Indiana for copyright infringement for allegedly posting portions of copyrighted material on his Twitter account (@CoachTimBless). The suit, *Bell v. Bartholomew Consol. School Corp., et al.*, No. 1:19-cv-03308-JRS-TAB, also names BCSC for allegedly failing to prevent the alleged infringement. The plaintiff is a resident of Texas and the author of the book *Winning Isn’t Normal*.

- Stephanie D. Rhoton, who had been secretary of the Wood Memorial High School Parent Teacher Organization in the East Gibson School Corporation was charged with a Level 5 Felony charge of Fraud on a Financial Institution and a Level 6 Felony charge of Fraud in Gibson County Superior Court last week. *State v. Rhoton*, No. 26D01-1908-F5-000840.

□ According to an Indiana State Police probable cause affidavit, Rhoton – one of only two people with access to the PTO credit card – allegedly took the PTO card in July and used it for assorted unauthorized personal charges (including for parasailing) while on vacation to (and in) Daytona Beach, Florida. Screen shots of her Facebook page seemed to confirm the times and activities cited after the treasurer looked into the charges she had not authorized, and the ISP detective wrote in his affidavit that the treasurer told investigators that “Rhoton admitted to her that she was responsible for the unauthorized PTO charges.”

IN Higher Education

IN General . . .

- Ivy Tech Community College proposes the “White County Promise” scholarship program.

□ Ivy Tech is asking White County Commissioners to agree to fund a “last-dollar” scholarship program for graduates from Twin Lakes, North White, Frontier, and Tri-County high schools. For students who qualify for Pell Grants and standard financial aid packages, White County would be on the hook for about \$1,100 per student per year. Recipients must be White County residents and would have to maintain a 2.0 GPA, enroll in 12-15 credits per semester with at least six credits at the Monticello site, and participate in a for-credit internship program/clinical. As proposed, each student would be eligible to receive assistance for up to two years.

- Takeaways from the Indiana Commission for Higher Education’s annual *College Equity Report 2019*.

– Indiana’s college-going rate dropped one percentage point from the previous year to 63 percent. The decrease can be almost entirely attributed to declining college-going rates among males.

– Students in the 21st Century Scholars program outpace all other groups in college-going rates. 86% of Scholars entered college within one year, an increase of five percentage points from last year’s report. Less than 40% of low-income non-Scholars entered college within one year, a rate that has dropped by five percentage points in five years.

– Just 16% of Black students and a quarter of Hispanic students earn the Academic Honors Diploma versus 40% of white students and 36% of students overall.

– 46% of students who graduated high school in 2016 and enrolled in college within one year achieved early college success, which is defined as not needing remediation, completing all coursework attempted, and persisting to the second year. The success rate has increased by an average of one percentage point per year for the past five years.

– Early college success was attained by 43% of 21st Century Scholars, a five-year gain of 12 percentage points; 23% of low-income non-Scholars, up by three percentage points since 2011; 26% of Black students, an increase of nine percentage points over the past five years; and 50% of white students, a five-year gain of four points. The criterion that posed the biggest obstacle for all groups was completing all coursework attempted.

– Only 13% of students in the class of 2016 who enrolled in college within one year needed college remediation. 54% of students completed all coursework they attempted. 75% of students persisted to their sophomore year.

– 70% of students who enrolled in college after earning the Academic Honors Diploma achieved early college success compared to just 26% of students with the Core 40 Diploma.

– Approximately 69% of Hoosiers in the 2017 high school graduation cohort took a college entrance exam, and 79% of those test takers earned a score that indicates they are college and career ready.

– 26% of Black students and 35% of Hispanic students completed a bachelor’s degree within four years. 35% of Blacks and 57% of Hispanics complete a bachelor’s degree in six years.

– Hispanic students outperform all other groups in terms of completing associate’s degrees on time. 21% of Hispanic students earned an associate’s degree within two years compared to 15% of whites, nine percent of Asians, and six percent of Blacks.

IN Enrollments . . .

- Indiana University Bloomington enrolls its largest-ever class of first-year students. The Class of 2023 numbers nearly 8,300 students, up from the previous record of 8,097 set last year.

● Saint Mary-of-the-Woods College campus program enrollment this Fall is expected to be about 520, the third highest total enrollment since the College’s founding in 1840. This is the first time the campus program has had enrollment above 500 since 1967, and it marks only the sixth time in the history of the College that the campus program has enrolled more than 500 students. The campus program’s new student class is expected to be around 185. The Woods Online program expects to enroll an additional 360 students.

● Ball State University welcomes the largest freshman class in the school’s 101-year history. The class of 2023 numbers a record 4,050 students. It’s the most diverse in school history, and the projected median high school grade-point average of the freshman class is 3.53, which is also a record.

● Butler University greets its third-largest class ever – 1,125 first-year students (the largest class in university history was last year’s 1,336 first-year students, and the second-largest is the Class of 2020).

□ “We were asked to enroll 4,700 full-time undergraduate students by 2020,” says Butler Vice President for Enrollment Management **Lori Greene**. “We are ahead of schedule. We hit 4,726 in fall 2018. Now, it is really more about sustainability and trying to determine what our ideal size is as an institution in terms of meeting the expectations of the student experience.”

● **Don Bishop**, associate vice president for undergraduate enrollment at the University of Notre Dame, explains to the student newspaper, “We did make an effort and recruit more diversity. ‘Diversity’ as defined in the broadest way – socioeconomic diversity, cultural diversity,” he said. “The largest number of students came from public high schools – 43% – the next percent are Catholic [schools] – I think it’s 38% – and then 19% for private or charter schools.” Bishop said Notre Dame is “the most nationally diverse university. The average first year student comes from a median distance of 750 miles.”

□ According to Bishop, when reviewing UND enrollment applications, “We’re looking at a student’s motivation for success as a heavy decider” in who gets admitted. “One way you can look at it is why somebody has gone as far as they have and how far they’ve gone from where they were [gives] a great deal of predictive value in predicting how far they will go with what they get here,” he said.

IN Rankings . . .

- Purdue University owns the fourth best Maker Space in the country, according to the website Great Value Colleges, which lauds Purdue's Bechtel Innovation Design Center.

- The *Forbes* annual ranking of America's Top Colleges for 2019 puts the University of Notre Dame at No. 18 (third in the Midwest behind only the University of Chicago and Northwestern University) and the Rose-Hulman Institute of Technology at 110 on the ladder.

- The Center for World University Rankings for 2019-2020 ranks Purdue University 61st. The methodology is based on the prestige of alumni and faculty members.

- The 2019 Academic Ranking of World Universities released by the ShanghaiRanking Consultancy finds Purdue University West Lafayette 72nd, and Indiana University ranked in the top 150.

- In the *Washington Monthly* 2019 College Rankings, the University of Notre Dame places 30th, Purdue University ranks 41st, and Indiana University comes in at 47th.

□ Among bachelor's colleges, Goshen College ranks second in the nation, the University of Evansville ranks 10th, and Taylor University places 42nd. In the pantheon of America's Best Bang for the Buck Colleges in the Midwest, Indiana Wesleyan University places sixth, University of Notre Dame is found in ninth place, Goshen College ranks 18th, and Bethel University checks in at the 20th slot.

IN Programs & Policy . . .

- Indiana State University welcomes the fourth and final cohort of the Woodrow Wilson MBA Fellowship in Education Leadership.

- Recommendations for increasing the freshmen-to-sophomore retention rate to at least 80% will be presented to the Ball State University Board of Trustees in September by Provost Susana Rivera-Mills.

- Ivy Tech Community College Muncie/New Castle sports a new mascot: a roadrunner. The character "sort of resembles Ball State University's Charlie Cardinal, except it's green," reports the *Muncie Star Press*. The paper adds that the campus "is planning to launch intramural athletic programming to help in efforts to improve persistence and graduation rates."

- The Indiana University Maurer School of Law initiates a formal review of whether to allow prospective students to submit scores from the Graduate Record Exam (GRE) in lieu of the Law School Admissions Test (LSAT), reports *Indiana Lawyer's* Marilyn Odendahl.

- The Midnight Express that since 2009 has provided students of Saint Mary's College and the University of Notre Dame with free transportation to and from both campuses and downtown South Bend on Friday and Saturday nights between 9:00 p.m. and 3:30 a.m. has been cancelled after the South Bend Public Transportation Corporation gave notice that the cost of the service would increase by 50 percent.

- Ivy Tech Community College students in Lawrenceburg and Batesville will now have access to four free mental health counseling sessions provided by a local community health center.

IN Gifts & Endowments . . .

- A partnership between Trine University and Parkview Health on the university's new Health Informatics program seeks to help meet the need for skilled healthcare information technology professionals. Trine announced Health Informatics – a track within its revitalized Computer Science and Information Technology (CSIT) degree – last year. The program launched this Fall as part of Trine University's new School of Computing. Trine says Parkview's support has helped Trine welcome its largest incoming freshman class of CSIT majors this Fall.

- Each of the 18 holes of Indiana University Bloomington's new Pfau Golf Course has been named in honor of families who generously donated to the redesign project. The par-71 course designed in part by Hoosier native Fuzzy Zoeller will open in Spring 2020. New facilities also include a driving range, clubhouse, pro shop, and a concession area managed by the local Upland Brewery.

IN Construction & Facilities . . .

- The Indiana Finance Authority issues \$16 million in Educational Facilities Revenue Bonds, Series 2019A on behalf of Marian University to construct a new four-story residence hall at an estimated cost of \$15 million (the facility will open in August 2021 and will accommodate 210 freshmen), renovate Doyle Hall at an estimated cost of \$5 million, acquire the Overlook Apartments at Riverdale located on campus for \$8.6 million, and construct a equip new science and laboratory space for \$1 million.

□ The Indiana Finance Authority also issues \$104 million in Educational Facilities Revenue Bonds, Series 2019B on behalf of Marian to advance refund a 2011 bond issue.

- Ivy Tech Community College is considering construction of a \$3.5 million automation and robotics training facility in Goshen.

IN Government . . .

- Indianapolis Mayor Joe Hogsett (D) announces the first round of Promise Scholarships for students attending IUPUI and Ivy Tech Community College. Coupled with college coaching services, the last-dollar scholarships are designed to help Marion County students complete college by reducing barriers to on-time completion.

- In a matter of first impression, the Indiana Public Access Counselor issues an advisory opinion finding that Indiana Wesleyan University violated the Access to Public Records Act (APRA) when it withheld records from the IWU Police Department related to the arrest of a student for intimidation. "There is no dispute that APRA applies to private university police departments," reads the opinion. APRA requires a private university police department to release a record if it created solely for a law enforcement purpose and relates to arrests or incarcerations for criminal offenses.

□ In this matter, IWU argues that all records created by its campus police are created for other institutional uses and are not created solely for law enforcement purposes. The Access Counselor rejects IWU's assertion. "To the extent that IWU uses its police department's records for some non-law enforcement purpose such as the enforcement of the university's rules and regulations does not change the purpose of the record's creation. Usage and creation are mutually exclusive constructs. Mere usage for an institutional purpose does not render its creation as a criminal enforcement measure institutional."

□ "By its own admission the IWU campus police are more than security guards that help out students with lock-outs and serving as genteel cross-campus escorts. On the contrary, it has the power to investigate, arrest, detain, and use appropriate force. Granted, this matter may have ultimately resulted in the administration taking disciplinary action against the student, however, it began as a criminal matter. It matters not if institutional action was subsequently carried out. Undoubtedly, those records created in the furtherance of administrative or institutional pursuits would be separated and withheld, but not the records created as a result of the underlying law enforcement activity," he state Access Counselor concludes.

IN Transition . . .

- Former U.S. Rep. **Luke Messer (R)** joins the board of directors of Higher Learning Advocates, a non-profit organization "working to shift federal policy from higher education to higher learning - education and training beyond high school that leads to a degree, credential, or employment."

- One of the seven semi-finalists to be the next president of Santa Fe College in Gainesville, Florida, is Ivy Tech Community College Senior Vice President and Chief Operating Officer **Andrew Bowne**.

- Saint Joseph's College of Marian University brings on **Alice Susemichel** as director of workforce development. She has previously served in a variety of positions with Eli Lilly and Company, including lab scientist, clinical project manager, operations manager, and director, and previously taught biology at Roncalli High School and the University of Indianapolis.

- Holy Cross College appoints **John Kuka** to serve as vice president for advancement and athletics. He's a former associate director of athletics at Valparaiso University, and past director of athletics development at DePauw University.

- Trine University names **Evan Gustin** as its new director of student activities. Gustin had served as an admission counselor at Trine since January.

- **Mary Wade Atteberry** is retiring as the vice president for communications and marketing for Rose-Hulman Institute of Technology after almost five years. When she leaves on September 6, she will become interim vice president for communications and marketing at Earlham University in Richmond for a period of several months, a post from which she will assist former Rose-Hulman provost and vice president of academic affairs **Anne Houtman**, who took over as president of Earlham in July.

- **Paul Shepherd**, Rose-Hulman's senior director of communications and marketing, will serve as the interim vice president during the search period for a replacement for Atteberry, who joined Rose-Hulman from the University of Indianapolis.

- Saint Mary-of-the-Woods College names **William Riley**, former publisher of the *Terre Haute Tribune-Star*, as marketing director . . . **Lisa Pepperworth**, vice president for human resources at Clabber Girl Corporation for 13 years, is the new human resources director. . . **Dee Reed**, who has led SMWC's marketing and communications efforts for nine years, has been promoted to the newly created position of strategic communications director.

- **Deanna Crispen** of Logansport takes over as chair of the Indiana University Alumni Association Board of Managers. She is a graduate of IU Kokomo and is president of the Cass County Community Foundation. Chair-elect of the IUAA Board of Managers is former Senate Democratic leader **Vi Simpson (D)** of Bloomington.

- **John Schoenfelder** has been promoted to vice chancellor of the Michigan City location for Ivy Tech Community College. He comes into this new position after an internal realignment of the college's Michigan City site with the Valparaiso campus.

- **Caroline Dowd-Higgins** takes the reins as vice president of career coaching and employer connections for Ivy Tech Community College. She most recently served as the executive director of career and professional development for the Indiana University Alumni Association

- The Ivy Tech Kokomo Campus Board of Trustees adds **Mark Maple**, an owner of Maple Farms in Howard County, and **Annette Russell**, president and CEO of Security Federal Savings Bank in Logansport and past chair of the board of the Indiana Bankers Association.

- Northeastern Illinois University names **Dr. Dennis Rome** as provost and vice president for academic affairs. Dr. Rome's professional journey included teaching in the Indiana University Department of Afro-American Studies from 1993 through 2002 and then the Department of Sociology though 2004.

- **Nancee Sorenson** left her post as president at Hillsborough Community College, Brandon Campus to join LSU Eunice as chancellor. Dr. Sorenson earned her master's degree in agency counseling and a bachelor's degree in psychology from Indiana State University.

IN Courts & Conduct . . .

- A jury trial initially scheduled for October has been postponed until February 2020 in the case of *Swingley v. City of Muncie, et al.*, No. 18C05-1710-PL-000108, in which a Ball State University student who was run over by a car while walking to class seeks compensation for the alleged negligent failure of Ball State and the City of Muncie to provide sidewalks and/or safe walkways for students walking to and from class. The suit is pending in Delaware County Circuit Court 5.

- A student who became seriously ill after developing a fungal infection while living in an Indiana University dorm has filed suit, alleging IU negligently maintained the dorm's heating, ventilation, and air conditioning systems resulting in dangerous mold infestation and that IU withheld information about the hazardous dormitory conditions from its students. The case is *Engelking v. Trustees of Indiana Univ.*, No. 29C01-1908-CT-007630, and was filed in Hamilton County Circuit Court.

- The Indiana Court of Appeals schedules oral argument for October 8 in *City of Bloomington Bd. of Zoning Appeals v. UJ-Eighty Corp.*, No. 19A-PL-00457, a case in which Indiana University is an *amicus curiae*.

□ In February 2018, IU ceased to recognize the Tau Kappa Epsilon (TKE) fraternity due to evidence that TKE members engaged in pervasive drug use. Once TKE lost its recognition as an IU student organization, the property on which the TKE house sits no longer qualified as a "Fraternity/Sorority House" under the City of Bloomington's zoning ordinance. Two TKE members refused to vacate the house, causing the City to issue a notice of violation to the property's owner, UJ-Eighty Corporation. The owner sought judicial review of the notice of violation, and in February 2019, the trial court issued an order striking down Bloomington's zoning regulations as unconstitutional after concluding that they give IU "unrestricted power to determine the petitioner's use of its property without providing any mechanism for reviewing and overruling the University's decision." The trial court noted that under the City's definition of fraternity/sorority, IU can "make the decision to recognize or sanction a fraternity under whatever procedures it chooses, without restriction" and that the Ordinance does not provide the petitioner with a "right to a review of the University's decision."

□ As an *amicus* party to the appeal filed by the City of Bloomington, IU asks the appellate court to uphold the ability of the city to pair IU's recognition of a fraternity or sorority to the city's zoning code because "it is the university that is in the best position to determine whether a fraternity or sorority should be recognized as such It would be illogical and improper for another entity—such as the City of Bloomington or property owner – to be charged with making the determination about whether fraternity or sorority qualified as such."

□ Permitting the trial court's decision to stand "effectively removes the requirement that fraternity or sorority be recognized by IU in order for property to be used as fraternity or sorority house," the University contends, and as a result, members of fraternities or sororities that lost recognition would be permitted to continue living in their chapter houses after they cease to be recognized by IU.

□ The implications of letting the trial court's decision stand reach far beyond Bloomington, according to the IU friend of the court brief. Zoning ordinances in other jurisdictions similarly define fraternity or sorority by referencing such groups' association with or approval by a college or university – including the zoning codes of Greencastle, Tippecanoe County, Franklin, Muncie, Indianapolis-Marion County, and South Bend.

□ IU's legal team explains, "If the ordinances of those cities are also held invalid, that would jeopardize the ability of colleges and universities across the state to ensure the safety of the students and campus community. Not only do colleges and universities across the state have an interest in regulating their student organizations and being able to hold them accountable, but the communities across the state where these colleges and universities are located have an interest in the institutions being able to hold their student organizations accountable. This interest is inherently tied to municipalities being able to enforce their zoning ordinances to promote and maintain the order, health, and safety of the communities. In Bloomington and other Indiana cities in which colleges and universities are located, those colleges and universities should be charged with defining what constitutes fraternity or sorority or any other student organization. The Court of Appeals should reverse the decision of the trial court."

- The U.S. Bankruptcy Court in Indianapolis approves an expensive settlement agreement between the estate of ITT Tech and the Internal Revenue Service over deductions that the defunct for-profit institution claimed for its private student lending program.

□ In 2010, ITT Technical Institute created the PEAKS Loan Program under which \$300,000,000 was raised from institutional investors and loaned to ITT students to pay tuition and fees. The IRS settlement would allow ITT a bad debt deduction in 2012 of \$49,588,680 and a net operating loss deduction in 2012 of \$52,058,304 for carryback of a net operating loss from 2014. The ITT estate will owe additional tax for 2010, 2011, and 2012 of \$936,028, plus applicable interest and penalties, down significantly from the \$18,292,065 that would have been owed under the adjustments originally proposed by the IRS in 2013. This would be offset against a refund due to the debtors from the IRS of approximately \$8,644,105 for the 2015 tax year due to carryback of a 2016 net operating loss to 2015.

□ "The Trustee's accountants have reported that the IRS has tentatively estimated that the net refund to the bankruptcy estates after the setoff will be approximately \$6.8 million," the U.S. Bankruptcy Trustee explains to the judge.

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Crowded House race in CD 05

Field likely to top the 6 in 1982 and 8 in 2012, last times seat was open

When we compiled our initial list of potential candidates for the open CD 05 after U.S. Rep. Susan Brooks (R) opted to abandon the banks of the Potomac for the banks of the White River, it was a simple chore: just list all the Republicans in the district and remove the mayors of the three Hamilton County cities who would lose the autonomy and ability to affect things that they currently enjoy.

We weren't far off on how it would play out . . . and Labor Day weekend isn't even over yet. The only thing we may have overlooked is that some potential candidates could emerge from outside the district, but our first look did include State Treasurer Kelly Mitchell (R), and she's followed up the behind-the-scenes moves we've tipped you to (moving north into the district, spending three to four hours each night on calls to local leaders, traveling to local GOP confabs, and assembling a cadre of staffers and consultants) with an official declaration of candidacy last week.

Today, it looks like there may be as many GOP candidates for Congress in the 2020 primary as there were Democrats for president on the first debate stage(s) of that current race. The eight-candidate open seat field of 2012 (which followed seven in 2010) could be surpassed by week's end, and more might choose to get in when they realize that the path to victory may in practice involve two sub-primaries with no run-off. Winning the GOP primary here means winning one's own respective lane - "right" or "moderate," defined by views on social issues and willingness to associate with the top of the national ticket - and then winning overall. The latter depends upon how many candidates crowd each lane, and right now it appears the right lane is getting more crowded than what could then turn out to be the "passing" lane.

And is there a separate lane for a female GOP candidate? No discussion of 2020 politics fails to mention the importance of the female suburban Republican vote . . . and right now, Mitchell is the only GOP woman filing.

Three of the four Democratic candidates to date - and the two leading candidates - are also women, and CD 05 has not seen a general election contest between two males since 2010.

Winning one's own lane might take as little as 15% of the vote - and depending upon how many candidates line up in the other lane (assume 10 or more), that might mean that 20% overall (about 20,000 to 23,000 votes?) could win the entire primary. We repeat, however, that the vote totals for a given candidate in a particular lane will be depressed by the number of hopefuls who jump in. This reality may well make it more likely than not that a candidate on the fence who knows that s/he can't win 30,000 votes may still find it worth jumping in if they have a shot at picking off 15,000 to 25,000 votes, which could be enough if third-party spending, as rumored, drowns out some well-funded candidate voices next Spring.

We've told you before that of the nine Hoosier members of Congress, only U.S. Reps. Jackie Walorski (R) and Greg Pence (R) won their first primaries by a majority. In CD 05, then-U.S. Rep. Dan Burton (R) won less than 30% of the vote in his final - winning - primary in 2010 (just 29.67%), and Brooks then won the 2012 primary with virtually the same percentage (29.95%).

For more, please see the following page . . .

Republican ruh-roh

One poll shows muni hit to GOP brand

We're hearing about August polling (for point of reference and not relevance, before the Andrew Luck abdication) that suggests the political row may be even tougher for all Republicans to hoe in Indiana than anyone might have thought . . . yes, *even* in Indiana.

Polling for a popular incumbent Republican mayor by a prominent national Republican polling firm showed an overwhelming percentage of respondents indicating that they believed the city in question was on the right track, and the mayor in question enjoyed an approval rating north of 85% - of course, basically unheard of anywhere today.

But the third question posed dealt with the head-to-head race, and when those surveyed were asked by name whether they favored the Republican mayor or the challenger, also identified by name and party ID, the support level dropped by about 28% (and 24 points), even though the mayor, identified by name - but not party - had just earned the soaring favorables.

The pollster was said to be floored by the discrepancy . . . and those analyzing the results of that poll in toto express concern for the GOP brand even this year in Indiana municipal elections - even as this incumbent is clearly safe.



All of this seems to bode well for a second-tier candidate, but we'll worry about that "strategy" beginning around early February.

Mitchell's candidacy followed the entry of former Department of Workforce Development commissioner Steve Braun (R) of Zionsville into the race, the first Boone County hopeful. The brother of U.S. Sen. Mike Braun (R), he lost the three-way open seat CD 04 race in 2018 to now-U.S. Rep. Jim Baird (R) after a strange and nasty turn of campaign events near the end pushed Baird over the top. Braun positioned himself as a social conservative with business experience in that race, but could edge more toward the middle in CD 05 this year. Braun is reportedly prepared to spend some of the big bucks he made selling an IT venture, but his 2018 "Rose Garden" approach makes some wonder whether he can effectively engage in what will be a rough-and-tumble race that might even prove to be beyond the control of the candidates and their consultants (all of the top Hoosier GOP consultants are expected to have a horse in this race, which will be interesting of itself) themselves. Coverdale Consulting (Braun) and RightVoter (Mitchell) are already in; Mark It Red, Limestone Strategies, and Hallowell Consulting are also said to be likely participants. Mitchell has also signed on Red Curve Solutions, LLC as its treasury, budgeting, and compliance service provider.

Also entering the race is Purdue alum Danny Niederberger (R) of Indianapolis, born and raised in Westfield. He is an accounting and operations professional at Concise Capital. His "five pillars" focus on rights of the unborn, cutting spending and government debt, bolstering Second Amendment rights, imposing term limits, and investing in "soft skills" rather than STEM for K-12 education. He has no base or network, however, and freely acknowledges that he doesn't intend to do much in the way of fundraising. He'll end up eating the exhaust of the others in his lane.

Will former Sen. Mike Delph (R) of Carmel jump in? His district included some of the Indianapolis northwest side and Carmel/Boone County territory in CD 05, which he knows well from his time as district director for the Burton congressional office - and he and Kelly Mitchell may be the only two candidates in the contest with strong networks in the northern counties traditionally overlooked in the CD 05 primary. He's strong with the social and fiscal conservative networks, and has been seen around the district helping out in some municipal elections, working party events, and quietly building an organizational and grassroots structure. Delph tweets a reminder Wednesday, that state Republicans have "important local elections across the State" in two months, and "That's where the focus and energy of the party needs to be. 2020 will be here soon enough," he concludes in a subtle reminder that political courtesy once dictated that campaigns didn't begin until after Labor Day - and largely after municipal elections local election years.

The mikedelph.com domain is now adorned with a "Coming Soon" banner. Look for him to jump in; after all, if you recall what we told you about his 2018 SD 29 winning primary (and losing general election) numbers, he won Carmel and Zionsville in both rounds (the primary against a female Carmel city official who attends church with Beckwith), and in the general election he was swamped in Wayne and Pike townships (60% of the Senate district) by a wave of straight-ticket, clearly anti-Trump votes - like all other Republicans (Mike Braun (R) won only 32% in SD 29, Delph 34%, and Mitchell led the trio with about 36%).

Opting against a race is another candidate who would have joined former Indianapolis mayor Greg Ballard (R) and Fishers Deputy Mayor Leah McGrath (R) in the more socially moderate lane: Sen. John Ruckelshaus (R), the only Republican senator to represent a district won by Hillary Clinton (D) in 2016. The tireless campaigner has been knocking on doors in his north central Indianapolis/south central Hamilton County district for several months now, and would have been a strong primary and general election candidate - despite his gender. But his Senate seat is up for election in 2020, he could not run safe, and it is difficult to think of another Republican who could hold that seat in a volatile election (it will still be a tall order for Ruckelshaus himself as he watches Republicans around him fall).

Sen. Ruckelshaus wrote to supporters Wednesday that after mulling things over for many weeks with his family and others, "it soon became clear that a run for Congress would be more about politics rather than focusing on the substance of the issues that I believe we need to address. Therefore, we have ultimately decided that the best way to continue serving my community is to stay in the State Senate."

Here's how we would line up the lanes among candidates that are in the race or who are still widely believed to be considering a run . . . and some of this is based more on how people may perceive individuals than reality:

Social Conservative	Social Moderate
Beckwith	Mitchell
Braun	Abernathy
Delph	Savage
Henderson	
Niederberger	

When you see this group lining up along the backstretch, it's not hard to see another hard-line conservative, such as Hamilton County Councilmember Fred Glynn (R) or Sen. Victoria Spartz (R) taking a new look at joining the field . . . given that it would take a small percentage to win this lane. The percentage could fall even lower if Democrats have a competitive 2020 presidential primary in Indiana (think back to 2008) and hard-line conservatives jump party lines again to oppose, for example, a Sanders or Warren "Socialist," leaving social moderates (and Hamilton County RINOs!) to become the key bloc remaining among GOP primary voters. Remember, there should be no compelling GOP presidential or gubernatorial primary, and Indiana has no Senate seat up in 2020.

And with the social moderate field potentially winnowing down, there may be a business leader from the north side of Indianapolis or Hamilton County willing to take a flyer on a bid (talk is that a self-financing high-tech guy, perhaps local entrepreneur Nathan Altman of Indianapolis, a Carmel native who considered an independent 2018 U.S. Senate run; his mother, a Carmel attorney, is a prominent veteran elected county official . . . or even another name). The traffic in this lane is small today, and potentially wide (think about the typical Susan Brooks primary voter, or the suburban Republicans, men and women, uneasy about the Trump/Pence ticket). Brooks Chief of Staff Whitney Savage (R) was looking early on at this race, but is now seen as not likely to enter (and the Brooks team seems to be leaning to Mitchell), and former state agency leader Kent Abernathy (R) is, like Braun, someone who might be comfortable between the middle of the two lanes.

The intrepid Mitchell benefited from her Lugar Series network in her 2014 nomination at the state convention, and there are lots of Lugar Series alums floating around in CD 05 – who might either unite behind Mitchell again or think that this might be their own opportunity to pursue higher office (though if Mitchell were to win the congressional seat, her treasurer's post would be up for a two-year gubernatorial appointment . . . and it wouldn't hurt for a female CD 05 social moderate to be named to the post and run in 2022 – perhaps Zionsville Town Councilor Susana Suarez (R), a former Holcomb gubernatorial aide; Fishers City Councilor Cecilia Coble (R), a local attorney; or Fishers Deputy Mayor McGrath?).

With Terry Henderson (R) of Atlanta the furthest north in the potential field to date, someone from northern Hamilton County (from the Beck family?) or Madison County could feel empowered, though so many votes are centered south of 226th Street in Hamilton County, it would require a huge and united turnout from all of those areas, an unlikely prospect today.

And as all of this is playing out, we're also hearing that some large-scale push-polling was already taking place last week in Hamilton County.

We're not entirely sure if this effort was on behalf of a candidate or an outside entity, but there was a lot of special focus on Braun and Delph, with ballot-test descriptions of Braun as an ally of his brother, the U.S. senator . . . and Delph as someone who wanted to make gay marriage illegal. Other descriptions of Mitchell and Beckwith were said to be more neutral. This early effort is an indication of how expensive and gritty this race will become.

IN Politics

Federal Office Races . . .

- South Bend attorney Pat Hackett (D), an adjunct law professor at the University of Notre Dame, launches a new challenge to U.S. Rep. Jackie Walorski (R) in CD 02 after she fell short in the 2018 primary. Hackett finished second with 28.21% (Mel Hall (D) won with 41.67%) in a race in which three of the six candidates topped 20 percent. Out of 36,966 votes casts, the margin of victory was 4,973 (13.46 percentage points) according to the Capitol & Washington database . . .

- In his latest fundraising request, U.S. Rep. Greg Pence (R) assures supporters that "I wake up every single day and hit the ground running to continue fighting for Sixth District Hoosiers," and asks for contributions to his Greg Pence Victory committee, which is a joint fundraising committee benefiting his Greg Pence for Congress campaign committee, his Mustang PAC leadership political action committee, his brother the Vice President's Great America Committee, and the National Republican Congressional Committee.

State Office Races . . .

- A gauntlet of sorts is thrown down as the Democratic Governors Association - Indiana registers as a state political action committee.

IN Legislative Races . . .

- Mark Hinton (D) of Carmel announced Monday that he will again seek the HD 39 seat held by Rep. Jerry Torr (R). The Purdue University alum who works in healthcare management and as a private consultant for a hotel company, lost by more than 9,000 votes out of some 65,000 votes cast in 2018. he plans to make support for public education his leading issue.

IN Mayoral Races . . .

- A survey conducted for Indy Politics by Mason Strategies (08/11-14; 400 LVs; margin of error \pm 4.9 percentage points) finds Indianapolis Mayor

Joe Hogsett (D) leading Sen. Jim Merritt (R) 55% to 27% with Doug McNaughton (L) picking up four percent of the vote, and another 15% claiming to be undecided. A majority (53%) consider the city to be on the right track, and Mayor Hogsett enjoys a 73% approval rating, but Abdul Hakim-Shabazz of IndyPolitics.org points out that "the contentedness of Indianapolis voters is somewhat soft: only 25 percent 'strongly' approve of the job Hogsett is doing, and only 41 percent are 'definitely' planning on voting for Hogsett." Despite the challenger being the senior Senate Republican, having served Indianapolis since 1990, a majority (54%) of local voters say they don't know enough to form an opinion of GOP challenger Merritt . . . or haven't even heard of him.

□ IndyPolitics.org details that "support for Hogsett is strongest among women (59 percent), voters under the age of 40 (67 percent), black voters (75 percent), and college-educated voters (65 percent). Partisan breaks showcase Merritt's

name ID challenges, as Hogsett has the support of 90 percent of Democrats, while Merritt only has the support of 78 percent of Republicans. Independents break towards Hogsett 46 percent to 19 percent, with 11 percent supporting the Libertarian and 25 percent remaining undecided." The leading issues facing Indianapolis are crime and gun violence (36%) followed by roads and potholes (27%) uniting across Republicans, Democrats, and independents, as well as among both those who are positive and negative about the city's direction.

□ If you look back at Peterson-Ballard polling 12 years ago in the same week, you will see a big difference in voter attitude: in mid-August 2007, only 42% of respondents believed that the city was headed in the right direction, while 64% considered it headed on the wrong track. Only 23% would definitely vote to re-elect the then-incumbent Democratic mayor, while the challenger saw his numbers jump by more than 50% from two months earlier despite spending virtually no money. More than a majority (52%) then said that it was time to give a new person a chance to be mayor, up again by a wide margin from earlier polling that year.



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IN the Presidential Race . . .

● South Bend Mayor Pete Buttigieg (D) is tied with U.S. Sen. Cory Booker (D-NJ) at five percent in fifth place in the latest Monmouth poll (08/16-20; 298 Democratic voters; margin of error ± 5.7 percentage points), one percentage point behind U.S. Sen. Kamala Harris (D-CA) even as there is big change at the top of the ladder among the top three hopefuls in this poll with a very small sub-sample (Booker and Buttigieg could be below zero based on the margin of error). He remains in fifth, unchanged at five percent, in the moist recent Morning Consult poll, which shows a picture at the top much like recent weeks, in contrast to the Monmouth shake-up. New national numbers from Emerson College Polling (08/24-26; 627 D primary voters; margin of error ± 3.9 percentage points) finds Mayor Pete down to just three percent, trailing Andrew Yang (D) who is at four percent, and has never been north of Buttigieg in any national poll. Mayor Pete is tied for sixth with Sen. Booker and U.S. Rep. Tulsi Gabbard (D-HI). He is at his lowest ebb since March in Emerson's past national polls, before his formal campaign launch Back Home in South Bend. In a general election match-up, Mayor Pete loses to the incumbent 51% to 49%, unlike his numbers in other national polls. Emerson earns high marks for its work from independent reviewers, so you have to wonder if this poll is a canary in the coal mine for Mayor Pete. Professor Spencer Kimball, director of Emerson Polling, points out that "Mayor Pete has raised enough money to stay in the race for now but will need a strong debate performance to remain relevant." But before you write him off, an even more recent Quinnipiac University poll (08/21-26; 648 Democratic and D-leaning independent voters RVs; margin of error ± 4.6 percentage points) finds Mayor Pete in his traditional fifth place spot with five percent, with Yang at three percent and no other lower-tier hopeful posting more than one percent. He performs better among Democratic-leaning independent than among Democrats, by a 2:1 margin, a difference no other hopeful tops. Among the larger general election Q sample (1,422 RVs; margin of error ± 3.1 percentage points), all of the top five Demos trump the incumbent in a Fall match-up, with Mayor Pete leading him with 49% to the President's 40%, albeit the lowest margin of the top five Demos. He takes six percent of the R vote in such a contest, but also loses six percent of the D vote. Among independents, he leads the incumbent 52% to 31%, and performs far better with women than men (he loses to the President 55% to 36% among men while winning the female vote 54% to 39%). He far underperforms the leading four candidates among general election black voters. A new USA TODAY/Suffolk University Poll (08/20-25 424 D RVs; margin of error ± 4.96 percentage points) also finds Mayor Pete in better shape than in the Emerson numbers, actually tied for fourth with Sen. Harris at six percent, double the Yang percentage. Buttigieg was also the second choice of 12%, trailing only U.S. Sen. Elizabeth Warren (D-MA) in the ranked-choice option . . . the Buttigieg campaign lays out a mental health and addiction treatment expansion plan, including a 10-year, \$100 billion grant program . . . the *New York Times* details how South Bend police issues overshadow Team Pete's narrative about restoring its economy.

IN Other Political News . . .

● U.S. Sen. Todd Young (R) learned last week that in his role as chair of the National Republican Senatorial Committee he will be charged with retaining *two* U.S. Senate seats in Georgia next year after the forthcoming resignation of U.S. Sen. Johnny Isakson (R-GA) – giving Democrats a wider Senate map as the Peach State looks more purple than in recent cycles. As the *Wall Street Journal* explains, Georgia special elections "are wide open, with no primaries for either party to choose nominees."

● In *Common Cause Indiana, et al. v. Lawson*, Nos. 18-2491, 18-2492, the U.S. Court of Appeals for the Seventh Circuit Wednesday upholds a preliminary injunction issued by Judge Tanya Walton Pratt of the U.S. District Court for the Southern District of Indiana against implementation of a 2017 law related to voter purges. In a 39-page ruling authored by Chief Judge Diane Wood (on the President's short list for a potential Supreme Court vacancy), the panel agrees with Judge Pratt that using the controversial Crosscheck program created by then-Kansas secretary of state Kris Kobach (R-KS), the vice chair of the short-lived presidential voter fraud commission chaired by Vice President Mike Pence (R) to "automatically" remove voters from the voting rolls likely violates the National Voter Registration Act (NVRA) and that the plaintiffs had standing, were likely to succeed on the merits, and would suffer irreparable injury if the law were to take effect immediately.

□ The bulk of the ruling revolved around the standing question, and Chief Judge Wood even noted almost two-thirds of the way in that "On the merits, Indiana challenges only the district court's conclusion that the Organizations have shown the necessary likelihood of success." She does "stress that we are not evaluating the question whether Indiana may choose to participate in Crosscheck or any other program. That is the state's decision to make. Our concern is only with the way the state is using the information it receives, and in particular whether that use complies with the NVRA." The process that Indiana wanted to use to cleanse its voter rolls of people it suspects no longer qualify to vote there under SEA 442-2017, codified at I.C. 3-7-38.2.5(d)-(e), was "an aggressive new strategy . . . allowing Indiana immediately to remove a voter based on information received from a third-party database," and the Act "does away with the process of contacting the voter or confirming that the voter requested removal" and "made no provision for contacting the voter or confirming her wish permanently to change domicile and cancel her Indiana registration." The ruling continues, "The state attempts to trivialize that omission, but a review of the NVRA reveals that it is fatal The accuracy or lack thereof of the state's information concerning the voter's change in residence makes no difference under the NVRA. The statute does not set an accuracy threshold; it relies instead on follow-up with the individual voter."

□ The appellate panel's discussion of the "inference that the voter is relinquishing her Indiana domicile" is intriguing. The conclusion: "The only way to know whether voters want to cancel their registration is to ask them. Registering to vote in another state is not the same as a request for removal from Indiana's voting rolls. Indiana relies on the criminalization of double voting to support its argument that registering to vote in a new jurisdiction *must* imply that the voter does not want to be registered in his old jurisdiction any more. In so arguing, Indiana equates double registration with double voting. But the two are quite different," and in "the overwhelming majority of states, it is not illegal to be registered to vote in two places"

□ The final passage of the Wood opinion adds, "We live in a representative democracy, in which the voice of the people is essential to the legitimacy of our governing institutions. Democracy starts with each voter's act of showing up at the polls to express his or her preferences. The integrity of the voting process is critical, and one measure to protect that integrity is the voter-registration process. A name on a voter roll in Indiana is there only because a voter took the trouble to put it there. Laws such as the NVRA ensure that the states do not undo that work without good reason."

● As payday loan discussion continues at a heated level during the interim, Security Finance Corporation of Spartanburg and Affiliates Political Action Committee registers with the Indiana Election Division as a political action committee affiliated with South Carolina-based consumer lender Security Group, Inc., and Security Finance Corporation of Spartanburg.

● In *Hero v. Lake Co. Election Bd.*, No. 2:19-cv-319, attorney Joe Hero, a former Lake County Republican local official, files suit with the assistance of the American Civil Liberties Union of Indiana against the Lake County Election Board, alleging that the Board was unconstitutionally upholding “a ten-year ‘ban’ that Mr. Hero received from the Republican Party for having previously supported two independent candidates for local office,” and denying him the right to file for an at-large seat on the St. John Town Council. He claims that the Board’s enforcement of the Republican Party’s “purported ban runs afoul of his right to ballot access, and therefore violates the First and Fourteenth Amendments to the United States Constitution. Appropriate declaratory and injunctive relief is warranted.”

□ Hero’s attorneys contend that “The Lake County Election Board has no legitimate interest in prohibiting Mr. Hero from seeking election as a member of the Republican Party, but even if it did possess such an interest, that interest pales in comparison to the burden that this prohibition has on Mr. Hero’s ballot-access rights.”

● Our sister Hannah newsletter, INDIANA EDUCATION INSIGHT, reports that after several years of membership growth and stable financial health, the National Education Association releases the Indiana State Teachers Association from trusteeship ahead of schedule.

□ Not only is this a big deal for ISTA members, but it is big news in the context of 2020 elections if a revived and unleashed ISTA, under local control, reinserts itself in the political dynamic as the 800-pound gorilla of public education that it once was before a decade ago when campaign finance laws were different, social media wasn’t politically dominant, and the national organization was forced to assume control of ISTA operations and install its own acting chief executive officer to address a financial crisis that began with the ISTA Insurance Trust morass and spread to ISTA and its related organizations. You should monitor this potential closely . . .

● U.S. Sen. Mike Braun (R) continues to be a target of the National Association for Gun Rights, and its leader, **Dudley Brown**, who emails NAGR supporters in Indiana to remind them of his earlier missive, and adds (in a slightly different and less nuanced message than that directed at Indiana’s senior senator) that “Your U.S. Senator Mike Braun is running around Indiana – offering his support for dangerous ‘Red Flag’ Gun Confiscation. He also wants to expand the Universal Brady Gun Registration scheme!” Brown asks Hoosiers to call Sen. Braun “right away” and “Urge him to reverse course and oppose all gun control, especially ANY ‘Red Flag’ gun confiscation law and any national gun registration scheme” . . . Sen. Braun uses the \$572 million Johnson & Johnson Oklahoma judgment over misleading marketing practices aimed at influencing doctors in on opioids, to remind Hoosiers he offered legislative solutions to address the root cause of some of the fundamental issues at stake in the case. He introduced three measures since May with Democratic co-authors to ensure Food and Drug Administration (FDA)-approved labeling for opioids is accurate and not misleading; require clear, concise warning labels for patients on the outside packaging of any prescription opioids regarding the risk of opioid drugs; require all prescribers – as a condition of their federal license to prescribe medications – receive education about responsible opioid prescribing practices and the commonly misunderstood key facets of opioid abuse among patients; and prohibit FDA from allowing opioids to be labeled for intended use of “around-the clock, long-term opioid treatment” until study on long-term usage of opioids. “When it comes to addressing the opioid crisis, I have offered simple solutions: clear and accurate labeling for prescribers and patients to rely on, and proper training for prescribers so these doctors are not misled by sales staff hired by the pharmaceutical industry,” said Sen. Braun. “While the opioid crisis is a tragic – and there are many causes to the crisis – my opioid legislation offers real solutions that, if implemented, can stop the kind of behavior that these companies appear to have engaged in, which ultimately played into this landmark opioid decision” . . . in a *Lafayette Journal & Courier* op-ed, Sen. Braun notes that as college costs rise, Purdue University President Mitch Daniels has provided a national model for universities, having “shaped Purdue into the national model for making college affordable, attainable and actually worth it.” Sen. Braun writes that “if universities do follow Mitch Daniels’ first-rate example at Purdue, he’ll be rightly remembered as a watershed innovator for the industry: the Henry Ford of higher education.”

IN Brief

IN Federal Circles . . .

● U.S. Sen. Todd Young (R), a member of the Senate Committee on Foreign Relations, tweeted that last week “marked 2 years since Burma’s military launched brutal attacks and forced the migration of the Rohingya people from Myanmar,” and he pledged to “continue to fight to ensure that this is recognized as a genocide and that the Rohingya get the justice they deserve” . . . the National Association for Gun Rights, and its leader, **Dudley Brown** takes another shot at Sen. Young, telling Hoosier backers of gun rights, “Your U.S. Senator Todd Young has thrown his support behind a national ‘Red Flag’ Gun Confiscation scheme. Please call Sen. Todd Young right away,” he emails, and “Urge him to reverse course and oppose all gun control, especially Universal Brady Gun Registration and any ‘Red Flag’ Gun Confiscation bill.”



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● U.S. Rep. Larry Bucshon (R) sees the President sign into law H.R. 3245, his Restore the Harmony Way Bridge Act. Rep. Bucshon called the signing “a great day for the Hoosiers of New Harmony in Posey County, Indiana as well as the citizens of White County, Illinois. This bipartisan, bicameral effort to convey the Harmony Way Bridge to the bridge authorities of Indiana and Illinois will allow the local communities to pursue the best opportunities in refurbishing this bridge. Since coming to Congress almost nine years ago, this has been a priority for me and while it took longer than anticipated we have crossed the finish line it has been decades in the making. I look forward to future of this bridge that connects Indiana and Illinois across the Wabash River for all to enjoy.”

● U.S. Rep. Jackie Walorski (R) ranking member of the House Committee on Ways and Means Subcommittee on Worker and Family Support, teams with that panel’s chair, U.S. Rep. Danny K. Davis (D-IL) on joint visits in both of their districts to community organizations dedicated to helping individuals and families overcome challenges and escape poverty. The experience is part of their desire to explore bipartisan solutions to reduce child poverty, increase economic well-being, improve child safety, and support parents and grandparents. Their subcommittee has jurisdiction over federal programs aimed at helping workers, children, and families thrive. “Breaking the cycle of poverty requires collaboration at every level, and it means working across the aisle to fix what’s broken and build on what works,” Rep. Walorski explains after a visit with Rep. Davis in his diverse Chicago/west-suburban district. They heard from community leaders about support services for kinship caregivers and youth in foster care, home-visiting programs for at-risk families, transitional housing and job training for young mothers facing poverty, and re-entry work programs for ex-offenders. “I’m grateful to my friend and colleague Chairman Davis for sharing with me the passion and dedication at work across his community. As we continue our work together to help families thrive, I look forward to showing him how Hoosiers in my community are tackling similar problems and serving their neighbors in need.” Rep. Davis says that he looks forward to visiting Indiana “very soon to learn about the successful programs in her community.”

● U.S. Rep. Jim Banks (R), a member of the House Armed Services Committee, joined Wolf Blitzer live on CNN from Fort Wayne Thursday evening to discuss Afghanistan, foreign aid, and Ukraine. “I am one who believes that a sustained presence in Afghanistan is important to continue to fight the Taliban, fight future threats that come from that part of the globe. But it appears that the deal that President Trump is striking with the Taliban would leave a residual force there more focused on counterterrorism. And if that is where the President and the Administration arrives, then I think I can support where we’re heading.” Rep. Banks would be opposed to eliminating \$250 million in military aid to Ukraine, “But I’m not opposed to the President calling for a review of the substantial amount of money that we spend in foreign aid to support the Ukrainians. That is all that he’s done at this point. And I imagine that that review will come back with a positive outlook of how our aid dollars are spent with our – with a very important partner that we have in Ukraine in a very important region of the world.” He adds, “this president has provided lethal aid to our Ukrainian partners to fight against the Russians when President Obama was in office, and the Ukrainians asked for help, we sent them blankets. President Trump has sent them lethal aid to fight back against the Russians. This president has been tough in that regard, in giving the Ukrainians what they need to battle back against Russian aggression.”

IN State Circles . . .

● A generation ago, when a 39-year-old Myra Selby was interviewing with the Judicial Nominating Commission for her eventual appointment to the Indiana Supreme Court, your favorite newsletter told you about some of her answers and comments in that 1994 session . . . and one paragraph from our story may have some significant implications for what you might expect from Hearing Officer Selby in her role adjudicating the attorney discipline complaint against Attorney General Curtis Hill (R) on behalf of the Supreme Court next month.

□ “As for her judicial philosophy,” we wrote about the then-incoming justice at the end of 1994, “she says that the approach that she will ‘embrace is that of trying to find the right decision,’ even if that differs with the body of law. ‘One can always have an eye on the goal of coming to the right decision,’ but ‘analytically, one can come to [the right decision] in a number of ways. Her personal philosophy and life experiences ‘will always play a part’ in her judicial decisionmaking. Is she an advocate of judicial activism or of judicial restraint? She told the panel that she was ‘in the middle of those two’ forks, but, in perhaps her boldest statement, she argued that ‘[you] don’t advance development of the law ... by doing what I think has been happening with the U.S. Supreme Court,’ where, she contends, division among the justices has led to ‘confusion rather than clarity.’ She also slammed the nation’s top court for being too insulated.” Yes, a quarter of a century (and actual service on the Supreme Court, private practice, and life experience) has passed since she made those remarks, but this represents one of the few public utterances by Selby – inscrutable as a Bayh Administration gubernatorial aide and largely enigmatic after her judicial service – that could offer a perspective on – if not a clue to – her potential approach to the Hill matter.

□ After a closed hearing last month, Hearing Officer Selby denied a motion filed by the Office of the Inspector General to quash AG Hill’s subpoena requiring OIG to produce all statements, photos, videos, and documents (digital included), collected during the course of OIG’s investigation of General Hill. She finds that Hill “has made a showing of particularized need for the documents, information or objects and there has been a showing that the information cannot be obtained from another source. Accordingly, the Inspector General is hereby ordered to produce the documents, information or objects set forth in Respondent’s Notice of Items sought from special prosecutor’s file held by the Office of Inspector General. Any names or identification included in Item No. 32: ‘Hotline complaint with subject: AG’, may be redacted prior to production.”

□ Despite losing the battle, Indiana Inspector General Lori Torres is gratified that she won the larger war, setting precedent that will serve her office going forward. “We are grateful for the Court’s decision,” she says of the Selby ruling. “The Court required compliance with the IG statute, which requires a third party to show a particularized need and proof they have no other source from which to obtain the information and requires a court to order disclosure. That was always our intent – to ensure that Attorney General Hill complied with the confidentiality statute. Our position is consistent with our history of holding investigative documents, including testimony, confidential. We are comfortable with this outcome.”

□ The entire disciplinary process was nearly derailed as August closed. Recall that we told you Hill's attorneys had subpoenaed the respective top leaders of the Senate and House during the period at issue during the controversy. One of the two, **David Long**, was the president pro tem of the Senate as events unfolded, but he left the Senate in mid-term to become a member of Ice Miller LLP, the same law firm as Hearing Officer Selby. As Selby explains it, counsel for Hill communicated to her "a concern with regard to a potential witness, David Long, who is a member of her law firm. Based on this disclosure, the question of possible recusal or disqualification of the Hearing Officer based on this disclosure was discussed during a telephonic status conference. While Selby observes that "No motion to recuse to disqualify was pending," she had "indicated that she was considering the matter pursuant to applicable provisions of the Code of Judicial Conduct. The Hearing Officer set forth her analysis of the facts and circumstances involved, as well as the obligations and standards as set forth in Code of Judicial Conduct Rule 2.11. Counsel for both parties were heard. After due consideration, the Hearing Officer has determined that there is not a basis for disqualification or recusal."

□ The depositions of former Sen. Long and House Speaker **Brian Bosma (R)**, as well as Speaker Bosma's chief of staff, **Tyler Campbell**, were scheduled to be taken August 29.

□ Hill's attorneys also revealed last week that they will depose Rep. **Mara Candelaria Reardon (D)** and two of the legislative staffers who were fellow plaintiffs in the civil suit against him on September 4 . . . and the length of those depositions is considerably longer than the time set aside for the legislative leader interviews.

● The Department of Local Government Finance issues a nonrule policy document as required by HEA 1043-2017 and HEA 1021-2019 determining the threshold amounts for a "controlled project" as defined in IC 6-1.1-20-1.1; whether a proposed controlled project must be approved by registered voters through a petition and remonstrance; and whether a proposed controlled project must be approved by registered voters through a referendum. The new threshold amounts determined for 2020 are as follows:

(1) For a project to be a controlled project, the threshold amount is \$5,350,950.

(2) For a controlled project to trigger a petition and remonstrance process, the threshold amount is \$16,052,850.

(3) For a controlled project to trigger the referendum process, the threshold amount is \$16,052,850.

● We believe the first public appearance of any consequence by **Dan Coats**, the former director of national intelligence, since his retirement from a distinguished career of public service will be September 24 before the Economic Club of Indiana in Indianapolis. As one might say, "That's going to be special!"

● Despite Surgeon General **Jerome Adams** hailing from Indiana (and heading Back Home for a November 18 speech to the Economic Club of Indiana) - and having an acute understanding of and unique perspective on the state's opioid problem, both professionally and personally, Indiana has been grossly shortchanged in federal funding to address the opioid problem, according to a new analysis released by the Richard M. Fairbanks Foundation.

□ A *Comparison of State Share of Federal Opioid Funding to State Share of Opioid-Involved Overdose Deaths* reveals that "the amount of funding flowing to states is not aligned with their share of opioid-related deaths," and - spoiler alert - Indiana lands at the bottom of the pack.

□ Using recently released data from the Bipartisan Policy Center on federal opioid appropriations by state for fiscal years 2017 and 2018 and comparing this funding to opioid-related overdose deaths, measured using three calculations to correct for underestimates of opioid-related overdose deaths, researchers determine that there are "clear winners and losers: Some states receive significantly more funding than their proportion of the nation's opioid-related deaths, while others receive far less. The most overcompensated four states, receiving far more than their share of federal funding, relative to their share of opioid-related overdose deaths: Oregon, Washington, Texas, and California. California, for example, received almost 11% of federal funding for opioid interventions, but accounted for less than five percent of opioid-related overdose deaths nationally. "On the opposite end, some states with high rates of overdose deaths emerged as clear losers, receiving significantly less funding to address the opioid epidemic than their share of the nation's opioid-related casualties. The four states subjected to "the greatest underfunding were Pennsylvania, Ohio, New Jersey and Indiana Indiana has 4% of deaths and less than 2% of funding."

State	% of opioid-related deaths	% of opioid-related funding	Total federal funding	Amount of overfunding
California	4.8%	10.9%	\$ 912.6M	\$ 506.4M
Texas	3.3%	6.4%	\$ 533.2M	\$ 254.8M
Washington	1.3%	2.4%	\$ 200.2M	\$ 91.5M
Oregon	0.6%	1.4%	\$ 118.3M	\$ 67.0M
underfunding				
Indiana	4.0%	1.9%	\$ 158.8M	- \$ 175.6M
New Jersey	4.7%	2.3%	\$ 192.0M	- \$ 203.9M
Ohio	8.0%	4.1%	\$ 344.0M	- \$ 329.1M
Pennsylvania	8.8%	4.1%	\$ 344.5M	- \$ 398.0M

□ A key conclusion: "The implications of these findings are clear. People suffering from opioid use disorder are worth the same across each state. The way funding is allocated now - which is not commensurate with the percentage of opioid-related overdose deaths - creates a misalignment between resources and need. As we look to meaningfully tackle America's opioid epidemic, addressing these disparities must be part of the solution."

● The State touts a deal allowing state employees to save 20% on select Indianapolis Colts home games, including match-ups against the Falcons, the Panthers, and all three division rivals . . . and this deal was in effect even before the big Colts QB news hit the fan(s).

● The case, *Planned Parenthood of Indiana and Kentucky, Inc. v. Adams, et al.*, No. 17-2428, was argued back during the first week of January 2018, and was finally decided just last week. This is the legal action arising from SEA 404-2017, the measure that offered a judicial bypass process for a minor seeking an abortion without parental consent. The law authorized a judge to notify the parents of a minor seeking an abortion before the procedure if the judge believed it in the minor's best interest, but it was preliminarily enjoined by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana, and the State appealed.

□ We told you after 32 minutes of oral argument between Indiana Solicitor General **Tom Fisher** facing off against **Ken Falk** of the American Civil Liberties Union of Indiana in front of a three-judge panel that consisted of two Hoosiers, judges **Michael Kanne** and **David Hamilton**, and Judge **Ilana Rover**, that “Based on what we’ve heard in oral argument in other Seventh Circuit cases dealing with challenged Indiana abortion laws, the outcome does not look to be favorable for the law as enacted. The questions posed to Fisher were far more probing and skeptical than those of Falk.”

□ Some 20 months later, it turns out what we told you was on target. A 50-page 2-1 ruling authored by Judge Hamilton, summarizes things thusly: “Indiana statutes have long provided a fast and confidential judicial bypass procedure that is supposed to allow a small fraction of pregnant, unemancipated minors seeking abortions to obtain them without the consent of or notice to their parents, guardians, or custodians. In 2017, Indiana added a parental notification requirement to the judicial bypass statute. Before the law took effect, plaintiff *Planned Parenthood of Indiana and Kentucky, Inc.* sued to enjoin its enforcement. In a careful opinion, the district court issued a preliminary injunction against enforcement of the new law’s notice requirements. *Planned Parenthood of Indiana & Kentucky, Inc. v. Commissioner*, 258 F. Supp. 3d 929, 956 (S.D. Ind. 2017). The defendant state officials have appealed a portion of the preliminary injunction. In light of the lopsided factual record, the deferential standard of review, and the preliminary status of the findings of fact and conclusions of law, we affirm That lopsided factual record indicates that, for the small group of minors affected by this law, requiring parental notice is likely a ‘deal breaker’ for a significant fraction.” Judge Hamilton observed that “The State has not yet come forward with evidence showing that there is a problem for the new parental notice requirement to solve, let alone that the law would reasonably be expected to solve it.”

□ Indiana Public Broadcasting’s **Brandon Smith** tweets, “By my count, this is the 11th time in the last 3 years Indiana has lost in court over anti-abortion laws. In that same span, it has scored a victory just twice.” One of those wins, earlier this year, was a loss by Indiana University on disposal of fetal remains used in research.

□ The majority also finds from Judge Barker’s “thorough” opinion that “Planned Parenthood demonstrated a likelihood of success on the merits because Indiana’s notice law creates a substantial risk of a practical veto over a mature yet unemancipated minor’s right to an abortion. This practical veto appears likely to impose an undue burden for the unemancipated minors who seek to obtain an abortion without parental involvement via the judicial bypass. The burden appears to be undue because the State has made no effort to support with evidence its claimed justifications or to undermine with evidence Planned Parenthood’s showing about the likely effects of the law In this case, the State has not yet come forward with evidence showing that there is a problem for the new parental notice requirement to solve, let alone that the law would reasonably be expected to solve it,” and takes issue with the State’s purported rationale for prior notice when notice after the fact would address its concerns. “Planned Parenthood’s evidence shows a serious risk that prior notice, instead of giving parents an opportunity to offer wise counsel, will actually give parents an opportunity to exercise a practical veto, preventing the pregnant minor from actually exercising the constitutional right the juvenile court has allowed her to exercise.”

□ The majority also notes that “the State’s brief acknowledges that at least one purpose of the notice requirement is to inhibit the effectiveness of the judicial bypass process itself.” The panel does, however, “disagree with Planned Parenthood’s argument that the statute permits notice to parents even if the bypass court refuses to allow the pregnant minor to proceed without her parents’ consent.”

□ In dissent, Judge Kanne begins by observing that “The question presented in this case is straightforward and narrow: does the Constitution prohibit Indiana from requiring a mature minor to notify her parents of an impending abortion when she cannot show that avoiding notification is in her best interests? The Supreme Court has confirmed that both parental consent and parental notification laws are constitutional,” he reminds his colleagues. “Indiana law requires a minor seeking an abortion to obtain consent from her parents unless she can demonstrate to a judge her maturity or show that an abortion is in her best interests. Ind. Code Ann. § 16-34-2-4(e) (2017). This statutory scheme is constitutional.” Fifteen pages later, he concludes, “The challenged Indiana statute requires parental notification but allows for judicial bypass of that requirement when it would be in the minor’s best interests. Planned Parenthood provided evidence that obtaining parental notification will often not be in the minor’s best interests, but the statute already complies with Supreme Court jurisprudence focused on those concerns. The operative question is whether, given the State’s manifest interest in involving parents in consequential decisions by their children, the notification requirement constitutes a substantial obstacle for mature minors. The record provides no clarity on that point, and so – because the law was enjoined pre-enforcement – we can only speculate. As the majority recognizes, ‘evidence matters.’ [citation omitted] The district court abused its discretion by enjoining the law pre-enforcement, and its decision should be reversed.”

● A coalition of Democratic attorneys general from 16 states, led by Illinois, intervenes on behalf of Whole Woman’s Health Alliance, the Texas abortion facility which the Indiana State Department sought to prevent from opening in South Bend.

□ The 16 AGs file an *amicus* brief with the U.S. Court of Appeals for the Seventh Circuit opposing attempts by Attorney General **Curtis Hill** (R) on behalf of ISDH to deny Whole Woman’s Health a license over its failure to provide requested documentation about the safety record of affiliated clinics in other states, requests that a three-judge panel of Republican-appointed judges (including one on the President’s “short list” of potential Supreme Court appointees) found to “paint[] a troubling picture. A seemingly endless cycle of demands for information, responses, and new demands does not suggest a bona fide process. At some point, enough is enough. As courts throughout the nation recognize every day in resolving litigation discovery disputes, there comes a point where record requests become so duplicative, or marginally (if at all) relevant, that they are nothing but harassment.”

□ That panel upheld a preliminary injunction granted by Senior Judge **Sarah Evans Barker** of the U.S. District Court for the Southern District of Indiana insofar as it allows Whole Woman’s Health Alliance to open its South Bend abortion clinic “as though it were provisionally licensed,” after it was denied the license it sought. *Whole Woman’s Health Alliance, et al., v. Hill, et al.*, No. 19-2051.

□ In the *amicus* filing in the underlying case, Illinois' attorney general, joined by 15 other states, argues that Judge Barker's preliminary injunction strikes a proper balance between respect for state policy judgments and meaningful judicial review of abortion laws. states have an interest in ensuring public health and safety through regulatory schemes that promote safe access to abortion – a safe medical procedure – and when licensing regimes are enforced in a way that deprives women of access to abortion care, it increases public health risks. Finally, the AGs contend, when a state imposes unconstitutional burdens on women seeking abortions, because women crossing state lines to seek access to abortions and related care may strain the resources of neighboring states. The brief notes that women from Indiana already regularly travel to Chicago to obtain abortions due to Indiana's restrictive laws. As such, potential repercussions from Indiana's actions are not limited simply to Indiana or women who live in Indiana. Illinois is part of the Seventh Circuit, and would be largely bound by any legal findings. The brief also observes that residents of Illinois residents attend institutions of higher education in Northern Indiana, and "although these students may have temporarily left ... to pursue their education," Illinois and the other *amicus* states "retain an interest in ensuring that they are spared the 'stress, anxiety, shame, and financial hardship' associated with not having access to constitutionally protected medical care."

□ The AGs assert that the interest of states in public health is best served when their licensing and regulatory processes are applied to protect the health and safety of patients, rather than to deny women access to safe abortion services. Preventing a clinic from operating in an underserved area may have the effect of directing women into unsafe situations involving abortions in unregulated conditions, or to ultimately be subject to more risky procedures as a result of forced delays in seeking care. The brief reminds the court that there are only six abortion clinics in the entire state of Indiana, and one-half are found in Indianapolis.

□ In a key legal argument, the *amicus* observe that Judge Barker "held that defendants' regulatory regime was unconstitutional as applied to plaintiffs. On appeal, defendants argue that abortion regulations are subject to facial challenges only. But when a party is challenging the specific application of an abortion law – such as the denial of a licensing application for a single clinic – state interests are well served by as-applied review. This approach respects the States' legislative and policy judgments on how best to promote health and safety within their borders, yet also ensures that meaningful scrutiny is applied to the enforcement of abortion laws so that the right to abortion care is not unduly burdened."

□ They further explain that "Although at times a statute or regulation may be amenable to a facial challenge, plaintiffs are not as a general rule foreclosed from bringing as-applied challenges to abortion laws. And when a party challenges the constitutionality of a state action taken under a state licensing statute or regulation against a single entity, the States have an interest in that narrow challenge proceeding on an as-applied basis, because if the challenge results in an injunction, the law remains valid and enforceable in other contexts. This state interest is particularly acute when, as here, a district court issues a preliminary injunction affecting enforcement of the law while litigation is ongoing. Additionally, the *amicus* States have an interest in ensuring that abortion laws are enforced to protect the public health and safety of their residents, without unlawfully interfering with reproductive autonomy."

□ Finally, the Democratic chief state legal officers assert, "States – including the *amicus* States – have enacted a variety of licensing schemes that may be lawfully applied to protect these interests. However, where, as the district court held occurred here, a State's application of its regulatory regime unduly burdens the right to access abortion services, this application of state law increases public health risks and may strain the resources of neighboring States, because women must cross state lines to receive constitutionally guaranteed medical services."

- The Office of the Attorney General files a motion for summary judgment defending "the constitutionality of two common-sense regulations designed to protect the health and safety of women seeking an abortion." One challenged section requires physician reporting of abortion complications, and the other requires the Indiana State Department of Health to inspect abortion clinics annually to ensure compliance with applicable health and safety regulations. "Both requirements apply to abortion clinic operations rather than the abortion procedure itself (or women seeking abortion), and Plaintiff Planned Parenthood of Ind. & Ky. ... does not argue that either provision imposes an 'undue burden' on such women." "The state has a clear interest in protecting women's health and safety," Attorney General Curtis Hill (R) said after filing the motion. "These laws are reasonable and constitutional means toward achieving this goal." *Planned Parenthood of Indiana and Kentucky, Inc. v. Comm'r, Indiana State Dep't of Health*, No. 1:18-cv-01219-RLY-DLP.

□ More specifically, the State's memorandum in support of the motion argues that under Evidence Rule 702 and controlling precedents, Planned Parenthood's experts are not qualified to offer some opinions that they tender, and the reporting requirement is not unconstitutionally vague and is properly read to include a *mens rea* requirement. OAG contends that the phrase "arising from the induction or performance of an abortion" is not unconstitutionally vague; the specific listed complications are not vague; the term "psychological complications" is not vague; "any other adverse event" as defined by the U.S. Food and Drug Administration is not vague; and specific complications are severable. The brief asserts that the reporting requirement does not violate due process, and neither the reporting requirement nor the inspection requirement violates equal protection. The reporting requirement does not violate equal protection because there is no evidence that it singles out abortion providers for disfavored treatment, and the inspection requirement does not violate equal protection.

- The Family and Social Service Administration decides to officially cancel its Request for Proposals for Long Term Care Ombudsman Services.

- The Indiana State Prison is certified as fully compliant with the National Prison Rape Elimination Act (PREA). This certification requires 100% compliance with each of the 43 standards and subsections – 189 in total. The Indiana State Prison met all the standards required for compliance and exceeded the standards in two areas: staff and volunteer training. The certification included a three-day on-site review in April.

□ Among the steps taken by the Michigan City facility to comply with PREA: Increasing inmate education about their rights, and adjusting the process used to notify offenders of their duty to report for medical and mental health care staff.

● On Tuesday, 30 of the best technology projects in state government were named as award finalists by the National Association of State Chief Information Officers, and among the 19 states up for honors is Indiana's effort "Connecting Indiana's Medicaid and Corrections Data to Improve Hoosier Health," one of three finalists in the category of "Cross-Boundary Collaboration & Partnerships."

● Attorney General Curtis Hill (R) takes the time to write another op-ed for FoxNews.com citing California's Proposition 47 - the "Reduced Penalties for Some Crimes Initiative" - from five years ago as a key factor in San Francisco's double-digit percentage rise in homelessness in the last two years. The measure granted leniency to offenders whose crimes are deemed "nonviolent" and "non-serious." "The initiative requires courts in many cases to hand down only misdemeanor sentences for crimes previously classified as felonies. These include offenses such as fraud, grand theft, shoplifting and the personal use of most illegal drugs. San Francisco officials, particularly the city's district attorney, played leading roles in promoting this compassionate vision. They promised a wide array of benefits, such as saving money by sending fewer people to jail," but opposite effects have been experienced, and "one must acknowledge the likelihood that reducing penalties for crimes such as illegal drug use might lead more people to indulge in such activities. This makes it more likely that more people will slide down the slippery path to addiction, homelessness and further crimes."

□ In the op-ed, General Hill observes that "California is not the only place where going soft on crime has had negative effects on urban centers. Similar trends have occurred elsewhere. These realities beg the question: Can policies that make things intolerably worse for everyone really be called compassionate at all? The best correctional models are those that hold offenders accountable for their crimes but also help improve their character by addressing social, emotional, spiritual, educational and familial issues through targeted services. As Indiana's attorney general, I have championed drug addiction treatment programs in jail. For criminal offenders with addiction problems, imprisonment can be a godsend if it helps put them on the road to recovery. The key is connecting them with quality long-term treatment programs that begin during incarceration and continue well beyond their release. Besides offering quality substance abuse treatment programs, we need to do a better job providing education, job training, mental health services and other programs to inmates. We also should explore incentives for employers willing to provide a second chance to job applicants with criminal histories. There is nothing compassionate, however, about going soft even on so-called "nonserious" and "nonviolent" crime. What about the victims of such crime? Where is the concern for them among those eager to reduce criminal penalties? In the 1990s, then-Mayor Rudy Giuliani implemented the "broken windows theory" to significantly reduce crime in New York City. By aggressively targeting even low-level crimes such as vandalism and public intoxication, Giuliani created a safer environment in which more serious crimes were less likely to occur. We have gone from the success of Giuliani's 'broken windows' policy to the failure of broken cities that embrace policies that are contributing to their own destruction. President Ronald Reagan was right when he said: 'We must reject the idea that every time a law's broken, society is guilty rather than the lawbreaker. It is time to restore the American precept that each individual is accountable for his actions.' In states and cities all across our great nation, officials might be surprised at the extent to which accountability and compassion can go hand in hand."

□ Following the weekend op-ed, on Monday morning, he joined Fox News' *Fox & Friends* live to expound upon the points he made in print. Host Steve Doocy asked him about the Reagan quote he relied upon, and Hill told him "That's one of my favorite quotes of all time, because it really speaks to the heart of the issue what it means to be an American. Accountability for your conduct." General Hill went on to urge California to take a closer look at its criminal justice reforms. "[S]imply reducing sentences, cutting sentences, pretending that criminal conduct isn't occurring or watching criminal conduct occur, but changing the definition so we no longer think it is criminal conduct, or counting it as a score, that doesn't work," he explained. "We need to make sure we hold people accountable for smaller offenses," a callback to the Giuliani "Broken Windows" approach.

● Just a few hours after our front-page story last week about state universities combining forces on cybersecurity defenses, Lake County government officials revealed that their computer systems had been the target of a cyberattack that forced the shutdown of assorted internal government applications and email service to avoid further problems. The county had been notified about a ransomware intrusion by its information technology vendor, Cenifax Management Inc. The county's cybersecurity contractor, CrowdStrike, immediately began a damage assessment and mitigation effort, scanning the county servers and some 3,000 individual computers and adding new security software to the individual machines.

□ The county has insurance coverage for such situations, and while a ransom inquiry was made, it did not include specifics - such as the amount requested - and the county chose to ignore that initial probe. Intriguingly, even as more local government units take out ransomware insurance coverage (LaPorte County felt fortunate to rely upon its insurer when it was recently a ransomware victim), some question whether the local unit gives up too much control (the decision on whether to pay and how much, even though the cost is underwritten by the insurer, an potentially making the local unit complicit in aiding a criminal enterprise) . . . and ProPublica reported Wednesday that "Even when public agencies and companies hit by ransomware could recover their files on their own, insurers prefer to pay the ransom. Why? The attacks are good for business."

□ You must weigh that all, however, versus the cost of paying ransomware from government (taxpayer) funds - as well as the ability of the insurer to bring in a security firm to immediately mitigate and work toward recovery (and some insurers will require security audits and patches before they will agree to indemnify a potential insured).

□ The IT security firm Barracuda Networks (you may remember them as a sponsor of a Bryan Herta Motorsports car for Alex Tagliani at the Indianapolis 500 a few years ago) finds that state and local governments account for the majority of ransomware targets - some 70% of the 55 ransomware attacks it was aware of to date in 2019 alone, according to a report Barracuda published Wednesday. "Smaller towns are often more vulnerable because they lack the technology or resources to protect against ransomware attacks," Barracuda observes, with just over 15% of the municipalities targeted having populations topping 300,000, although that group ended up with the largest damages (thanks largely to the attack that crippled Baltimore).

● We've been following the big-box/dark store property tax conundrum for you for several years now, and Karen Caffarini reports in the *Gary Post-Tribune* that "The City of Hobart, Merrillville School Corp. and other taxing entities could be required to refund Southlake Mall a total of \$7.9 million in past taxes and interest following a state tax review board decision, and elected officials warn this could be just the tip of the iceberg in Lake County," with one elected official warning his colleagues that "with the property tax cap, the burden of replacing this lost money could not be placed on most residential taxpayers, but would have to come from spending cuts, staff reductions, bonding options and other means. Latonya Spearman, Lake County's chief deputy auditor, said there are more than 100 tax appeals filed in Lake County alone, many of which are from big box stores, such as Meijer and Lowe's, and from smaller retailers like Walgreens."

□ The Indiana Board of Tax Review in August "set the mall's assessed valuation at \$190 million, \$50 million less than it was assessed at based on its market based assessment and \$90 million less than the mall was sold for a couple of years ago," and the mall owners are asking the Indiana Tax Court "to have its assessed value reduced even more, to \$110 million. The mall is seeking a refund for the years 2011 through 2014. If its assessed value remains at \$190 million, the City of Hobart would owe the mall about \$3.4 million in refunds and interest, Merrillville schools would owe about \$2.9 million and Lake County and other taxing bodies, including the Lake County Library, would owe \$1.6 million, although city officials stressed these are not official numbers." Appeals for tax years 2015 through 2018 are also under appeal, and local officials "expect they will come in with similar number."

□ On the flip side, there was a rare IBTR win last week for another county. "A five-year battle over property taxes with the Meijer store in Whitestown resulted in a victory for Boone County from the Indiana Board of Tax Review," according to the *Lebanon Reporter*. "Meijer Store LTD out of Michigan has appealed every assessment since 2014. Each year, Boone County has based the mega warehouse store's property tax bill on a value of more than \$11 million. Meijer claims the valuation is closer to \$7.3 million. The difference in valuation means thousands of dollars in taxes due. Wednesday, the Indiana Board of Tax Review released the final determination after a hearing held last December. The finding is that the valuation is nearly \$13 million This case was being watched by many other counties and the state legislature"

● Attorney General Curtis Hill (R) joins Attorney General Jim Hood (D-MS) in leading a bipartisan coalition of 47 attorneys general calling upon Congress to authorize the "Autism CARES Act of 2019." This legislation would provide federal support for research into autism spectrum disorders (ASD) and services to those affected by these conditions. "The United States is a caring and compassionate nation," General Hill says. "As Americans, we must stand together to help alleviate the challenges imposed by ASD upon families across the country." A previous version of this legislation is set to expire on September 30.

● For several years we've been following the progress for you of *Convention Headquarters Hotels, LLC v. Marion Co. Assessor*, No. TA-21, the JW Marriott's appeal of its 2010 Marion County property tax assessment (which the assessor proposed hiking from about \$18.5 million to some \$487 million). In the latest iteration, the Indiana Tax Court denies a motion by the Marion County Assessor's Office to dismiss the challenge on assorted technical and procedural grounds.

● Indiana ranks 33rd in the nation in highway performance and cost-effectiveness in the Reason Foundation's *Annual Highway Report*, which measures the condition and cost-effectiveness of state-controlled highways (Indiana's state-controlled highway mileage is the 23rd largest in the country) in 13 categories. This is a one spot increase from the previous report, where we ranked 34th overall. Indiana is in the bottom 10 of all states for its urban and rural interstate pavement conditions. Compared to neighboring states, the report finds Indiana's overall highway performance is worse than Kentucky (5), Ohio (18), Illinois (28), and Michigan (30).

□ Indiana's best rankings are found in the overall fatality rate, urban fatality rate, and administrative disbursements per mile. In safety and performance categories, Indiana ranks 14th in overall fatality rate, 18th in urban fatality rate, 21st in structurally deficient bridges, 27th in traffic congestion, 43rd in urban Interstate pavement condition and 43rd in rural Interstate pavement condition. Indiana's worst rankings are in rural Interstate and urban Interstate pavement condition. On spending, Indiana ranks 30th in total spending per mile and 36th in capital and bridge costs per mile.

● Hamilton County residents may soon find themselves subject to some high new fees – direct and indirect. The Carmel City Council is to consider a proposed increase of almost two-thirds in the city's park impact fee – up by 64% from \$2,972, imposed upon each dwelling unit built in Carmel to \$4,882 per unit, which *Current in Carmel* observes would render the Carmel rate almost three times those charged by its neighboring cities of Fishers, Noblesville, and Westfield . . . while the *Hamilton County Reporter* reports that a 10% increase in Hamilton County's local income tax is likely "to become effective January 1 assuming the Carmel and Fishers city councils adopt resolutions favoring it. The tax is designed to cover the costs of the county's Emergency 911 communications operation. The tax will raise about \$17 million next year and mean that the county's cities and county government will no longer have to budget for their share of maintaining the communications," and effectively ensuring that the smaller northern communities, which have been largely subsidized by both the cities and the county for the 911 service, will pay a more equitable share of the burden. That also means, according to Fred Swift explaining in the *Reporter*, that "In the case of the cities, millions of dollars now being paid for 911 will be freed up for other spending, and for the small towns, there will be no contributions needed."

IN the Economy

● The bad agricultural news that the state has endured over the past few months doesn't get any better with word that the Pro Farmer Midwest Crop Tour that concluded August 22 projects Indiana's estimated corn yield at only 161.46 bushels per acre, which is even down from U.S. Department of Agriculture projections of a 166 bushel per acre yield – itself already stepped down by 23 bushels per acre from 2018 numbers.

□ The latest actual USDA numbers for the 18 states that planted 92% of the 2018 corn acreage show that as of the week ended August 25, only 32% of Indiana's corn crop graded out as Good (29%) or Excellent (three percent), while 27% was rated as Poor (19%) or Very Poor (eight percent). Only Ohio (at 30%) saw a smaller percentage of its corn crop evaluated as Good or Excellent (and its 26% of Poor or Very Poor corn was lower than our crop in falling into those silos) among the top 18.

- The August 2019 *Purdue Farmland Value Survey* finds Hoosier farmland values edging lower. June year-over-year farmland value comparisons indicate top quality farmland declined 5.3%; average quality farmland declined 0.9%; and the poor quality farm-land decline was so small it resulted in what Purdue University researchers decide is effectively no change. Department of Agricultural Economics researchers express concern that current returns on crops remain insufficient to support the current level of farmland values and cash rents.

- The change in top quality Hoosier farmland for June 2018 to December 2018 accounted for the largest part of the farmland value change. Average and poor quality farmland values in this period posted small increases, a 1.0% increase for average quality farmland and a 3.3% increase for poor quality farmland. During the December 2018 to June 2019 period, top quality farmland continued to decline. Declines in value for average and poor quality land were large enough to offset the gains in the first six months, according to the Purdue Ag team. Average quality farmland declined 1.8% and poor quality farmland declined by 3.2% over the period. For the June 2018 to June 2019 period, top quality farmland declined \$456 per acre, average quality farmland declined \$61 per acre and poor quality farmland declined by a more modest \$2 per acre.

- The Purdue researchers find that “The one item that had an increased negative influence was the outlook for agricultural exports. The quick resolution of trade issues with China and others has not occurred and this government policy change is resulting in an increasing negative influence.” This is the third consecutive year in which U.S. agricultural policy has been viewed as having a negative influence on the farmland market. While agricultural policy is viewed a little less negatively than in 2018, the Purdue team observes that noting agricultural policy as a negative influence on farmland values is a sharp departure from the view held over the prior 70 years.

- Survey respondents indicated that farmers purchased 70% of the farmland sold in 2018, making farmers the largest segment of buyers by a significant margin. The next largest group was long-term nonfarm investors (18%) followed by developers at six percent and pension funds at five percent. Other buyers accounted for less than one percent. Almost 60% of the respondents indicated there was less land on the market than in 2018, while just over 40% indicated the amount was the same. For the first time in more than 20 years of survey work, none of the respondents indicated an increase. For all years from 2014, there was only one year in which less than 50% of the respondents indicated less land on the market than the year before (in 2018 when 45% of the respondents indicated less land was on the market).

- The African American Mayors Association releases a new report examining *The Future of Work: The Effect of Job Automation on African-American and Latino Workers in Three Cities*, which the association touts as the first in-depth study on automation that pairs economic analysis with educational analysis to offer localized solutions to anticipated job loss due to automation. The report examined three local economies: Gary; Long Beach, California; and Columbia, South Carolina. The study found that while jobs lost to automation may range anywhere from nine percent to upwards of 50% for black and Latino workers in the cities studied, localities already have many often underutilized tools to mitigate such losses such as online training programs and apprenticeships.

- That key Hoosier economic metric that we’ve been following for you continues to ominously trend down. The RV Industry Association’s July survey of manufacturers finds that total RV shipments ended the month with 28,044 wholesale shipments, a decrease of 23.2% from the 36,525 units shipped during July 2018. Towable RVs, led by conventional travel trailers, totaled 25,002 units for the month, a decrease of 23.9% compared to the previous July’s total of 32,835 units. Motorhomes finished the month with only 3,042 units, down by 17.6% compared to the July 2018 total of 3,690 units.

- RV shipments, which were on a progressive decline in each month of the second quarter, now start the third quarter headed in the same wrong direction. Through the first seven months of 2019, RV shipments have reached 244,625 units, down by 20.6% from the 308,113 units at the same January - July point last year. No month yet this year has seen shipments surpass levels posted in the same month of 2018. We continue to have no explanation for this beyond economic difficulties.

- U.S. Census Bureau July statewide totals for building permits issued show 1,521 single-family permits were pulled in Indiana, up 2.1% from June 2019, when 1,490 permits were pulled, but by only 1.6% from the 1,497 permits pulled in July 2018. Indiana’s 9,251 single-family permit numbers for January through July 2019 are down by five percent compared to the permits pulled during the first seven months of 2018.

- In a set of reply comments to the Federal Energy Regulatory Commission’s Notice of Inquiry regarding the Commission’s electric transmission incentives policy, the Carmel-based Midcontinent Independent System Operator, Inc. (MISO) submits comments focused on continuing the Commission’s policy of “incenting” Regional Transmission Organization (RTO) membership and retention, and in the process attaches a dollar value to its work. “After launching its energy markets in 2005, the value MISO adds to the region became even more apparent. To quantify this value, MISO – in collaboration with its stakeholders – created the MISO Value Proposition. MISO’s Value Proposition study began in 2007 and quantifies the value that MISO provides to the region, including MISO Market Participants and their customers. The Value Proposition breaks MISO’s business model into categories of benefits, such as: improved reliability, market commitment and dispatch (including the dispatch of energy, common footprint regulation, and spinning reserves), wind integration, compliance, and generation investment deferral (including footprint diversity, generator availability, and demand response). MISO’s Value Proposition studies have shown that the MISO region realized an estimated \$24.3 billion in cumulative benefits from 2007-2018. Additionally, MISO demonstrates significant qualitative benefits to its members and the region, including price/informational transparency, planning coordination, and seams management. This value has been delivered to members notwithstanding significant industry and regulatory changes in how MISO (and other RTOs) are required to plan, develop, and operate the transmission system.”

- Even as the state edges closer to investing in a fourth port, the Port of Indiana-Burns Harbor expects to invest \$20 million over the next four years for what Joseph Pete reports for the *Times of Northwest Indiana*, will be “a major expansion that will boost its cargo handling capacity,” and includes “five big projects in the coming years,” including two new rail yards to handle unit (block) trains “in which all cars carry the same commodity from the same starting point to the same destination, a truck marshaling yard, and more.

● United Conveyor Corporation in Mishawaka closes with little notice as the parent company looks to consolidate St. Joseph County operations into a Milwaukee facility, affecting some 50 Hoosier jobs . . . two months after workers went on strike at the Valparaiso bearings manufacturing facility operated by Wisconsin-based Regal Beloit Corporation, the company plans to close local operations and, after paring down product lines, transfer remaining work to a sister plant in Monticello, affecting the jobs of some 140 Valpo-based workers . . . U.S. Steel plans to idle its underutilized East Chicago Tin facility (for the second time in just four years) by mid-November, a victim of Section 232 steel tariffs and “high levels of low-priced imported tin” undercutting the domestic tin market. The East Chicago facility, one of the “Big Six” mills in Lake and Porter counties, produces tin-plated metal for such products as food and paint cans. While the facility employs some 300 workers, about 150 are expected to be offered positions at U.S. Steel’s Gary Works and Midwest Plant in Portage, where some of the current work will be consolidated. Layoffs are expected for about 150 employees. The tin mill idling follows a June decision by U.S. Steel to temporarily idle a blast furnace at Gary Works “in response to decreasing steel prices and a softening market. There were no layoffs associated with that move,” the *Chicago Tribune* notes . . . Indiana Wesleyan University plans to lay off nine faculty members as part of a Marion campus academic restructuring . . . The Mitchel Group, Inc. plans to permanently close its Indianapolis Mitchel & Scott Machine facility that manufactures parts for the automotive and heavy-duty engine industries, by the end of October, eliminating almost 1490 local jobs.

● Carmel-based KAR Auction Services, Inc. which provides sellers and buyers across the global wholesale used-vehicle industry with remarketing platform solutions, plans to invest \$3.75 million to establish a separate headquarters for its TradeRev division (which offers a digital platform that facilitates live, dealer-to-dealer vehicle auctions) in 45,000 square feet of the eight-story Century Building in the Wholesale District of downtown Indianapolis. KAR/TradeRev expects to add some 200 new jobs by 2023 . . .

IN Transition

● Former U.S. Rep. Luke Messer (R) joins the board of directors of Higher Learning Advocates, a non-profit organization “working to shift federal policy from higher education to higher learning – education and training beyond high school that leads to a degree, credential, or employment.”

● Sen. Eric Koch (R) is reappointed as a member of the National Conference of Commissioners on Uniform State Laws by Senate President Pro Tem Rodric Bray (R).

● Thanks to Chris Sikich and Tony Cook of the *Indianapolis Star*, we now know that highly touted former Boone County prosecutor Todd Meyer (R) resigned from his post as associate director of the Department of Child Services one day after a DCS college intern he recruited reported extensive “creepy” text messages from him to the agency’s human resources staff. He had left his post with no explanation, and state officials remained mum. At an event Thursday, the Governor told print and television reporters that he was “disgusted” and “beyond disappointed” by the incident. As we recently told you, he’s effectively taken a hard-line zero tolerance stance on sexual harassment-type matters.

● Lori Torres will remain the state’s inspector general after she was unsuccessful in being selected as Johnson County prosecutor in a five-candidate Republican county caucus field on Thursday night (although there is some talk about candidates or other filing a challenge to the validity of the selection process after the first caucus was postponed over a myriad of issues blamed on the local party and legal confusion.

● Troy Keith, a 21-year employee of the Indiana Department of Correction, is promoted to director of parole services for IDOC after serving as deputy since the end of 2018, assuming supervision of all 10 state parole districts day-to-day operations.

● As the shake-up at the troubled Indiana Department of Veterans Affairs continues, Michael G. Thompson joins IDVA as its first operations director, a post from which he will oversee daily operations; the controversial Military Family Relief Fund and other veteran services programs; and develop annual operating plans and manage the agency’s budget, as detailed by Kara Kenney of WRTV-TV’s *Call 6 Investigates* in Indianapolis. Thompson moves to IDVA from the Department of Workforce Development, where he had served as DWD’s state veteran program director, was responsible for developing partnerships between federal, state, and local agencies that assist veterans and their families. Kenney notes that Thompson is a 27-year veteran of the U.S. Army and the Indiana National Guard.

IN the Lobby

● Allison Transmission, Inc., retains the Greenberg Traurig, LLP law firm’s Washington, D.C. office, which files a federal lobby registration for “Administrative and legislative monitoring and outreach on issues related to transmission technologies. Administrative and legislative monitoring and outreach related to the Department of Defense Appropriations Act. Administrative and legislative monitoring and outreach related to the National Defense Authorization Act.”

IN Court

● The cork you hear popping is to celebrate the fact that electronic filing in court cases is now available in all trial courts across the state’s 92 counties and all three appellate courts. Hamilton County was the first to implement the statewide e-filing system in July 2015, and Sullivan County joined just last month, making every Indiana county part of e-filing. More than 500,000 documents are e-filed in courts across Indiana each month.

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Indiana holds more than \$500 million in unclaimed property

Andy Knight | The Herald Bulletin 1 hr ago

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ANDERSON — In an age of electronic banking where most consumers have the ability to keep track of nearly anything with a few swipes across their smartphone screens, it seems hard to believe that the state of Indiana currently holds property and funds worth more than \$530 million that are considered unclaimed.

“People are usually pretty surprised” to hear the number, says Amy Hendrix, the director of Indiana’s Unclaimed Property Division.

The state’s inventory of unclaimed funds is mostly money — in one form or another, Hendrix says.

“Unclaimed property is a confusing term to many people,” she said. “It’s money, with the exception of safe deposit boxes that come to us from banks. Rarely are we giving back physical, tangible items.”

For example, when a tenant moves out of an apartment but forgets to collect his refundable security deposit, the landlord becomes responsible for holding the money and reporting it to the Unclaimed Property Division. Holders must report twice a year — in May and November — on the money they’re holding for people. Dollar amounts can range from pennies on a consumer rebate to thousands of dollars in an inheritance.

The state’s efforts to reunite missing property with its rightful owners is extensive and, in some ways, unique. Indiana is believed to be the only state that tracks unclaimed property through the state’s attorney general’s office.

“With most states, it’s under the treasury department,” Hendrix said. “I do know that we consider unclaimed property under consumer protection, which is under the purview of the attorney general’s office.”

Hendrix says her staff travels around the state extensively in efforts to provide consumers with details on how to access and search the vast database to see if they might find something. Last year, representatives from the Unclaimed Property Division visited all 92 Indiana counties, which helped spur claim payouts amounting to more than \$36 million.

The system, which some legislators admit could be more user-friendly, nonetheless sees more than 200 active claims a day.

“Some companies may not understand the unclaimed property laws,” Hendrix said. “We’ve done a good job reaching out to people, and as a result we’ve received more money into the state, so as a result we have more money to return to the owners.”

So far this year, the state has returned more than \$47 million in unclaimed property to Hoosiers, including more than 710,000 claims of more than \$100.

There has been discussion on what the state should do with funds that go unclaimed over the long term. Currently, the Unclaimed Property Division holds property for 25 years, and then it becomes the property of the state, with the money going into the state’s general fund. Legislators representing Madison County favor eventually returning the money to taxpayers.

“What would probably be a better solution is returning it if it reached a certain threshold,” said state Rep. Melanie Wright, D-Yorktown. “That’s just money that could be going back into Hoosier hands and needs to go back into Hoosier hands.”

Follow **Andy Knight** on Twitter @Andrew_J_Knight, or call 765-640-4809.

[More Information](#)

The database at the State of Indiana Attorney General's unclaimed property website is updated daily with claim statuses and other information.

To begin searching for unclaimed property, file a claim or submit a holder report, visit www.indianaunclaimed.gov or call 1-866-462-5246.



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5

6

7

8

9

10

11

12

13

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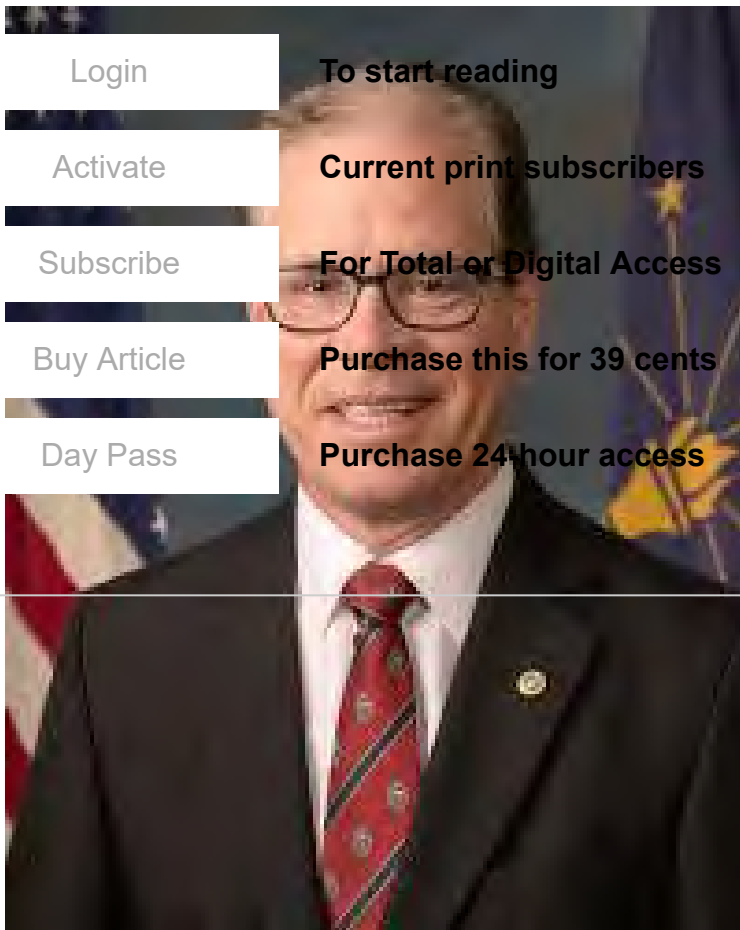
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For parents who spent this weekend loading up the family car with laundry bags that would knock over Santa Claus, schlepping your son's not-so-mini fridge up cramped dorm staircases or struggling to apply fitted sheets to lofted bunk-beds that sit 3 to 4 inches from the ceiling, I don't need to tell you that sending kids to college is a stressful affair.

Where it hurts the most, however, is not the week of aching knees that follows, but in the four years of endless assault on your bank account.

Since the 1980s, the inflation-adjusted cost of a college degree has nearly tripled, with tuition and room and board increasing at a rate eight times higher than wages. Higher education is now the only sector of the economy whose price balloons at a faster pace than our broken health-care market: not a record that needed beating.

Enter Mitch Daniels. When the former Indiana governor took up the mantle as president of Purdue University, I was curious to see how his track record as an innovative and staunch fiscal hawk – nicknamed “The Blade” by President George W. Bush – would translate to such a bloated and anti-competitive industry.

Six years later, Mitch Daniels has shaped Purdue into the national model for making college affordable, attainable and actually worth it.

Daniels first made headlines in 2013 for freezing tuition across the board for all students at Purdue. Critics doubted he would be able to keep it up for long, but if your son or daughter enrolled at Purdue any semester since Daniels took the helm in 2013, they would have graduated without paying a nickel more per term than when they started.

Purdue has held firm against ballooning tuition costs nationwide because Daniels approached the problem as a businessman would: digging deep in the balance sheet to find waste and lower fixed costs, holding all segments of the enterprise fiscally accountable and tapping into new sources for revenue, such as energizing the university’s alumni network through the Purdue Day of Giving program and even brewing a university-branded beer.

Other universities would do well to emulate Daniels’ success on another critical issue: reducing debt among graduates. One solution Daniels has implemented is income sharing: a program in which the university will pay for a student’s education in exchange for a fixed percentage of the graduate’s income for a fixed time. These agreements align the priorities of students and universities, shift the risk off of new graduates and onto the lender, and incentivize universities to help graduates find gainful employment as soon as possible.

Due to these innovations and holding costs down for students, the average debt owed by a Purdue grad has declined every year since Daniels took the reins, and while the national student loan default rate falls somewhere between 7% and 8%, Purdue’s is a third of that.

As I've crisscrossed Indiana this year, one question that comes up in every town is workforce development. By 2025 Indiana is expected to have 1 million job openings, and nationally there are already over a million more jobs than there are unemployed Americans. Universities must align their priorities with the needs of employers, and President Daniels has met this challenge by investing in workforce development programs throughout Indiana with the Purdue Polytechnic Institute and in online learning.

Daniels' move to acquire Kaplan University and rebrand it Purdue Global last year – the first time a state university has acquired a for-profit college, and for the low price of \$1 – conveys his long-term vision for what the modern university can be: a resource for students of all ages and stages of life to learn skills to help them compete in the modern workforce and fill great-paying jobs that are available now for those with the necessary training. This year, Purdue Global counts more than 2,000 Hoosiers as students – predominately women — with an average age of 34.

As someone who is also trying to bring a business mindset to a bloated and arcane system — in my case, the U.S. Senate — I respect what Mitch Daniels has done in post-secondary education all the more.

If the university system fails to heed President Daniels' warnings, it may be at their peril. Already, many small colleges and universities have begun to collapse under the weight of large overhead costs, and if the perceived value of a college degree continues to fall as tuition costs continue to rise, you don't need to be a math whiz to know what might happen next.

However, if universities do follow Mitch Daniels' first-rate example at Purdue, he'll be rightly remembered as a watershed innovator for the industry: the Henry Ford of higher education.

Republican **Mike Braun** is the junior U.S. senator from Indiana. His op-ed was first published by the Journal & Courier of Lafayette.



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Sincerely,

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Oct. 1, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Tuesday, October 1, 2019 7:40 AM

MAYOR PETE TO POST \$19M: Powered by the grassroots energy of more than 580,000 donors, Pete for America will file an FEC report later this month showing we have raised over \$19 million during the 3rd quarter, bringing our total raised to more than \$51 million since the beginning of this year, according to campaign manager Mike Schmuhl ([Howey Politics Indiana](#)). "This is great news and it positions us to not just go the distance, but win," Schmuhl said. "What we've raised has helped us hire organizers and open offices in states critical to winning the nomination. It's gotten Pete to debate stages. We've run ads and been able to move Pete around the country to rally new supporters day by day, week by week."

BUTTIGIEG MAKING 2 INDIANA APPEARANCES THIS WEEK: Mayor Pete Buttigieg will be making two Indiana campaign appearances this week. He will open up a new campaign headquarters in South Bend at 6 p.m. Thursday. The new office will be at 218 Sycamore Street (Howey Politics Indiana). On Friday, Buttigieg will address the Greater Indianapolis NAACP 50th Freedom Fund Banquet, which begins at 5:30 p.m. Friday, with his remarks scheduled for 7:20 p.m. at the Marriott Downtown on Maryland St. Buttigieg has lagged in polls with African-American voters in early primary states. The mayor has no endorsements from the Indiana General Assembly Black Caucus or from his hometown of South Bend.

MARION COUNTY WON'T PROSECUTE POT CASES UNDER 1 OUNCE: The Marion County Prosecutor's office announced Monday the county will no longer prosecute simple possession of marijuana cases (*Howey Politics Indiana*). Prosecutor Ryan Mears says cases involving less than an ounce of marijuana won't be prosecuted. The rule is effective today. "This is something that has been on our minds and discussed internally for the last couple of years. We have discussed this issue with different law enforcement partners. We think this is going to have a number of benefits to the community," Mears said. Possessing under one ounce classifies as a class B misdemeanor, which is why that amount was chosen. Possessing an ounce or more classifies for a dealing marijuana charge, which the county will continue to prosecute. Tim Moriarty, who will challenge Mears for the job on Saturday, said he would pursue a similar policy. "If elected Marion County Prosecutor on Saturday, I would keep this change in policy in place and work alongside the community to analyze its effects," Moriarty said Monday morning.

TASK FORCE PROBES COUNTY JAIL OVERCROWDING: A bipartisan task force to address jail overcrowding kicked off the first of three meetings with local law enforcement around the state Monday in French Lick (Pinsker, [Indiana Public Media](#)). State Rep. Randy Frye (R-Greensburg) proposed legislation creating the task force earlier this year, after hearing about jail overcrowding problems in each of the seven southeast Indiana counties he represents. "Building a new jail will accommodate more prisoners, but it doesn't solve the problem it's more about treating the symptom," Frye says. Frye says the task force will look at whether overcrowding is linked to prisoners not being able to post bail, longer sentences, and drug problems. Rep. J.D. Ford (D-Indianapolis) says he's worried about having enough people on staff at jails to deal with mental health issues. "I've heard from different folks that our jails are serving as detox centers, I've heard from different folks that mental health is a problem," Ford says. The panel will forward its findings to the state legislature in early 2020.

GOP SUPPORT FOR IMPEACHMENT INQUIRY GROWS: Americans are about evenly split over impeaching President Donald Trump and removing him from office, as support for that move has risen among independents and Republicans, according to a new [CNN](#) poll conducted by SSRS after the announcement of a formal impeachment inquiry by House Democrats last week. About half, 47%, support impeaching the President and removing him from office, up from 41% who felt that way in a CNN poll in May. The current level matches the high point for impeaching Trump in previous CNN polling -- 47% said they felt that way in September 2018. And that shift is concentrated on the GOP side. Among Republicans and Republican-leaning independents under age 50, support for impeaching Trump and removing him from office has risen from 9% in May to 22% now, while views among older Republicans and Republican leaners have held about even with just 8% in favor of impeachment and removal from office.

POMPEO LISTENED IN ON TRUMP UKRAINE CALL: Secretary of State Mike Pompeo was among administration officials who listened in on the July 25 phone call between President Trump and Ukrainian President Volodymyr Zelensky, a senior State Department official said Monday, a disclosure that ties the State Department more closely to the House impeachment inquiry ([Wall Street Journal](#)). Mr. Pompeo's participation on the call hasn't been previously reported. Last week, a State Department official disputed the contention in a complaint filed under federal whistleblower laws by a Central Intelligence Agency officer that another top State Department official, counselor Ulrich Brechbuhl, listened in on the call. House Democrats have opened a their inquiry focused on Mr. Trump's dealings with Ukraine, and lawmakers are focusing on the whistleblower complaint and a record of the call released by the administration. Mr. Pompeo said last week that he hadn't yet read the whistleblower's complaint in its entirety, but said that to his knowledge, actions by State Department officials had been "entirely appropriate and consistent" with administration efforts to improve relations with Ukraine.

WHISTLEBLOWER UNDER FEDERAL PROTECTION: Lawyers representing the whistleblower behind the explosive complaint involving President Trump's efforts to persuade Ukraine's president to investigate former Vice President Joe Biden

and his son Hunter Biden expressed concern for their client's safety in a letter to lawmakers released Sunday ([The Hill](#)). In a letter to Senate Intelligence Committee Chairman Richard Burr (R-N.C.), House Intelligence Committee Chairman Adam Schiff (D-Calif.) and others, lawyers representing the whistleblower said they had "serious concerns for our client's personal safety, as well as for others connected to this matter." They called on lawmakers "to speak out in favor of whistleblower protection and reiterate that this is a protected system where retaliation is not permitted, whether direct or implied." The lawyers also attached correspondence with acting Director of National Intelligence Joseph Maguire thanking him for his supportive words during his testimony and expressing concerns for their client. "60 Minutes," which first obtained the letter, originally reported that the contents suggested the whistleblower was under federal protection. However, lawyer Mark Zaid said in a statement to The Hill that the news outlet "completely misinterpreted the contents of our letter."

McCONNELL COMPELLED TO TAKE UP IMPEACHMENT CASE: Senate Majority Leader Mitch McConnell (R-Ky.) on Monday said that the Senate would have "no choice" but to take up impeachment if the House passes articles against President Trump ([The Hill](#)). "Well under the Senate rules we're required to take it up if the House does go down that path and we'll follow the Senate rules," McConnell said during an interview with CNBC. Pressed on if he was saying the Senate would take action on impeachment, he added: "I would have no choice but to take it up, based on a Senate rule on impeachment."

CORN PRICES PLUNGE: American corn farmers hit by historic spring floods are now facing the biggest quarterly price decline in five years on upbeat U.S. government crop estimates. Growers and analysts alike have scoffed at the U.S. Department of Agriculture's outlook for U.S. corn, which has been consistently more upbeat than private estimates ([Bloomberg](#)). The relatively rosy projections have corn futures in Chicago on track for a quarterly decline of about 14%, which would be the biggest since 2014. Still, money managers trimmed their bets on a price decline for the first time in more than two months, according to data from the U.S. Commodity Futures Trading Commission, as the market gears up for harvest data and corn inventory figures. "USDA has factored in a sizable corn crop," Brian Hoops, senior market analyst at Midwest Market Solutions in Springfield, Missouri, said by telephone. "It's going to come down to yields at harvest -- how good or bad they are." As of this week, only 7% of the corn crop was harvested, compared with the five-year average of 11%. Even with a smaller harvest, farmers are facing reduced demand. The ethanol sector that consumes more than a third of the crop has seen its margins squeezed, while Brazilian and Ukrainian corn are usurping U.S. grain in export markets.

VIGIL FOR KHASHOGGI AT ISU WEDNESDAY: Slain Washington Post journalist and Indiana State University alumnus Jamal Khashoggi will be memorialized with a candlelight vigil at 7:30 p.m. Wednesday at Dede Plaza, near the fountain on ISU's campus ([Terre Haute Tribune-Star](#)). Wednesday marks the one-year anniversary of Khashoggi's death. A critic of the Saudi government, he was assassinated in early October 2018 after visiting the Saudi embassy in Turkey to obtain marriage documents. His death prompted an international outcry. Khashoggi attended Indiana State as an undergraduate from 1977 to 1982 and received a business administration degree on May 7, 1983. The vigil is being conducted by the ISU chapter of the Society of Professional Journalists, said Lori Henson, chapter adviser. "We thought it was important to remember him on the anniversary of his death. There is still a lot that his life and death can teach us about the importance of a free press and protection of the First Amendment in the United States," she said.

HPI DAILY ANALYSIS: This is what happens when the governor and legislators lag behind public sentiments on issues. The decision by the Marion County prosecutor to stop pressing charges on marijuana possession will likely set off a new trend, and will divide the state. Marion County is not the only jurisdiction taking this approach. Vigo County Sheriff John Plasse told the *Tribune-Star* this past summer that possession of recreational amounts of marijuana would likely result only in a ticket. Most Hoosiers know that marijuana should not be on the same schedule as heroin or morphine. Local officials have overcrowded jails, so their priorities are shifting. The 2016 *HPI/WTNR-TV Poll* revealed support for medicinal marijuana was north of 70% and by the end of the year recreational marijuana will likely be legal in Illinois, Michigan and Ohio, while support appears to be growing in Kentucky. Now we are seeing these elements beginning to be reflected at the local level. - *Brian A. Howey*

Campaigns

NEW HOGSETT TV AD: In the first 60-second ad of the cycle, the Hogsett campaign focuses on telling the story of Donita Royal, a mother who tragically lost her son to gun violence. The newest campaign ad, "Mothers Against Violence" follows the story of a mother who responded to unimaginable heartbreak with incredible strength and a desire to support others experiencing loss ([Howey Politics Indiana](#)). "My life changed forever. But I decided to take my pain and turn it into something positive -- a way to keep his memory alive by helping other mothers," Donita explains in the ad. Donita founded the Mothers Against Violence Healing Ministry, an organization that helps grieving families who have lost loved ones to gun violence. In

partnership with Mayor Hogsett and his efforts to support grassroots organizations that aim to address the cycle of community violence, Mothers Against Violence has received grant funding in order to help families navigate trauma. Donita was able to provide direct help to families experiencing the loss of a child due to gun violence. "What I love about Mayor Hogsett – he's a man of faith. And my spirit connects with that."

INDY CHAMBER ENDORSES HOGSETT: The Indy Chamber's Business Advocacy Committee (BAC) – the political arm of the region's largest business organization – announced its endorsements of Mayor Joe Hogsett ([Howey Politics Indiana](#)). The BAC also a bipartisan group of City-County Council candidates who share a common-sense commitment to issues like economic and workforce development, investing in infrastructure (including mass transit), neighborhood redevelopment and public safety. "Our city's economy is stronger when more of our citizens are able to contribute to it," said Indy Chamber President and CEO Michael Huber. "Mayor Hogsett is committed to this ideal of inclusive growth, restructuring local economic incentives to upgrade our job market and launching initiatives like 'Indy Achieves' to upskill our workforce, while supporting improved transit to connect people and employers." "Elections are competitions of ideas, and our BAC faced a difficult decision – Jim Merritt has offered thoughtful plans on a range of important issues, like focusing on substance abuse treatment as a preemptive strategy to address crime and poverty," noted Indy Chamber Chief Policy Officer Mark Fisher.

ZODY QUESTIONS HOLCOMB ON MANUFACTURING: Indiana is just one of four states that lost manufacturing jobs in the past 12 months. New data from Holcomb's Department of Workforce Development painted a grim picture. Indiana lost 1,500 manufacturing jobs between August and September 2019 and 3,000 in the past 12 months ([Howey Politics Indiana](#)). Chairman John Zody pointed out that Governor Eric Holcomb, who never runs from an opportunity to spotlight positive economic news, has been silent at what could be a critical inflection point. "Indiana appears on the leading edge of a manufacturing sell off, does Gov. Holcomb have a plan?" said Zody. "The red lights are flashing. Is Holcomb even paying attention?"

REP. MAC THORNBERRY KEEPS 'TEXODUS' ROLLING: Rep. Mac Thornberry (R-Texas) announced on Monday that he won't seek reelection in 2020, marking yet another high-profile retirement for House Republicans ([Politico](#)). As the top Republican on the House Armed Services Committee, Thornberry was a vocal supporter of efforts to boost military spending and helped win major increases in the defense budget under President Donald Trump. "It has been a great honor to serve the people of the 13th District of Texas as their congressman for the last 25 years," Thornberry said in a statement. "They have given me opportunities to serve the nation in ways I could have never imagined, including as Chairman of the House Armed Services Committee. "We are reminded, however, that 'for everything there is a season,' and I believe that the time has come for a change," he added. "Therefore, I will not be a candidate for reelection in the 2020 election."

Presidential 2020

SANDERS TO POST \$25M: Senator Bernie Sanders raised \$25.3 million in the past three months, his campaign said on Tuesday, a total that continues to demonstrate his strength with small donors as he fights to maintain support in key early-voting states ([New York Times](#)). The financial haul, among the first that a candidate has announced for the third-quarter, will almost certainly place Mr. Sanders in the top of the field for fund-raising. It is also a much-needed boost for his campaign, as it looks to move past a summer slump that coincided with staff shake-ups in New Hampshire and Iowa and a slip in some polls in early-voting states. And it will perhaps help quell the narrative that his campaign is in decline.

QUINNIPIAC POLL SHOWS 47% BACK IMPEACHMENT: American voters are divided on impeaching and removing President Trump from office, 47 - 47 percent - closing a 20 point gap from less than a week ago, according to a [Quinnipiac University Poll](#) released today. In the poll released on September 25th, voters said that the president should not be impeached and removed 57 - 37 percent. Among the political party subgroups, Democrats showed the greatest change from the last poll. Today, they show a virtual consensus on impeaching Trump, 90 - 5 percent, while last week they said Trump should be impeached 73 - 21 percent. The gap also closed among independents, who clearly said that the president should not be impeached last week 58 - 34 percent, and today are only slightly opposed to impeachment at 50 - 42 percent. Republicans feel much the same today as they did last week about impeachment; today, they say Trump should not be impeached 92 - 7 percent, and last week, they were opposed 95 - 4 percent. While voters are split on impeaching and removing President Trump from office, a slim majority of registered voters do approve of the impeachment inquiry opened by the U.S. House of Representatives 52 - 45 percent. Approval includes half of independents, who are split 50 - 45 percent on the inquiry.

45% BACK IMPEACHMENT IN REUTERS POLL: The number of Americans who believe President Donald Trump should be impeached rose by 8 percentage points over the past week as more people learned about allegations that Trump pressured Ukraine to smear his top Democratic political rival Joe Biden, according to a Reuters/Ipsos poll released on Monday ([Reuters](#)). "The Sept. 26-30 opinion poll found that 45% of adults believe Republican Trump 'should be impeached,' compared with 37% in a similar poll that ran last week. Another 41% said that Trump should not be impeached and 15% said they 'don't know.'"

FLAKE URGES GOP NOT TO RENOMINATE TRUMP: Former GOP Sen. Jeff Flake called on Republicans to not support President Donald Trump's reelection campaign and argued that his latest scandal involving Ukraine warrants impeachment ([Politico](#)). "Whether you believe the president deserves impeachment, you know he does not deserve reelection," Flake, a vocal critic of Trump, wrote in a Washington Post op-ed published Monday.

ONLY 33% APPROVE OF TRUMP ON RACE RELATIONS: Large majorities of black and Latino Americans think Donald Trump's actions as president have made things worse for people like them, and about two-thirds of Americans overall disapprove of how he's handling race relations, according to a new poll conducted by The [Associated Press-NORC Center for Public Affairs Research](#). About half of all Americans think Trump's actions have been bad for African Americans, Muslims and women, and slightly more than half say they've been bad for Hispanics. Trump's 33% approval rating on handling race relations makes that one of his worst issues in recent AP-NORC polls. That stands in stark contrast to his handling of the economy: About half say they approve of his handling of that issue, while views of current economic conditions continue to be rosy amid robust employment numbers and a strong stock market.

TRUMP FACEBOOK ADS FEATURE IMPEACHMENT: More than 1,800 ads on Trump's Facebook page mentioning 'impeachment' have run in the past seven days ([CNN](#)). The ads have been viewed between 16 and 18 million times on Facebook and the campaign has spent between \$600,000 and \$2,000,000 on the effort, according to data analyzed by Laura Edelson, a researcher at New York University's Tandon School of Engineering. The President is using ads to enlist people in what his campaign is calling the "Official Impeachment Defense Task Force."

TRUMP RAISES \$8M IN 2 DAYS: Donald Trump's campaign aides expected months ago that Democrats would try to impeach the president — and he needed a way to exploit it. So this summer, Trump 2020 officials spliced news clips of Democrats discussing impeachment into a 90-second video montage, punctuated by the president imploring supporters to help him 'stop this nonsense' ([Politico](#)). Aides quietly filed the spot away until last week, when it was released it as part of an online counteroffensive to the impeachment push that brought in 50,000-plus new donors and raked in \$8.5 million in two days — the campaign's biggest digital haul since its June launch.

MAYOR PETE'S MOM READS CAMPAIGN LETTERS: Several times a week, Anne Montgomery makes her way a few miles from her home to a fifth-floor office in downtown South Bend that teems with young adults working to elect her son president. She reads letters that bring back anxieties about being the mother of Pete Buttigieg, the first gay man to become a leading presidential candidate ([AP](#)). The ones that touch her most are testimonials of people who have come out as gay, or from their parents, praising Pete. "To read them, I realize the terrible time some people have," she said. "The cruelty. The ignorance." In her own quiet way, the lively, 74-year-old retired Notre Dame linguistics professor, with bouncing white curls and a devilish grin, is clear-eyed about the ugliness that persists in the country her son hopes to lead. She's been primarily in the background, answering about 40 letters a week and attending an occasional rally. But she also finds herself becoming a more public person as she starts to help tell the story of her son in his quest for the Democratic presidential nomination.

Congress

BRAUN, YOUNG PUSH NEW FETAL REMAINS LAW: Indiana's U.S. senators want to extend across the nation an Indiana law requiring the burial or cremation of aborted fetal tissue. Republican Sens. Mike Braun and Todd Young have introduced the Dignity for Aborted Children Act, which is co-sponsored by 10 other GOP senators. Braun's office said the legislation mirrors a 2016 Indiana statute upheld in May by the U.S. Supreme Court (Francisco, [Fort Wayne Journal Gazette](#)). The bill comes in the wake of the recent discovery of 2,246 preserved fetal remains at the Illinois home of the late Dr. Ulrich "George" Klopfer, who had performed abortions for many years at clinics in Fort Wayne, South Bend and Gary. The Braun-Young proposal would require abortion providers to dispose of fetal remains by way of burial or creation. A provider who fails to do so would face a fine and a prison term of up to five years. The bill also would require women who have abortions to choose whether to retain possession of the fetal remains or allow abortion providers to bury or cremate them. A provider who does not provide a consent form would face a civil penalty.

HOUSE SUBPOENAS GIULIANI, ENVOYS: The House committees plan to depose former U.S. ambassador to Ukraine Marie Yovanovitch ; U.S. special envoy to Ukraine Kurt Volker ; Deputy Assistant Secretary for European and Eurasian Affairs George Kent; Mr. Brechbuhl; and U.S. Ambassador to the EU Gordon Sondland ([Wall Street Journal](#)). Mr. Volker resigned his post last week. A representative for Mr. Sondland said Monday that he planned to cooperate with the congressional inquiry. House committees on Monday also subpoenaed Rudy Giuliani, Mr. Trump's private lawyer, for documents related to his efforts to pressure Ukraine to undertake an investigation into former Vice President Joe Biden, the president's political rival. The panels are seeking documents related to his communications with Trump administration officials about his efforts in

Ukraine, as well as any other documents related to that effort. Mr. Giuliani has given mixed messages on whether he would testify before a House committee. Speaking on ABC News on Sunday, he said he wouldn't cooperate with House Intelligence Committee chairman Rep. Adam Schiff (D., Calif.) but then said "I will consider it."

'THE WOMAN' SCHEDULED TO TESTIFY: In President Trump's rough parlance, she was "the woman." That's how Trump described Marie Louise Yovanovitch, the widely respected former U.S. ambassador to Ukraine, in his July 25 telephone call with Ukrainian President Volodymyr Zelensky ([Los Angeles Times](#)). Now the 60-year-old envoy, who spent more than three decades in the diplomatic service, could prove key to illuminating murky events central to the House impeachment inquiry against Trump. The veteran diplomat was abruptly ordered back to Washington in May, ending her three-year tour two months early. By then, the events that ultimately would set the stage for the impeachment saga were already in play. Yovanovitch is one of five current or former State Department employees summoned to provide depositions to investigators from the House committees on intelligence, foreign affairs and oversight. Her closed-door appearance is scheduled Wednesday.

DEMOCRATS BELIEVE TRUMP LIED TO MUELLER: Lawyers for the House of Representatives revealed on Monday that they have reason to believe that the grand-jury redactions in special counsel Robert Mueller's report show that President Donald Trump lied about his knowledge of his campaign's contacts with WikiLeaks ([Politico](#)). The attorneys made the stunning suggestion in a court filing as part of the House Judiciary Committee's bid for Mueller's grand-jury materials, which have remained secret by law. "Not only could those materials demonstrate the president's motives for obstructing the special counsel's investigation, they also could reveal that Trump was aware of his campaign's contacts with WikiLeaks," the lawyers wrote in the filing, which was in response to the Justice Department's opposition to the disclosure of the grand-jury information.

YOUNG BACKS GENETICALLY RAISED SALMON: In an op-ed for The Star Press, U.S. Senator Todd Young (R-Ind.) argues for protecting jobs and the production of genetically engineered salmon in Albany, Indiana (*Howey Politics Indiana*). Young recently led a letter to the Senate Appropriations Committee voicing concern over a provision in an agriculture appropriations bill that would prohibit the commercialization of genetically engineered salmon. If enacted, this provision would cause AquaBounty Technologies in Albany to have to cease production immediately and put Hoosiers out of work. "The results would be this: 160,000 fish currently maturing in Albany would be euthanized. Dozens of Hoosiers would be out of a job. The operation would be moved to another country — likely China — which sees the incredible value in dominating agriculture innovation," Senator Young writes.

REP. COLLINS RESIGNS AHEAD OF GUILTY PLEA: U.S. Rep. Christopher Collins of New York resigned Monday ahead of his expected guilty plea to charges related to an insider-trading case involving his son and an Australian biotechnology company ([Wall Street Journal](#)). "I hereby submit my resignation effective immediately, September 30, 2019," Mr. Collins, a Republican, wrote in a letter to New York Gov. Andrew Cuomo. A spokesman for House Speaker Nancy Pelosi (D., Calif.) said her office had received Mr. Collins's letter of resignation, which would become effective Tuesday during a House session.

General Assembly

TALLIAN PRAISES MARION COUNTY POT CHANGE: State Senator Karen Tallian (D-Ogden Dunes) released the following comments after Interim Marion County Prosecutor Ryan Mears announced that Marion County cases involving an individual who was in possession of less than one ounce of marijuana would not be prosecuted (*Howey Politics Indiana*). "Dropping these charges is a tremendous step made by Marion County's interim prosecutor in accomplishing what ultimately needs to be done: decriminalizing possession of marijuana in Indiana. According to the Indiana prosecuting Attorney's information, there were more than 22,000 arrests for marijuana possession last year. Let's stop branding our citizens with a criminal record for doing what is increasingly viewed as normal behavior."

MACER CALLS FOR HOLCOMB TO END TRANSPORTATION PROGRAM: An Indiana lawmaker is calling on the Governor to scrap a statewide transportation program amid complaints that there are not enough drivers to meet demand. Too often the scheduled rides for Medicaid patients just don't show up (Chapman, *WTHR-TV*). For over a year now, Indiana's Family and Social Services Administration has promised to fix problems getting Medicaid patients to and from doctor appointments. But system failures are ongoing in all 92 counties leaving some patients stranded. "I believe it is up to the Governor of the State of Indiana to really show leadership and cancel this contract," said State Representative Karlee Macer, (D) Indianapolis. Macer saw WTHR's story two weeks ago when 13 Investigates asked the agency for a breakdown of the "no shows" as a result of the new system. Macer wanted to see the outcomes too. Now for the first time numbers obtained by 13 Investigates reveal just how bad the problem is.

GOVERNOR: HOLCOMB RENEWS CHINESE SISTER STATE PARTNERSHIP - The Hoosier State will continue partnering with China's Zhejiang Province to promote economic, cultural and educational connections between Indiana and its 6.7 million residents and the eastern Chinese state south of Shanghai that's home to 57.4 million people (Carden, [NWI Times](#)). While in China last week on an economic development trade mission, Gov. Eric Holcomb signed an agreement with Zhejiang Party Secretary Che Jun renewing the sister-state relationship between Indiana and Zhejiang that was established in 1987 by Gov. Robert Orr. "Our 32-year-old partnership has blossomed into a transpacific friendship that's fueling business, academic, government and cultural exchanges on both sides of the Pacific," Holcomb said. "We look forward to what the future brings both our states in the decades ahead." According to the Indiana Economic Development Corp., the partnership already has led to numerous cultural and educational exchanges between Indiana and Zhejiang, and the IEDC last year opened a business development office in Hangzhou, the capital city of Zhejiang, to further increase economic ties.

GOVERNOR: PACERS FEEL LIKE PIONEERS - The Indiana Pacers will be part of NBA history this week as the team participates in the league's first games ever in India. The Pacers and Sacramento Kings will play preseason games Friday and Saturday at the NSCI Dome in Mumbai (Dick, [Inside Indiana Business](#)). The team will embark on the 20-hour flight Tuesday. "We kind of feel like we're pioneers," said Pacers President Kevin Pritchard. "We're going to go over there and put on two great games...we're super excited about it."

STATEHOUSE: HILL SEEKS PURDUE PHARMA SETTLEMENT - Indiana is one of 29 states that are attempting to reach a settlement agreement pertaining to opioid abuse. Indiana Attorney General Curtis Hill was in Anderson on Saturday and said that despite some reports, there is not a full settlement. "There are 29 attorney generals that have signed an agreement on a framework toward a settlement," he said (de la Bastide, [Anderson Herald-Bulletin](#)). "There is no settlement. The attorney generals have agreed to a framework toward a settlement in anticipation that Purdue Pharma was going to file for bankruptcy protection." Purdue Pharma has filed for bankruptcy protection in recent weeks. "The alternative was a free-fall bankruptcy where there is nothing or getting into a framework where we may be able to secure billions of dollars from the bankruptcy proceedings," Hill said. "It could disintegrate. There are lots of things that have to be worked out before it becomes an actual settlement." Indiana has its own lawsuit filed against Purdue Pharma. "We feel confident we have a good case," he said. "But when a company goes into bankruptcy, everything else goes up in the air," he said. "At this point we're looking to work within that framework agreement."

STATEHOUSE: HILL STATEMENT ON MARION COUNTY MARIJUANA - Attorney General Curtis Hill made the following statement regarding a declaration by Marion County's acting prosecutor that he will not file charges against anyone accused solely of possessing one ounce or less of marijuana (*Howey Politics Indiana*): "I respect and support the fact that prosecutors have absolute discretion in deciding when to file criminal charges and how to allocate their resources. Typically, though, prosecutors carefully exercise this discretion on a case-by-case basis rather than proclaiming that in all cases they will ignore a particular state law not to their liking. I am concerned that this proclamation in Marion County will attract to Indianapolis people with a particular interest in communities where drug enforcement is lax. It seems to me a curious strategy to put out a welcome mat for lawbreakers in a community already facing challenges related to crime, homelessness and other social problems stemming from drug abuse."

JUSTICE: ORAL ARGUMENTS THURSDAY ON RFRA FIX - Oral arguments are set for Thursday, October 3, in the legal challenge by pro-traditional-marriage groups to the "fix" to Indiana's Religious Freedom Restoration Act (RFRA) and four "gay-rights" ordinances (*Howey Politics Indiana*). The plaintiff groups are Indiana Family Institute (IFI), Indiana Family Action (IFA), and American Family Association of Indiana (AFA). The hearing is set for 8:15 to 1:00 o'clock in Hamilton County Superior Court 1 and should result in a final judgment in the case. Plaintiffs challenge the RFRA "fix" on state and federal constitutional grounds. For example, they challenge the stripping from some RFRA "persons" (such as Plaintiffs) the strong RFRA protection for religious free-exercise, originally afforded to all RFRA "persons," as a violation of equal protection. They also challenge the "fix" under First Amendment free-expression and free-expressive-association guarantees because groups advocating a pro-traditional-marriage message may not be stripped of protection against being forced to include persons who advocate, by word or deed, a different message than Plaintiffs' own religiously motivated message.

AGRICULTURE: KINGERY TAKES HELM OF CORN, SOYBEAN ALLIANCE - About a month and a half ago the result of a farmer-led search committee was announced, and now the new chief executive officer of the Indiana Soybean Alliance, Indiana Corn Marketing Council and the Indiana Corn Growers Association is on the job for the first time (Eubank, [Hoosier Ag Today](#)). "It's great to be joining the team," CEO Courtney Kingery told HAT. "I'm an Indiana girl and my family has a farm in White County, Indiana. It's the 6th generation it's been on that land, so we have deep roots here in Indiana agriculture. For my past 20-25 years I've been working in the ag food supply chain, so working with some big food ag processors out there really looking to bring value to Indiana corn and soybeans throughout the world."

AUTOS: RANSOMWARE ATTACK CANCELS SUBARU SHIFTS - Another shift at Subaru of Indiana Automotive has been cancelled, according to the plant's status line. The company stopped work Monday night as the FBI investigates a large

ransomware attack affecting several local companies ([WLFJ-TV](#)). According to the status line, A-line and B-line production is cancelled for Tuesday. However, IPC assembly, maintenance, reprocess trim and surface groups, Trim A and B door lines and administrative associates should report. The company said Tuesday's second shift is on standby. SIA and Heartland Automotive stopped work Monday night. News 18 is still working to confirm if Tuesday operations are affected at Heartland Automotive. However, employees have reached out and said Tuesday's first shift is cancelled. In an email to News 18, SIA spokesperson Craig Koven said, "Due to a supplier issue, first shift production has been canceled today [Tuesday]."

CRIME: 4 SEXUAL ASSAULTS AT IUPUI - Students are concerned after a fourth sexual assault was reported Sunday at Indiana University Purdue University — Indianapolis campus ([WRTV](#)). All of the incidents have reportedly happened at University Boulevard and West North Street. The area around University Tower has become well known for being the place where these sexual assaults are happening. Students are saying they want to know more about what the university is doing to make sure it doesn't happen again.

HEALTH: BSU STUDY SEES RISING HOSPITAL COSTS - Indiana health care prices are much higher than in many other states and a new analysis points to even higher prices in some areas (Sheridan, [Indiana Public Media](#)). The new report finds prices in areas including Fort Wayne and Evansville are higher than in areas where Hoosiers have more options. Michael Hicks is the director of the Center for Business and Economic Research at Ball State University. He points to mergers and consolidation. "The fewness of hospitals, the more monopolized they are, the higher the prices and the higher the profitability," says Hicks. Indiana nonprofit hospital systems made nearly \$1.5 billion in profit in 2017. Hicks says Hoosiers are already paying more than people in other states. "The average Hoosier is paying about \$819 more than the average American," says Hicks. "At the same time our health outcomes are slipping a bit."

Nation

WHITE HOUSE: TRUMP STILL SEEKING WHISTLEBLOWER ID - President Trump said Monday that the White House is "trying to find out" the identity of the intelligence community whistleblower who filed a complaint about the president's interactions with Ukraine ([The Hill](#)). "We're trying to find out about a whistleblower," Trump told reporters in the Oval Office when asked if he knows the person's identity, alleging that they reported "things that are incorrect." The president's remarks came one day after he demanded to meet the whistleblower and cast doubt on the individual's complaint on Twitter. Trump on Monday again defended his phone call with Ukrainian President Volodymyr Zelensky that is at the center of the whistleblower complaint, calling it "perfect" and accusing the whistleblower of misrepresenting it in the complaint — a redacted version of which was released publicly last week. "The whistleblower reported a totally different statement," Trump told reporters during a swearing-in ceremony for new Labor Secretary Eugene Scalia. "When the whistleblower reported it, he made it sound terrible."

WHITE HOUSE: TRUMP TEAM STRUGGLES WITH STRATEGY - A week after House Democrats jump-started their impeachment inquiry, the White House has yet to converge on any single plan, strategy or even unified messaging to fight back ([Politico](#)). All the talk about setting up a so-called war room inside the West Wing, similar to the approach of the Clinton White House, has gone nowhere. Acting White House chief of staff Mick Mulvaney, other top aides, lawyers and Trump advisers have been jockeying among their own internal factions for control of the approach or messaging. And President Donald Trump has expressed little interest in responding to House Democrats in such a conventional manner, preferring to deploy his own messaging on Twitter.

WHITE HOUSE: TRUMP PRESSED AUSSIES FOR DIRT ON MUELLER - President Trump pushed the Australian prime minister during a recent telephone call to help Attorney General William P. Barr gather information for a Justice Department inquiry that Mr. Trump hopes will discredit the Mueller investigation, according to two American officials with knowledge of the call ([New York Times](#)). The White House restricted access to the call's transcript to a small group of the president's aides, one of the officials said, an unusual decision that is similar to the handling of a July call with the Ukrainian president that is at the heart of House Democrats' impeachment inquiry into Mr. Trump. Like that call, the discussion with Prime Minister Scott Morrison of Australia shows the extent to which Mr. Trump sees the attorney general as a critical partner in his goal to show that the Mueller investigation had corrupt and partisan origins, and the extent that Mr. Trump sees the Justice Department inquiry as a potential way to gain leverage over America's closest allies.

WHITE HOUSE: MULVANEY ON SHAKY GROUND WITH TRUMP - Acting White House chief of staff Mick Mulvaney is on shaky ground in the wake of a bad week for President Trump, according to multiple sources with knowledge of discussions surrounding the whistleblower fallout ([CNN](#)). The sources say the President is not upset with Mulvaney for the White House releasing the summary of his July 25 call with Ukraine's leader or the whistleblower complaint because he had been convinced that it was necessary. What Trump and other aides are frustrated with, according to the sources, is that Mulvaney did not have a strategy for defending and explaining the contents of those documents as soon as they were publicly released.

WHITE HOUSE: NUKE TALKS WITH NORTH KOREA TO RESUME - North Korea said it would reconvene working-level talks with the U.S. on Saturday, reviving a denuclearization process that has been stalled since a February summit in Vietnam ended without a deal ([Wall Street Journal](#)). The two sides plan a preliminary meeting on Friday followed by official talks the next day, state media quoted First Vice Minister of Foreign Affairs Choe Son Hui as saying. Ms. Choe is one of leader Kim Jong Un's most prominent interlocutors with the U.S. The state-media report on Tuesday didn't specify where the negotiations would take place.

WHITE HOUSE: BOLTON WARNS OF NORTH KOREA - In his first public comments since leaving the White House, John R. Bolton, the former national security adviser, delivered a stark warning Monday about President Trump's approach to North Korea, undercutting the president's yearslong insistence that North Korea wanted to make a denuclearization deal with him ([New York Times](#)). Without mentioning Mr. Trump by name, Mr. Bolton, a longtime critic of the North Korean regime, made it clear he thought the president's courtship approach to diplomacy with Kim Jong-un, the North Korean leader, was only increasing North Korea's power. And while Mr. Trump has made a deal with North Korea one of his signature foreign policy goals, Mr. Bolton asserted that there had been no gains under this charm offensive approach. "The strategic decision Kim Jong-un is operating through is that he will do whatever he can to keep a deliverable nuclear weapons capability and to develop and enhance it further," Mr. Bolton said Monday during a speech in Washington. "Under current circumstances, he will never give up the nuclear weapons voluntarily."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will meet with Defense Secretary Mike Esper at 4 p.m. today in the Oval Office.

JUSTICE: BARR SOUGHT FOREIGN HELP FOR MUELLER PROBE - Attorney General William P. Barr has held private meetings overseas with foreign intelligence officials seeking their help in a Justice Department inquiry that President Trump hopes will discredit U.S. intelligence agencies' examination of possible connections between Russia and members of the Trump campaign during the 2016 election, according to people familiar with the matter ([Washington Post](#)). Barr's personal involvement is likely to stoke further criticism from Democrats pursuing impeachment that he is helping the Trump administration use executive branch powers to augment investigations aimed primarily at the president's adversaries.

STATE: POMPEO ANNOUNCES RUSSIA SANCTIONS - The Trump administration has issued new sanctions against Russia over attempted interference in the 2018 midterm elections, a move that comes as the president faces increased pressure from an impeachment inquiry over his call with Ukraine's president. The new sanctions are the first imposed under an executive order the president signed a year ago warning countries against interfering in elections ([CBS News](#)). Specifically, the sanctions by the Treasury Department apply to four entities and seven individuals, including the "private planes, yacht, and associated front companies of Yevgeniy Prigozhin, the Russian financier behind the Internet Research Agency and its attempts to subvert American democratic processes," Treasury Secretary Steve Mnuchin said in a statement. The Internet Research Agency was the entity behind the Russian government's disinformation campaign in the 2016 campaign, according to the U.S. intelligence community. "We have been clear: We will not tolerate foreign interference in our elections," Secretary of State Mike Pompeo said in his own statement. "The United States will continue to push back against malign actors who seek to subvert our democratic processes and we will not hesitate to impose further costs on Russia for its destabilizing and unacceptable activities."

CALIFORNIA: NEWSOM SIGNS ATHLETE ENDORSEMENT MONEY BILL - California Gov. Gavin Newsom signed a bill allowing college athletes in the state to earn endorsement and sponsorship money, ending weeks of suspense over whether he would go head-to-head with the National Collegiate Athletic Association and its vow to fight the law in court and possibly bar state schools from its competitions ([Wall Street Journal](#)). "Colleges and universities reap billions from these student athletes' sacrifices and success but block them from earning a single dollar. That's a bankrupt model—one that puts institutions ahead of the students they are supposed to serve," said Mr. Newsom, a Democrat, on Monday soon after he signed the bill.

SPORTS: CUBAN WORRIED NCAA COULD IMplode - Dallas Mavericks owner and billionaire investor Mark Cuban warned against a new California law that would allow athletes to profit from their likeness and sign endorsement deals ([Fox News](#)). California Gov. Gavin Newsom signed the bill Monday. Currently, student-athletes are not allowed to earn compensation while playing college sports. The only exceptions are scholarship money from the institution, a modest housing allowance or on-campus housing and a per diem for travel days when on team-sanctioned road trips. "You have to ask yourself, 'What happens if they got fired?'" Cuban told FOX Business' Neil Cavuto. "'What happens if you want to fire him? Do we want to start firing student athletes?'"

Local

CITIES: 16 LAWRENCE STUDENTS HOSPITALIZED FOR WRONG SHOT - More than a dozen students were sent to area hospitals after being given the wrong shot at a Lawrence Township school Monday ([CBS4](#)). The school district said 16 students were undergoing a TB screening at McKenzie Center for Innovation and Technology when medical personnel from

Community Health Network administered a small dosage of insulin instead. The students were taken to area hospitals for observation, according to the school district, and were accompanied by McKenzie staff and school personnel. Parents have been notified. "We are working closely with Community Health Network to determine the cause of the error; and to evaluate processes as needed," the school said in a statement.

CITIES: INDY POSTPONES WATERSIDE DESIGN COMPETITION - A competition designed to transform key components of the former GM Stamping Plant in downtown Indianapolis is on hold. Indianapolis-based Ambrose Property Group and the Central Indiana Community Foundation are postponing the Waterside Design Competition after the commercial real estate firm announced plans to sell the Waterside project (Brown, [Inside Indiana Business](#)). The three finalists for the project were announced in May. They were tasked with designing an adaptive reuse of the area known as "Crane Bay" on the former GM site. The competition was meant to serve as the kickoff of the \$1.4 billion redevelopment of the former GM Stamping Plant. The finalists - Hood Design Studio, SCAPE, and Snøhetta - were slated to give their final public presentations this week, with a winner being decided by a jury of community stakeholders and national experts.

CITIES: JEFFERSONVILLE UNVEILS NEW DOWNTOWN VENUE - The vision for a new downtown entertainment venue is becoming more clear now that the proprietors have released their plans. At Tuesday's Jeffersonville Board of Zoning Appeals and Plan Commission meeting, developers Steve Resch and Chad Sprigler revealed plans for a project that will sit near the corner of Pearl and West Chestnut streets, directly adjacent to Parlour (Boyle, [News & Tribune](#)). "What we're bringing to the table is an asset to Jeff," Resch said. "It's going to be a destination to bring people downtown. You can tell by the drawings that we've put a lot of thought, time and effort into it. We're going to throw the right amount of money at it to make it a good project." The sprawling layout for Union Restaurant & GameYard will comprise two houses sitting on West Chestnut St., the parking lot that separates them and an empty yard behind one of the houses. The parking lot will be transformed into a green space that will be lined with astroturf. In place of the grassy void will be a 3,922 square foot structure, which will serve as the main dining and gaming area for the venture.

CITIES: TIPTON SOLAR PARK OPENS - State and local officials Monday celebrated the opening of a new solar park in Tipton after working for five years to bring one to the city ([Kokomo Tribune](#)). The new park went on the grid in July, producing enough electricity for more than 850 homes in Tipton. The project is located on 31 acres on the far west side of the city along Indiana 28. The facility was constructed by the Indiana Municipal Power Agency (IMPA), an energy co-op made up of 61 communities in Indiana, including Tipton, Peru, Gas City and Anderson.

CITIES: SOUTH BEND CHARTERS TO OLD SCHOOL BUILDINGS - The South Bend Career Academy, citing a growing demand for its charter schools, has notified the city school district that it wants to lease or buy two buildings the district shuttered two years ago ([South Bend Tribune](#)). The Career Academy, which runs three charter schools in South Bend, is interested in the former Brown Intermediate Center, on West Beale Street, and the former Eggleston Center, on Adams Road. Under Indiana law, charter schools have a chance to lease shuttered school buildings for \$1 per year or buy them for \$1, unless a district successfully applies for waivers with the Indiana Department of Education. Charter schools are responsible for all direct expenses of leased buildings, including utilities, maintenance, insurance and repairs.

CITIES: GARY NAMED 'MOST MISERABLE CITY' IN U.S. - Gary was named the most miserable city in the country by Business Insider, which is the largest business news site on the internet in the United States (Pete, [NWI Times](#)). "Gary has 75,000 residents but lost 6% from 2010 to 2018. Just over half of the population works, and 36% live in poverty. The most miserable city in the US was once a manufacturing mecca, but those days are over," James Pasley and Angela Wang wrote in their story, "The 50 most miserable cities in America."

CITIES: COPS REVIEW GARY COUNCILMAN'S 'BODYBAG' THREAT - Detectives are expanding the scope of possible charges against Gary City Council President Ron Brewer, who was allegedly overheard on a 911 call threatening a teenager found in the politician's stolen Lexus Sept. 22 (Cross, [NWI Times](#)). Brewer allegedly told a 14-year-old boy that the teen's mom would be getting him back "in a (expletive) body bag," according to 911 audio obtained by the Times. East Chicago Deputy Police Chief Jose Rivera said detectives are reviewing the entirety of the 43-minute 911 call Brewer made to police and may pursue additional charges, including intimidation.

CITIES: PLAINFIELD BREAKS GROUND ON \$22M PROJECT - The Town of Plainfield will break ground Tuesday on a \$22 million mixed-used complex that launches a long-term redevelopment plan for the community (Mills, [Inside Indiana Business](#)). Town leaders and developers, Fishers-based Rebar Development and Carmel-based Hageman Group, will take part in the ceremony to officially start construction on The Barlow project. The Plainfield Town Council approved architectural plans last fall for the project which will create an iconic gateway to downtown Plainfield along Main Street. The Barlow includes a four-story building with 116 apartment homes, 3,000 square feet. of commercial space, and a 154-space parking lot.

COUNTIES: LaPORTE PROSECUTOR VOWS TO PRESS POT CHARGES - La Porte County Prosecutor John Lake said his office "will continue to enforce marijuana laws as written until they are changed by the legislature ([Michigan City News-](#)

[Dispatch](#)). "We are not adopting any stance at this point different than state law. ... Obviously, before any changes to our policy, I would reach out and speak to all of the police chiefs and the attorney general, and would never make a unilateral decision without their full support."

COUNTIES: WHITLEY NOW BROADBAND READY - Unincorporated areas of Whitley County are now considered a broadband ready community, which could help clear the way if a telecommunications firm wants to establish high-speed internet in rural areas of the county (Mills, [Inside Indiana Business](#)). The Whitley County Economic Development Corp. says the State of Indiana has certified the county with that designation. The town of Larwill is included in the certification. According to Whitley County EDC, the designation means the county is committed to taking necessary steps, such as easement approval, in a timely manner to help telecom companies. The state statute requires all permit applications for a broadband project in the designated zone to be approved or denied within 10 business days after they are filed. "This certification sends a signal to the telecommunication industry that Whitley County is ready for broadband infrastructure investment," said Kennedy St. George, Whitley County EDC director of marketing. "Broadband is just as important for economic success in the rural county areas as it is in the city and towns."

INDOT offers new engineers scholarships and job opportunities



thestatehousefile.com/indot-offers-new-engineers-scholarships-job-opportunities/40041/

By Janet Williams

Staff Report

TheStatehouseFile.com

INDIANAPOLIS—The Indiana Department of Transportation is offering aspiring civil engineer students scholarships up to \$3,125 per semester and paid employment during summer breaks and after graduation.

INDOT's scholarship program uses federal funds to offer students \$3,125 per semester or \$2,083 per trimester for up to five years of a student's post-secondary education. Scholarships cover a recipient's educational expenses, fees and books. In return, the recipients are required to work for INDOT full-time in a paid position during the summer periods and after a person graduates.

Students who are interested have to be accepted or enrolled full time in one of Indiana's certified engineering schools, such as Purdue, Rose-Hulman, and Notre Dame, and have to apply using the form on www.INDOTScholarship.IN.gov. Applications for the 2020-2021 school year must be submitted by Tuesday, Dec. 31.

TheStatehouseFile.com is a news website powered by Franklin College journalists.

Police Crack Down on Vaping, Surfacing Stockpiles of Illicit Cartridges

THC vaping cartridges have been found in disparate places, by varying numbers, suggesting a sprawling black market.



By Julie Bosman and Mitch Smith

Oct. 1, 2019 Updated 8:10 a.m. ET

The tip came to Minnesota police officers in July via a confidential informant: In a suburb in Anoka County, the informant said, a man had been quietly selling thousands of vaping cartridges laced with marijuana from his home.

When authorities entered the man's condominium last week, they found a staggeringly large stash of vaping cartridges, believed to be one of the biggest busts in the country. Close to 29,000 cartridges were tucked away inside a Cadillac Escalade. Another 30,000 were stacked in a garage. Some were packaged in black boxes with colorful lettering, cheerful images of Fred Flintstone and descriptions of candy-like flavors like mai tai, strawberry shortcake and Fruity Pebbles.

They were the sorts of vaping products that have been identified as possible culprits in a perplexing lung illness that has sickened at least 800 people across the country and killed at least 14.

As health officials grapple with a public health crisis they are struggling to understand, police departments are in the midst of a swift crackdown on vaping products containing THC, the psychoactive ingredient in marijuana. In the Phoenix area, the authorities recently raided three homes over eight days, seizing hundreds of THC cartridges at each. In Wisconsin, detectives arrested two young brothers accused of running a large-scale THC cartridge assembly operation inside a condo. And in Nebraska, sheriff's deputies found a stash of cartridges in a car parked at a truck stop.

Until recently, some police departments busy fighting a national opioid epidemic had considered illegal vaping products a nuisance, but not a lethal threat. Police departments had taken small steps to root out illegal cartridges, but as more teenagers and young adults have begun vaping THC, sometimes with deadly consequences, authorities say they are now paying close attention.

"It's become an absolute priority," said Sheriff Paul Penzone of Maricopa County, Ariz., where deputies have made undercover purchases from vaping cartridge dealers and tried to disrupt a sprawling supply chain.

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The effort to crack down on illicit vaping products has been laden with complications. The police say they have been stunned by the growth in popularity and variety of vaping devices. Enforcement can be difficult because vaping THC is not accompanied by the distinctive — and often incriminating — smell of marijuana. And police officers have had to learn the difference between vaping cartridges for THC, which are illegal for recreational use in most states, and devices for vaping nicotine, which are legally sold at many drugstores and gas stations.

Authorities are also still tracing a vast and shadowy distribution network in which empty cartridges are filled with THC-laced liquid in "pen factories," packaged with boxes available online and often shipped across state lines in trucks or rental cars.

"It is something we're trying to get our hands around," said L.J. Fusaro, the chief of police in Groton, Conn., where officers confiscated 435 THC cartridges in a bust this year. "As of late, it's really become of interest to law enforcement because of the harm that's come to folks, particularly our youth."

In August, Illinois health officials announced the first vaping-related death in the nation. In the weeks after, more deaths in Kansas, California and Indiana were tied to the ailment, and that number has continued to grow. Illicit THC-filled vaping cartridges with labels like "Dank Vapes" could be culprits, according to health officials, but it is still unknown what is making people ill.

In police circles, efforts have turned to trying to get a handle on the universe of vaping products — a wide, disparate array of sources of cartridges and a murky and fragmented distribution network for them.

Law enforcement officials have found a flourishing black market of vaping cartridges that are made in small operations, often in a house or apartment. The cartridges are filled with THC oil and often diluted with substances that are dangerous to inhale, like vitamin E acetate, one of the products that health officials suspect has caused lung damage. Then they are sold on the street or online for roughly \$20 each.

In recent years, the police have sometimes struggled to classify vaping materials in official reports and to decide which criminal charges should apply to them.

“We started recognizing it as commanders from across the state were calling us, trying to figure out how to report them to us, because they didn’t fit into a category,” said Brian Marquart, the statewide gang and drug coordinator at the Minnesota Department of Public Safety.



Some 77,000 THC cartridges were found in Minnesota in one of the largest busts in the nation. New Hope Police Department

Authorities have tracked down illegal vaping operations through elaborate police investigation — but also fortuitous traffic stops.

In Indiana, 50,000 cartridges worth \$1 million were found on a box truck traveling from California to Indianapolis after the driver was pulled over in March for following another vehicle too closely. In Nebraska, the State Patrol has netted three seizures of illegal vaping products in recent weeks, including the discovery of thousands of THC cartridges in the bed of a white pickup truck that made an improper lane change west of Lincoln.

Some boxes of cartridges have been found in plain sight — a reflection, perhaps, of the relative newness of efforts to crack down on THC cartridges and of states’ differing laws on marijuana.

“It’s not like it’s unmarked and heat-sealed and hidden in a false compartment,” Capt. Jason Scott of the Nebraska State Patrol said. “It’s usually just right out in the open.”

Other cases have involved lengthy and intense investigations. In the Minnesota case, an undercover officer from a drug task force bought vaping products from Valentin V. Andonii, 22, then followed him to his home, leading to the discovery of nearly 77,000 cartridges.

Alyssa Jones, a lawyer for Mr. Andonii, declined to comment on two felony drug charges her client faces, each of which could carry a 30-year prison term if he is convicted.

Federal officials have also targeted illegal vaping, though local and state law enforcement agencies said they have mostly been operating on their own. In Ohio, three people were indicted in May after Drug Enforcement Administration agents found thousands of THC vaping cartridges. And last year in North Carolina, federal agents arrested a man accused of selling a synthetic marijuana vaping product.

The threat of THC-laced vaping cartridges still pales in comparison to the pervasive presence of opioids, which killed more than 47,000 people in overdoses in 2017. Some police departments may have been so busy battling heroin, fentanyl and other drugs that they did not view THC vaping as a threat until very recently.

“Honestly, I think we kind of missed the boat a little bit because we’ve been dealing with opioids,” said Chief Fusaro of the Groton, Conn., police. “In some respects, we didn’t see this coming.”

In places like Phoenix, where Sheriff Penzone's deputies recently confiscated 1,100 cartridges, there is a growing sense of just how pervasive illegal vaping has become and just how hard it will be to choke off the supply.

"Through e-cartridges, we now have a pathway where our children can ingest literally any drug," Sheriff Penzone said. "That creates a whole new challenge for us that we've never seen in the past."

Julie Bosman is a national correspondent who covers the Midwest. Born and raised in Wisconsin and based in Chicago, she has written about politics, education, law enforcement and literature. [@juliebosman](#) • [Facebook](#)

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Marion County halts prosecutions for simple marijuana possession

September 30, 2019 | [Olivia Covington, Indiana Lawyer](#)

KEYWORDS **LAW**

Simple possession of marijuana will no longer be prosecuted in Indianapolis courts, the Marion County Prosecutor's Office has announced.

Acting Prosecutor Ryan Mears said Monday the MCPO will no longer file charges against defendants accused of possessing 30 grams or less, or roughly 1 ounce, of marijuana. The policy shift is meant to free up resources to focus on violent crime in Indianapolis, Mears said.

"Too often, an arrest for marijuana possession puts individuals into the system who otherwise would not be. That is not a win for our community," Mears said. "The enforcement of marijuana policy has disproportionately impacted people of color, and this is a first step to addressing that."

Mears, who was named acting prosecutor last week after Terry Curry stepped down to focus on ongoing treatment for prostate cancer, said the decision not to prosecute marijuana possession came after about two years of discussion. There is no nexus between possession and violent crime, he said, so the Class B misdemeanor offense is not a threat to public safety.

The prosecutor's office has slowly been working toward the policy shift, Mears said. In 2018, 74% of marijuana possession cases were dismissed in Marion County, and that number rose to 81% in 2019.

The 30-gram threshold came from a "fine line" in Indiana law between possession and dealing, Mears said. More serious marijuana offenses involving more than one ounce will still be prosecuted.

The hope is that declining to prosecute simple possession charges will help build and restore trust between Marion County residents and law enforcement, the acting prosecutor said. If residents believe they can trust police officers and sheriff's deputies, then law enforcement may have more sources willing to help solve the city's rash of violent crime.

The policy shift is about "doing the right thing," Mears said.

"This will not cause Armageddon," he said, noting that similar policies have recently been enacted in Louisville and Cincinnati. The Marion County Prosecutor's Office is the first in

Indiana to take this step, he said.

This story will be updated.

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To: [#All Governor's Office](#)
Subject: News Clips 10/2
Date: Wednesday, October 2, 2019 11:04:12 AM
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Pillar 3- Strengthen our workforce

Post Tribune- [College enrollment in NWI drops, job market, demographic trends could be to blame](#)
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WBIW- [Indiana Department of Education Kicks Off Inaugural Teacher Leaders Bootcamp](#)
WFYI- [AFL-CIO President Visits Central Indiana GM Facility, UAW Members](#)
RTV6- [Four-week paid training program teaches manufacturing skills](#)
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Pal Item- [New program for mothers will be 1 step in Wayne County's addiction fight](#)
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WBIW- [Indiana Conservation Officers add Public Safety Divers](#)
SB Tribune- [Electronic filing for protection orders now available](#)

WBIW- [Courts Improve Process for Those Seeking Protection Orders](#)
WBIW- [State Health Department 5-Year Grant To Help Improve Asthma Control](#)

2019 Legislative Session

WISHTV- [Indiana cashing in on sports betting](#)
NWI Times- [New program to help women navigate their pregnancies](#)

New Fire Marshal

Inside IN Business- [Holcomb Names Fire Marshal](#)
WSCH- [Gov. Holcomb Selects New Indiana State Fire Marshal](#)
SB Tribune- [South Bend fire chief is named Indiana fire marshal](#)
Daily News- [South Bend fire chief named Indiana's fire marshal](#)
NWI Times- [South Bend fire chief picked as new Indiana fire marshal](#)
WSBT- [South Bend's fire chief appointed as Indiana's next fire marshal](#)
WBIW- [Gov. Holcomb Names Stephen Cox as Indiana State Fire Marshal](#)
ABC57- [South Bend Fire Chief Stephen Cox named Indiana state fire marshal](#)

EEE Virus Outbreak

WSBT- [Elkhart County to spray for EEE Wednesday evening](#)
SB Tribune- [Indiana will join aerial attack aimed at mosquitoes](#)
WBIW- [11 Horses in Indiana Infected with Equine Encephalitis](#)
Republic- [2 Indiana counties to begin spraying to fight mosquito virus](#)
RTV6- [Aerial mosquito spraying to begin Wednesday amid EEE outbreak](#)
WPTA- [State support for aerial mosquito spraying in LaGrange and Noble Counties](#)
WSBT- [DNR warns to take EEE precautions as deer season kicks off in Michigan, Indiana](#)

Marijuana News

WIBC- [Marion County Marijuana Decision May Inspire Other Counties](#)
Daily News- [Marion County prosecutor changes stance on marijuana rules](#)
WIBC- [Prosecutors: No More Pot Possession Charges. IMPD: Not So Fast.](#)
WIBC- [Lucas, Tallian Applaud Marion County Prosecutor Decision On Pot](#)
WISHTV- [2 Indiana lawmakers hope marijuana legalization comes in 2020](#)
IN Lawyer- [IndyBar: Medical or Recreational Cannabis in Indiana?](#)

Misc.

Indy Star- [Indiana women seek abortions out of state](#)
Journal Gazette- [Education authorities may merge](#)
Indy Star- [What exactly is a Sagamore of the Wabash?](#)
Journal Gazette- [Banks, Walorski seek probe into remains](#)
Indy Star- [2 crashes cause major lane closures on I-65, I-70](#)
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BC Democrat- [Letter: Spraying along state highways is 'senseless'](#)
Republic- [Hearing set for challenge to local human rights ordinance](#)
Inside IN Business- [Slight Improvement in Indiana Childhood Poverty](#)
RTV6- [These 3 Indiana cities are among the 'most miserable' in the country](#)

WTHR- [Gary tops list of 'most miserable cities,' Hammond and Anderson included](#)
NWI Times- [St. John, Chesterton, Munster and Dyer among best places for families](#)
Journal Gazette- [Hicks: Indiana's hospitals posting jaw-dropping numbers, study reveals](#)
RTV6- [Indiana University awarded \\$36 million grant for Alzheimer's drug discovery center](#)
Indy Star- [IU, Purdue getting millions to seek new Alzheimer's treatments](#)
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Sincerely,

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HOW A 'PRESIDENT PENCE' COULD BLOW UP 2020: If the Senate were to remove President Donald Trump from office—which could happen only on a bipartisan vote—the 2016 election results wouldn't be overturned. Democrats wouldn't control the White House. America's reward for convicting Trump would be President Michael Richard Pence (Scher, [Politico Magazine](#)). Nine out of every 10 Republican respondents said in a Quinnipiac poll released Monday that Trump should not be impeached and removed from office. But President Pence would likely be harder for Democrats to dispatch in the 2020 general election than an impeached but still in office President Trump. Pence's net favorability, while underwater, is better than Trump's. Upon entering the Oval Office, the low-key Midwesterner might prove willing and able to turn the page, restore calm and soothe an exhausted electorate. He could even tap one of the best-liked, least tainted Republicans left standing—former South Carolina Governor and Ambassador to the United Nations Nikki Haley—to diversify the ticket. If Senate Republicans were to actually listen to that voice in their heads that sounds like Jeff Flake, Trump could be out, and Pence in, before the Iowa caucuses in early February. The Democratic presidential candidates would have to tear up their talking points for how they provide the best chance of beating Trump, and come up with fresh ones for Pence.

McDERMOTT URGES CENSURE OF TRUMP: Hammond Mayor Thomas McDermott Jr. wants Congress to censure President Donald Trump for his alleged misdeeds in connection with Ukraine, rather than embarking on a months-long impeachment process that's unlikely to result in Trump's removal from office (Carden, [NWI Times](#)). The Democratic leader of Lake County's most populous city said he's in no way excusing Trump's actions. But McDermott believes a quick censure resolution is the only hope for Congress getting anything else done over the next year, including funding for the \$1.2 billion expansions of the South Shore Line. "I think what the president did is horrible," McDermott said. "It's quid pro quo. He freezes the money, he waits a few days, he talks to them and brings up a political issue that he wants them to follow up on for him." "People in Lake County would go to jail for similar conduct." At the same time, McDermott said even if the Democratic-controlled House eventually approves one or more articles of impeachment, there is no way Trump foes in the Republican-controlled Senate will achieve the two-thirds supermajority required to remove the Republican president from office. "I don't think the country, as badly divided as we are, is ready to go through a year of impeachment and a removal trial," McDermott said. "I think we're going to beat him in 2020 anyway. Let's embarrass the guy, censure him and then kick his butt in 2020."

TRUMP WANTED TO 'SHOOT THEM IN THE LEGS': The Oval Office meeting this past March began, as so many had, with President Trump fuming about migrants. But this time he had a solution. As White House advisers listened astonished, he ordered them to shut down the entire 2,000-mile border with Mexico — by noon the next day ([New York Times](#)). The advisers feared the president's edict would trap American tourists in Mexico, strand children at schools on both sides of the border and create an economic meltdown in two countries. Yet they also knew how much the president's zeal to stop immigration had sent him lurching for solutions, one more extreme than the next. Privately, the president had often talked about fortifying a border wall with a water-filled trench, stocked with snakes or alligators, prompting aides to seek a cost estimate. He wanted the wall electrified, with spikes on top that could pierce human flesh. After publicly suggesting that soldiers shoot migrants if they threw rocks, the president backed off when his staff told him that was illegal. But later in a meeting, aides recalled, he suggested that they shoot migrants in the legs to slow them down. That's not allowed either, they told him. "The president was frustrated and I think he took that moment to hit the reset button," said Thomas D. Homan, who had served as Mr. Trump's acting director of Immigration and Customs Enforcement, recalling that week in March. "The president wanted it to be fixed quickly." Mr. Trump's order to close the border was a decision point that touched off a frenzied week of presidential rages, round-the-clock staff panic and far more White House turmoil than was known at the time. By the end of the week, the seat-of-the-pants president had backed off his threat but had retaliated with the beginning of a purge of the aides who had tried to contain him.

TRUMP WANTS TO 'INTERVIEW' WHISTLEBLOWER: President Trump on Tuesday kept his focus on an anonymous whistle-blower, asking why he was not "entitled to interview" the person, a day after he said the White House was trying to find out the person's identity, despite institutional directives and confidentiality protections ([New York Times](#)). In addition to interviewing the "so-called 'Whistleblower,'" Mr. Trump wrote on Twitter on Tuesday, he would also like to interview "the person who gave all of the false information to him." On Sunday, Mr. Trump tweeted, "Like every American, I deserve to meet my accuser." Mr. Trump's focus on the whistle-blower is one of several ways the White House has addressed the complaint — which alleged that Mr. Trump was using his office for personal gain — and the phone call at the center of it between Mr. Trump and President Volodymyr Zelensky of Ukraine. Mr. Trump has repeatedly defended his conversation with Mr. Zelensky as "perfect."

SEN. GRASSLEY MOVES TO PROTECT WHISTLEBLOWER: As President Donald Trump and his allies attack the whistleblower that kicked off the House's impeachment inquiry, the still unidentified person gained a powerful ally on Tuesday: Republican Sen. Chuck Grassley ([Politico](#)). The most senior GOP senator has fashioned a career on protecting

whistleblowers during presidencies of both parties. And in the middle of one of the most tempestuous political storms in two decades, the seventh-term Iowan is sticking to his position even if it's at odds with the president himself. In a Tuesday statement, Grassley moved to stave off attacks and the unmasking of the federal whistleblower who first divulged Trump's call with Ukraine's president. Trump and many of his allies in Congress and outside have been working to chip away at the whistleblower's credibility, calling his complaint "hearsay" and playing down its validity. "This person appears to have followed the whistleblower protection laws and ought to be heard out and protected. We should always work to respect whistleblowers," Grassley said.

POMPEO BLOCKS STATE OFFICIALS TO TESTIFY: Secretary of State Mike Pompeo said it wasn't feasible for current and former State Department officials to comply with a request from House lawmakers to attend depositions starting this week, drawing a sharp response from House committee chairmen ([Wall Street Journal](#)). In a letter published on Twitter Tuesday, Mr. Pompeo denounced House lawmakers investigating Mr. Trump's July phone call with Ukrainian President Volodymyr Zelensky, accusing them of trying to bully State Department staff into appearing before the committees. Officials weren't given enough time to prepare, including consulting with the department's legal counsel, and several of the officials have requested more time, Mr. Pompeo said in the letter, addressed to House Foreign Affairs Committee Chairman Rep. Eliot Engel (D., N.Y.). "Any effort to intimidate witnesses or prevent them from talking with Congress—including State Department employees—is illegal and will constitute evidence of obstruction of the impeachment inquiry," said a joint statement by Reps. Eliot Engel (D., N.Y.) of the Foreign Affairs Committee, Adam Schiff (D., Calif.) of the Intelligence Committee and Elijah Cummings (D., Md.) of the Oversight Committee.

CARSON SUGGESTS TREATING TRUMP LIKE A 'GANGSTER': Rep. André Carson, a Democrat on the House Intelligence Committee, condemned President Donald Trump for his threat to expose the whistleblower in an appearance on CNN Monday night ([Mediaite](#)). The Indiana Democrat was asked by CNN anchor Poppy Harlow about Trump's statement to reporters earlier Monday that the White House is "trying to find out about a whistleblower" — whose identity remains unknown. "Well, we're going to do whatever we can to make sure that the identity of the whistleblower is protected," Carson said. "I would hope that this president does not act in a way that is reminiscent of a mob figure. If he sees himself as such, he will be dealt with as such." "What does that mean?" Harlow asked. "If he wants to be a gangster then we're going to have to uphold the law and treat him like a gangster," Carson replied. "He's already shown that he's a tyrant."

IMPD WILL STILL ENFORCE MARIJUANA LAWS: You'll no longer go to court for marijuana possession -- but you could still go to jail. Police Chief Bryan Roach says police will continue making arrests for marijuana possession, despite acting prosecutor Ryan Mears' announcement the office will no longer take those cases to court (Berman, [WIBC](#)). Roach and Mayor Joe Hogsett say they were caught off guard by the policy change and need time to study it, just like prosecutors had before pulling the trigger on the change. But Roach says the law is on the books, and police have a duty to enforce it. Roach says being able to hold someone on a marijuana charge can give police more time to continue an investigation that could lead to charges in violent crimes. He challenges Mears' argument that there's no connection between pot and violent crime. Roach says the connection is there and increasing, as dealers carry weapons to protect themselves. Hogsett says he supports Mears' declared goal of smoothing out imbalances in who goes to jail, but says he's not ready to take a position one way or the other on the policy.

UAW REJECTS GM OFFER: The United Auto Workers union said on Tuesday it rejected a new comprehensive offer from General Motors Co to end a two-week-old strike, saying the automaker came up short on several fronts including wages, healthcare and temporary workers ([Reuters](#)). The union said it made a counterproposal and warned "there are still many important issues that remain unresolved." Also on Tuesday, GM said the strike by U.S. workers forced it to halt production at its pickup and transmission plants in Silao, Mexico, resulting in temporary layoffs of 6,000 workers. About 48,000 UAW members went on strike on Sept. 16 seeking higher pay, greater job security, a bigger share of the leading U.S. automaker's profit and protection of healthcare benefits.

7 YEAR AUTO LOANS SIGN OF SICK MIDDLE CLASS: Walk into an auto dealership these days and you might walk out with a seven-year car loan ([Wall Street Journal](#)). That means monthly payments that last well past when the brake pads give out and potentially beyond when the car gets traded in for a new one. About a third of auto loans for new vehicles taken in the first half of 2019 had terms of longer than six years, according to credit-reporting firm Experian PLC. A decade ago, that number was less than 10%. Car loans that are increasingly stretched out are a pronounced sign that some American middle class buyers can't afford a middle-class lifestyle. Incomes have risen at a sluggish pace in the past decade, but car prices have grown rapidly.

HPI DAILY ANALYSIS: Mr. President, let me explain this whistleblower thing to you. Whistleblowers are protected by the federal government - you, in fact, ultimately - because they are to be encouraged to speak up when they see something wrong like waste, graft or extortion attempts. Or, in this case, urgently wrong. - *Brian A. Howey*

STANDING ROOM ONLY FOR TERRE HAUTE MAYORAL DEBATE: It was standing room only at the Vigo County Public Library on Tuesday as three candidates for Terre Haute mayor outlined their positions on a host of topics. But as a baseline from which to start, the candidates were asked to define the what they see as the role of mayor and the office's most important function in city governance (Modesitt, [Terre Haute Tribune-Star](#)). Republican candidate and incumbent mayor Duke Bennett said, as he has maintained across numerous forums in the past month, that a mayor's number one priority is ensuring the safety of the city. "Public safety is number one. No matter what anybody says, that is the most important thing that we can deliver to keep people safe and respond when they have an urgent need," Bennett said. Independent candidate Pat Goodwin said the role of mayor is being the face of the city and ensuring that everything undertaken with taxpayer money is something that will benefit the city and its residents in the long run. Democrat candidate and City Council member Karrum Nasser said he views the mayor's job as one of customer service and that he is open to borrowing successful strategies from neighboring communities and tapping into the talent graduating from local universities and colleges to help implement them. "People need to trust their government. Often times we hear that something is too complicated or that it's how we've always done it. I think the citizens deserve to have a better answer than that when it comes to some of the challenges in our community."

EVANSVILLE MAYORAL CANDIDATES TALK AT ROTARY: Tuesday, all three candidates for the Evansville Mayoral Race were together under one roof ([WFIE-TV](#)). Mayor Lloyd Winnecke, Bart Gadau, and Steve Ary took the stage at luncheon hosted by the Evansville Rotary Club. With a little over a month until election day, this was an opportunity for these three candidates to address the community. Each candidate was given eight minutes at the podium to speak on whatever they would like. Steve Ary, running independently, spoke about how he wants to help those in small communities. "Now it is time to help our community feel better on the inside by investing in them," said Ary. Republican and Incumbent Mayor Lloyd Winnecke spoke on continuing the progress he believes has been made in his eight years as office. "I think if you look back over what's happened in eight years, you see what collaborative leadership can do for a community," said Mayor Winnecke. Libertarian candidate Bart Gadau emphasized his commitment to the poor and middle class. "I care a lot about my community, and I know the mayor does as well, said Gadau. "I've talked to him several times."

MUELLER, HAAS DEBATE IN SOUTH BEND: If you think politicians are all the same, you haven't seen Democrat James Mueller and Republican Sean Haas debate. Although they're both 37, wore gray suits with white shirts and ties, and grew up on the city's east side, attending St. Anthony de Padua Catholic grade school together, they contrasted sharply Tuesday night at Indiana University South Bend's Wiekamp Hall in their only debate before the Nov. 5 South Bend mayoral election (Parrott, [South Bend Tribune](#)). Haas criticized Mayor Pete Buttigieg, under whom Mueller served as chief of staff and executive director of community investment, for saying after the shooting that, "All police work and all of American life takes place in the shadow of racism..." Haas said officer morale has tanked because police believe O'Neill, who has since quit, has been prejudged without due process. "I don't believe in systemic racism. I believe there are bad actors in every single profession, whether it's police officers, teachers, lawyers, but to blanketly call an entire force racist based on the action of a few, I believe, is irresponsible and frankly a lie." Mueller said racism can be more nuanced and "is not always explicit, not always necessarily explicitly hateful. It comes about in implicit ways. You're less likely to get a bank loan approved... you go to the doctor and they're less likely to take your pain seriously because you're a certain race. So the idea there's not this issue that's confronting our country is a problem because we have to admit there's a problem before we can even have a chance of fixing it."

REP. BORDERS GETS PRIMARY OPPONENT: Indiana House District 45 will have primary competition next May as a Republican challenger to incumbent Bruce Borders has announced his candidacy. Jeff Gormong, 52, announced Monday night his intent to run as a Republican in Indiana House District 45 (Modesitt, [Terre Haute Tribune-Star](#)). The run will pit him next spring against incumbent Borders, who has served the district for 13 of the last 15 years. Gormong, a farmer in southern Vigo County, said his decision to run in not an indictment on the job he thinks Borders has done, but is borne of a passion to serve the people of west central Indiana. "This is something I'm passionate about and something I think I can do well," Gormong said. "I talked to Mr. Borders before making this announcement to let him know I'd be running and that I'm not upset with him but just wanted to give this a shot. "I think it's time for some change," Gormong said. Gormong, manager of Gormong Family Farms, has served on the Indiana Farm Bureau state board of directors since 2008.

OWENS FACES UPHILL GOV RUN: Josh Owens, the gay 34-year-old CEO of the retail support site SupplyKick, has announced his 2020 campaign for the governorship of Indiana. He's the first out gay man to run for the office and he'll likely face Indiana's current Governor Eric Holcomb in the race, a man who during the 2016 election said LGBTQ issues weren't important ([LGBTQNation](#)). In his first election ad (below), Owens says, "I believe in an Indiana where teachers are paid what they deserve, where healthcare is affordable for all Indiana families, where the economy works for all of us, where Hoosiers feel safe no matter where they are, and I believe in an Indiana where all are welcomed, respected and protected — and I

believe together, we can do it." According to WBIC, "He also wants to end discrimination of Hoosiers in the workplace and housing, including discrimination based on sexual orientation and gender identity." Our sister publication Queerty points out, "Before stepping into the office of CEO of SupplyKick, he served as a professor of economics at Butler University. He also held the chair of the Indiana Charter School Board, after then-governor Mike Pence appointed him to the position." Like his 2016 predecessor, Owens may find his race an uphill climb. Trump's landslide win in the state and Republican victories in the U.S. Senate race and other statewide races made it difficult for Holcomb's Democratic challenger John Gregg to win in the state — Holcomb defeated him 52% to 45%.

LEWANDOWSKI BACKS OFF SENATE RUN: Corey Lewandowski told a local radio host Tuesday "it's fair" to say he is reconsidering a Senate run in order to defend President Donald Trump from impeachment and help him get reelected (*Politico*). "As much as I think I would be a great fighter for the people of New Hampshire, and one U.S. senator can make a difference, it is my priority to make sure the president of United States is reelected," Lewandowski said on the radio show, "New Hampshire Today with Jack Heath." "That's a top priority."

Presidential 2020

MORNING CONSULT POLL FINDS LITTLE DAMAGE TO BIDEN: Republicans hoping that the Trump-Biden-Ukraine imbroglio would hurt Joe Biden's candidacy may be sorely mistaken. A new POLITICO/Morning Consult poll found that 40% of likely Democratic voters still believe he has the best chance of beating President Trump. In the POLITICO/Morning Consult poll, 46 percent of voters said Congress should begin impeachment proceedings vs. 43 percent who said they should not. Eleven percent had no opinion. That support represented a 3-point bump from last week, when voters were evenly split.

BIDEN PROPOSES GUN REFORMS: Joe Biden's campaign on Wednesday outlined a proposal to put new restrictions on gun sales and combat gun violence, packaging a series of ideas that he has spoken about on the campaign trail over the past several months ([Washington Post](#)). Biden's 11-page plan includes support for universal background checks and reinstating the assault weapons ban, which have widespread support from the Democratic presidential field. His proposal calls for a voluntary buyback program of assault weapons, stopping short of candidates and advocates who are calling for a mandatory gun buyback.

TRUMP, RNC RAISE \$125M: President Donald Trump's reelection campaign and the Republican National Committee raised a combined \$125 million over the last three months, Trump's campaign announced Tuesday — a massive total highlighting Trump's head start in the 2020 election while Democrats compete in a slow-moving, expensive primary (*Politico*). The two committees ended September with more than \$156 million cash on hand, they announced. They did not disclose individual totals for the Trump campaign or the Republican National Committee, which will be reported later this month.

HARRIS RAISES \$11M; BOOKER \$6M: California Senator Kamala Harris raised \$11.6 million in the third quarter of 2019. She had nearly \$10 million in cash on hand, according to the campaign ([CBS News](#)). The average contribution was \$34, while the average online contribution was \$20. Harris has raised \$35.5 million overall in this campaign, from more than 850,000 individual contributions, according to her campaign. After a last-minute push to raise \$1.7 million before September 30, New Jersey Senator Cory Booker's campaign reported raising over \$6 million in the third quarter. The 10-day push raised over \$2.1 million from more than 46,000 donations, according to the campaign.

WARREN GAINS WITH BLACK VOTERS: One element of Elizabeth Warren's surge in the polls is likely to strike fear in her top Democratic rivals — her rising support among African-Americans (*Politico*). After struggling to win over black voters in the early stages of the primary, the Massachusetts senator appears to be gaining ground with a demographic that will play a pivotal role in determining the nomination. A Quinnipiac University national poll last week showed Warren winning 19% of the African-American vote — a nine-point jump over the poll's August results. In the latest Morning Consult poll, released Wednesday, she's up by five percentage points with black voters since August.

Congress

STATE DEPARTMENT I.G. TO GIVE 'URGENT' BRIEFING: The State Department's inspector general is expected to give an "urgent" briefing to staffers from several House and Senate committees on Wednesday afternoon about documents obtained from the department's Office of the Legal Adviser related to the State Department and Ukraine, sources familiar with the planned briefing told [ABC News](#). Details of the briefing, requested by Steve Linick, the inspector general at State, remain unknown. Linick is expected to meet with congressional staff in a secure location on Capitol Hill. The unusual nature and timing of the briefing — during a congressional recess — suggests it may be connected to a recent intelligence community

whistleblower allegation which describes, in part, the State Department's role in coordinating interactions between Rudy Giuliani, the president's personal attorney, and Ukrainian officials.

BANKS, WALORSKI CALL FOR DOJ PROBE ON FETAL REMAINS: U.S. Reps. Jackie Walorski (R-Ind.) and Jim Banks (R-Ind.), along with 65 of their House Republican colleagues, called on the U.S. Department of Justice (DOJ) to provide any assistance requested by state authorities in investigating the discovery of human fetal remains on the property of Indiana abortionist Ulrich "George" Klopfer, and to open a separate inquiry if any federal laws were violated (*Howey Politics Indiana*). In a letter to U.S. Attorney General William Barr, the members also requested a DOJ review of state laws pertaining to the disposition of human fetal remains. "The discovery of more than 2,200 preserved human fetal remains on the property of a man infamously known as Indiana's most prolific abortionist reveals a callous disregard for the sanctity of human life," the members wrote.

General Assembly

LUCAS PRAISES MEARS DECISION ON MARIJUANA: Prosecutors in Marion County are no longer planning to litigate cases in which people are arrested for less than an ounce of marijuana. In light of that decision by new acting Marion County prosecutor Ryan Mears, State Sen. Jim Lucas (R-Seymour) and Karen Tallian (D-Portage) both agree that now Indiana has its best chance to legalize some sort of marijuana statewide than ever before (Darling, [WIBC](#)). "God bless that man," Lucas said of Mears to WISH-TV. "I want to buy him a steak dinner. Anything he wants at St. Elmo's or whatever restaurant in Indianapolis. What he did, he is going to force the conversation at the Statehouse that should've been had years ago." Lucas has spearheaded the effort to legalize medical cannabis in Indiana for the last few years. "There are just a whole spectrum of benefits that this brings to people," the Lucas told WISH-TV Tuesday. "A better quality of life and, not just that, but significantly less side-effects than many of the prescription medications they're taking now."

NIEZGODSKI CONGRATULATES NEW FIRE MARSHAL: State Senator David Niezgodski (D-South Bend) made the following comments after the governor announced the state's next fire marshal (*Howey Politics Indiana*). "Congratulations to South Bend Fire Chief Stephen Cox on being selected to serve as the Indiana state fire marshal by Governor Holcomb. This is a tremendous honor and responsibility that I know Chief Cox will fulfill well as he has dutifully served the City of South Bend for many years. I wish him all the best in this new endeavor and thank him for his service."

State

GOVERNOR: HOLCOMB APPOINTS COX AS FIRE MARSHAL - Gov. Eric J. Holcomb announced he has selected South Bend Fire Chief Stephen Cox to serve as the Indiana state fire marshal (*Howey Politics Indiana*). "Chief Cox brings great experience, leadership and vision to the Indiana Department of Homeland Security," Gov. Holcomb said. "I know that as the state's fire marshal he will enhance public safety in the state of Indiana and continue to build partnerships with first responders and all Hoosiers." Cox has served with the South Bend Fire Department for 26 years, with 12 years in executive leadership. With the South Bend Fire Department, he served as a paramedic, firefighter, EMS instructor, and EMS chief of the fire department, before being promoted to fire chief in 2012. As fire chief, Cox created a fire training center which has enabled the department to build a robust training program to support the South Bend department as well as other departments in the state. He also collaborated with the Indiana National Guard to form a Helicopter Aquatic Rescue Team, an important asset for Indiana's disaster preparedness.

JUSTICE: BERHMAN KILLER ORDERED RELEASED - A federal judge has ordered the man convicted of killing Bloomington resident Jill Behrman to be released. U.S. District Court Judge James R. Sweeney of the Southern District of Indiana wrote in his ruling Monday that John Myers received ineffective counsel from attorney Patrick Baker at his trial (Wittmeyer & Zaltsberg, [Indiana Public Media](#)). In the 147-page ruling, Sweeney writes, "Most notably, Mr. Myers' counsel made false statements to the jury during opening arguments which counsel admitted to the Indiana Supreme Court in a subsequent attorney disciplinary proceeding. He also failed to object to two significant categories of evidence that should not have been presented to the jury. In the end, these serious errors all but destroyed the defense that trial counsel presented to the jury and tainted the entire trial" Myers is being held in Michigan City at the Indiana State Prison. Morgan County prosecutor Steve Sonnega has 120 days to decide whether to appeal Judge Sweeney's ruling. In a statement Sonnega says he plans to meet with the victims and the investigator before making that decision.

EDUCATION: IU MED LANDS \$36M GRANT - The National Institutes of Health has awarded a \$36 million grant to the IU School of Medicine to launch a drug discovery center focused on accelerating the development of treatments for Alzheimer's disease (Brown, [Inside Indiana Business](#)). The center is part of a strategic partnership with the Purdue Institute for Drug

Discovery, and IU says the partnership is one of only two multi-institution teams in the country selected for a new federal program designed to grow the drug development pipeline for the disease. The center is being led by Alan Palkowitz, a senior research professor at IU School of Medicine and a nearly 30-year veteran of Indianapolis-based Eli Lilly and Co. (NYSE: LLY). In an interview with Inside INdiana Business Reporter Mary-Rachel Redman, Palkowitz said there are two main goals with the center. "One is to be able to create more understanding of the disease through our research with the companion goal of hopefully identifying potential molecules that could be developed further that would eventually result in therapies for patients," said Palkowitz.

EDUCATION: VU ENTERS WORKFORCE EFFORT - Vincennes University is partnering with four major Indiana employers to launch a training program to prepare students for careers in advanced manufacturing, and help companies find skilled technical talent ([Inside Indiana Business](#)). The Indiana Federation for Advanced Manufacturing Education initiative provides select students with training in automation, robotics, and other aspects of advanced manufacturing, while also earning an associate degree from Vincennes. This is VU's second INFAME program. The university also has the program at its main campus. This new program will be based at the VU's Aviation Technology Center at Indianapolis International Airport. The partner companies are Eli Lilly, Major Tool & Machine, Steel Dynamics, Inc., and 3M.

MEDIA: ALLEN BUYS INDIANA TV STATIONS - Los Angeles-based Entertainment Studios Inc. has reached an agreement to acquire 11 broadcast television stations, including three in Indiana. The company's subsidiary, Allen Media Broadcasting, says the deal with USA Television Holdings LLC and USA Television MidAmerica Holdings LLC is valued at \$290 million ([Inside Indiana Business](#)). The Indiana stations involved in the sale include WFFT-TV in Fort Wayne, WTHI-TV in Terre Haute, and WLFI-TV in Lafayette. In a news release, Entertainment Studios Chairman and Chief Executive Officer Byron Allen called the deal another milestone for the company. "I have known Byron Allen for decades and we are delighted that these stations will now be part of his dynamic company, and that Heartland management will continue to guide them," said USA Television CEO Robert S. Prather, Jr. "These stations are dedicated to their local communities and this transaction will enable them to become even stronger on both their broadcast and digital platforms." Allen also acquired two Evansville stations, WEEV-TV and WEVV-TV, in August as part of a \$165 million deal.

Nation

WHITE HOUSE: TRUMP WARNS OF 'COUP' - President Trump, around 7:40 p.m. Tuesday, tweeted: "As I learn more and more each day, I am coming to the conclusion that what is taking place is not an impeachment, it is a COUP, intended to take away the Power of the.....People, their VOTE, their Freedoms, their Second Amendment, Religion, Military, Border Wall, and their God-given rights as a Citizen of The United States of America!"

WHITE HOUSE: JUDGE BLOCKS TRUMP TAX REFORM RELEASE - A U.S. judge has temporarily blocked a California law aimed at forcing President Trump to release his personal income tax returns in order to appear on the 2020 primary ballot. U.S. District Judge Morrison C. England Jr. issued a written opinion Tuesday saying the law likely violates the U.S. Constitution ([CBS News](#)). England said in September that he would temporarily block the law that requires candidates for president or governor to file copies of their personal income tax returns with the California secretary of state's office. England wrote that the state's concerns about seeing elected officials' tax returns are "legitimate and understandable."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will participate in the arrival of Finnish President Sauli Niinistö at noon. The two will meet followed by an expanded working lunch at 12:45 p.m. in the Cabinet Room. Trump will participate in a joint press conference at 2 p.m. in the East Room.

WHITE HOUSE: PRESIDENT CARTER TURNS 95 - Jimmy Carter, the 39th president of the United States, has celebrated multiple record-breaking milestones in recent years: The 40th anniversary of his inauguration was in 2017; he joined George H.W. Bush as the only other president to reach the age of 94; and in March, at 94 years and 172 days, he became the longest-living former president in U.S. history ([Washington Post](#)). Now, Carter is 95. To help the low-key former chief executive celebrate his birthday on Tuesday, the Carter Center is inviting people all over the world to send him birthday messages. Carter has reached yet another milestone despite thinking he was on the verge of death just a few years earlier, after doctors discovered that cancer had spread to his brain.

WHITE HOUSE: HILLARY SAYS 'GUTSIEST' THING WAS STAYING IN MARRIAGE - Hillary Clinton said Tuesday that she believes the "gutsiest" thing she ever did outside of public life was deciding to stay married to former President Bill Clinton. The candid remark from the former secretary of State and 2016 Democratic presidential nominee came during an appearance on ABC's "[Good Morning America](#)" with her daughter, Chelsea Clinton, to promote their new book, "The Book of Gutsy Women." "Can I ask you, what's the gutsiest thing you've ever done?" ABC News' Amy Robach asked Hillary Clinton at the conclusion of the joint interview. "Ah, boy, I think the gutsiest thing I've ever done — well, personally, make the decision to stay in my marriage," she replied. "Publicly, politically, run for president. And keep going. Just get up every day and keep going."

FCC: MIXED RULING ON NET NEUTRALITY - A federal appeals court on Tuesday delivered a mixed ruling for net neutrality supporters and opponents alike, allowing the Federal Communications Commission's (FCC) 2017 repeal to stand but striking down a key provision blocking states from implementing their own open internet rules ([The Hill](#)). The D.C. Circuit Court of Appeals also sent the repeal order back to the FCC, ordering the agency to revise it to take into consideration other issues, like the effect that it will have on public safety, broadband subsidies and the regulation of cable pole attachments. Though the ruling was mixed for both sides of the issue, it's still unclear whether any of the parties involved in the lawsuit plan on appealing the decision. The FCC decided to repeal the Obama-era net neutrality rules in 2017, with Republicans on the commission carrying the 3-2 vote along party lines. The rules classified internet service providers like Comcast and Verizon as common carriers, subjecting them to tougher regulations and oversight, and prohibited them from blocking or discriminating against certain websites.

OHIO: JOHNSON & JOHNSON TO SETTLE SUIT FOR \$20M - Johnson & Johnson on Tuesday said it has agreed to a \$20.4 million deal to avoid a coming trial accusing the company of helping spark an opioid-addiction crisis in two Ohio counties ([Wall Street Journal](#)). The settlement makes J&J the fourth drugmaker to reach such a deal ahead of the trial, slated to begin later this month in federal court in Cleveland. The trial is considered a bellwether for thousands of opioid-related lawsuits that municipalities and states have filed against drugmakers.

GEORGIA: JUDGE BLOCKS ABORTION LAW - A federal judge on Tuesday temporarily blocked Georgia's restrictive new abortion law from taking effect, following the lead of other judges who have blocked similar measures in other states ([ABC News](#)). The law signed in May by Republican Gov. Brian Kemp bans abortions once a fetal heartbeat is detected, which can happen as early as six weeks into a pregnancy, before many women realize they're expecting. It allows for limited exceptions. It had been scheduled to become enforceable on Jan. 1. Lawyers with the American Civil Liberties Union, Planned Parenthood and the Center for Reproductive Rights in June filed a constitutional challenge to the law on behalf of Georgia abortion providers and an advocacy group. U.S. District Judge Steve Jones wrote in an order Tuesday that the current laws governing abortion in the state shall remain in effect for the time being.

Local

CITIES: GARY PRESIDENT BREWER THANKS SUPPORTERS AFTER ARREST - Common Council President Ronald Brewer thanked his supporters and defended his decision to track down teens in his stolen vehicle Sept. 22, resulting in his arrest by East Chicago police (Cross, [NWI Times](#)). "As a husband, father, I would never knowingly subject my family to public humiliation. As an elected official, I would never intentionally bring shame to my community," Brewer said in a statement near the beginning of Tuesday night's Common Council meeting. Brewer was allegedly overheard during a 911 call Sept. 22 threatening one of the teenagers, age 14, found in the politician's stolen Lexus the day after he reported his car stolen, saying the teen's mom would be getting him back "in a (expletive) body bag." The council president said he stands by his innocence, arguing he reported the car stolen immediately to Gary police.

CITIES: SBA AUDIT FINDS \$250K IN OVERRUNS - The state's latest audit of Muncie city government found issues with city accounts being overdrawn by hundreds of thousands of dollars and repeated improper use of city credit cards (Ohlenkamp, [Muncie Star Press](#)). The Indiana State Board of Accounts, in a report issued on Sept. 11, drove home that the city has a handful of overdrawn accounts, most of which are likely from bad accounting by city department heads for 2018. The report noted that the local road and street account was overdrawn by \$430,895, the city's Hardest Hit Fund was overdrawn by \$283,698 and several community development office funds were overdrawn by nearly \$70,000 in total. City controller Kevin Nemyer said that most of the time it is department heads attempting to pay claims out of a line item, but they've used all the money. A majority of the time it doesn't indicate serious issues, but instead accounting errors that can be corrected. "We usually process those claims as they are turned in," Nemyer said.

CITIES: SBA RAISES MORE QUESTIONS ON MARTINSVILLE PD CHIEF - A newly released audit criticizes the former Martinsville police chief's role in the overpayment of two police department employees ([WRTV](#)). Matthew Long was appointed as police chief in 2016 and is currently on unpaid leave status with the Martinsville Police Department pending criminal charges of theft and official misconduct. According to the audit, Kirsten Clayton was hired in June 2017 to work at the police department and then became administrative assistant to the mayor in October 2017. Time sheets showed Clayton did not receive pay for 37.5 hours. In November 2017, then Chief Matthew Long made an entry in the software application to post 80 hours of compensatory or "comp" time for Clayton. The State Board of Accounts said in 2018, Clayton took comp time off totaling 86 hours, however, the city only had documentation that she earned 37.5 hours. The State Board of Accounts asked Clayton and Long to reimburse the city \$1,075.73.

CITIES: ELKHART FD CHIEF RESIGNS - Elkhart Fire Chief Chad Carey is resigning. That was confirmed Tuesday evening by the mayor's Chief of Staff, Bradley Tracy. The resignation will be officially announced by the mayor this week ([Elkhart Truth](#)). Tracy said the chief has notified Mayor Tim Neese that he will leave the position before the end of the year in order to take advantage of another opportunity, which Tracy could not name. He did not disclose the exact time of Carey's

departure. Neese's term will come to an end on Dec. 31, meaning that Carey would not be certain to keep his current job when a new mayor takes office.

CITIES: CARMEL SEEKS TO BAN SCOOTERS - The city known for having over 125 roundabouts is now trying to ban some modes of transportation ([Fox59](#)). Tonight, Carmel city councilors will consider a ban on skateboards and electric scooters in Midtown, the Arts & Design district, city-owned parking garages and in the city's parks. This proposal would expand on an ordinance that already prohibits scooters and skateboards in Carmel's City Center. In the past, city councilors say skateboarders have been known to go down ramps in parking garages, putting residents and drivers at risk. "We do have skateboarders who are enjoying using the ramps in our parking garages. That's an unsafe situation not only for our skateboarders, but also our drivers," said Carmel City-Council President Jeff Worrell.

COUNTIES: ELKHART, LaGRANGE, NOBLE, TO SPRAY FOR MOSQUITOS - Three northern Indiana counties will conduct aerial spraying to combat a rare mosquito-borne virus that's been found in several local horses. Elkhart, Noble and LaGrange counties' commissioners authorized the spraying Monday in separate meetings ([AP](#)). The decisions by the adjoining counties comes after eight horses in Elkhart County and two in LaGrange County tested positive for eastern equine encephalitis. The Goshen News reports human cases of the virus in adjacent Michigan counties factored in the Indiana counties' decisions to begin spraying.

Fast-growing Mooresville-based prop maker plans to add 70 jobs

October 2, 2019 | [Greg Andrews](#)

KEYWORDS [MANUFACTURING](#) / [MOORESVILLE](#) / [MORGAN COUNTY](#)



Depending on the size and complexity of the project, Creative Works charges from \$40,000 to several hundred thousand dollars for its work. (IBJ file photo)

Creative Works, which makes props and attractions for the entertainment industry, announced Wednesday that it will invest \$1.1 million into renovating and expanding its Mooresville headquarters and plans to add up to 70 jobs by 2022.

The company, which has 67 full-time employees, plans to hire for sales and marketing associates, project managers, 3D modeling and graphic designers, fabricators and attraction installers.

“This expansion will ensure Creative Works’ long-term success in Morgan County, allowing the company to grow and increase its client base around the world,” Elaine Bedel, president of the Indiana Economic Development Corp., said in a written statement.

Founded in 1997, the company creates about 300 projects a year for entertainment venues, including escape rooms, virtual reality and esports venues and indoor miniature golf courses.

It has grown explosively in recent years, with 2018 revenue reaching \$20 million, up from less than \$7 million in 2016.

Creative Works, which operates out of a four-building, 33,000-square-foot campus, has not finalized its construction plans. But the firm said the upgrades will include installation of new 3D modeling equipment and fabrication machines.

The IEDC offered Creative Works up to \$575,000 in tax credits based on the company’s job-creation plans. It also offered up to \$100,000 in tax credits from the Hoosier Business Investment tax credit program based on the planned capital investment.

The Mooresville Town Council and Redevelopment Commission will consider additional incentives. Details on those were not immediately available.

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Consolidation up for consideration for state education agencies

October 1, 2019 | [Emma Kate Fittes, Chalkbeat Indiana](#)

KEYWORDS [EDUCATION & WORKFORCE DEVELOPMENT](#) / [GOVERNMENT & ECONOMIC DEVELOPMENT](#) / [STATE GOVERNMENT](#)

Indiana lawmakers are considering consolidating the State Board of Education with two other largely governor-appointed agencies, a move that might become easier when the state changes to a governor-appointed superintendent of public instruction in 2021.

On Tuesday, an interim committee of lawmakers discussed potentially consolidating the state board of education, governor's workforce cabinet, and Commission for Higher Education.

The discussion seems to signal an expectation of smoother relationships between the governor's office and superintendent, who heads the education department and sits on the state board.

Rep. Bob Behning, an Indianapolis Republican who chairs the House Education Committee, suggested the state turn each into smaller subcommittees, which would make recommendations to an overarching "Commission for Lifelong Learning." The commission, which would include the state superintendent, would take authority over state policy from the state board.

Currently, the three groups function separately from each other and the department of education. The governor's workforce cabinet was established last year to review career and technical education and oversee new grant programs. The 14-member higher education commission, created in 1971, administers state financial aid, collects secondary education data and reviews colleges' appropriation requests.

The state board, which has existed since 1852, authorizes billions of dollars in state education funds to local K-12 schools, assigns school letter grades, and intervenes into failing schools, among other things. Most of its members—eight of the 11—are appointed by the governor.

Although the Behning's proposal wouldn't truly combine the groups because they would remain in subcommittees, Behning said the additional commission would help ensure that all groups are working in alignment.

"We need to do something to change the government so we have a total focus instead of these silos," he told lawmakers on Tuesday.

Historically, the state superintendent has been an elected position. The decision to move to an appointed superintendent is controversial because it puts the power in the governor's hands.

A year ago, Superintendent Jennifer McCormick said she experienced “[toxic politics](#)” between the education department and governor's office. Her comments were surprising to some, who expected the Republican to find better success in a state where the governor is a Republican and the legislature has a Republican supermajority.

Behning's idea is a far cry from Democrat [Rep. Ed DeLaney's bill](#) earlier this year that would have scrapped the state board of education and transferred its responsibilities to the state education department. Instead, his model is similar to the former [Indiana Education Roundtable](#), which was co-chaired by the governor and state superintendent. The roundtable was dissolved in 2015 under then-Gov. Mike Pence, who frequently clashed with then-superintendent and Democrat Glenda Ritz.

The interim committee of lawmakers didn't make any decisions on Tuesday for how to move forward. Representatives from each of the three groups involved said they didn't have enough time to prepare a response to the suggestion.

The Indiana State Teachers Association, the state's largest union, said during the meeting Tuesday that they would support a model similar to the roundtable, but asked for some members to be elected to balance the appointed state superintendent.

“It had a model that worked well and brought together a diverse host of interest,” said ISTA lobbyist John O'Neal. “Recreating this is doable.”

[Chalkbeat](#) is a not-for-profit news site covering educational change in public schools.

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To: [#All Governor's Office](#)
Subject: News Clips 10/4
Date: Friday, October 4, 2019 11:34:57 AM
Attachments: [Howey 10-4-19.pdf](#)
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Journal Review- [Holcomb calls to expand Pell Grants awards to nontraditional learners](#)
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Indy Star- [City extends funding of Pathway to Employment program](#)
WBIW- [K-12 Students at Ivy Tech for Manufacturing Day Today](#)
WIBC- [IUPUC Using Virtual Reality to Train Nursing Students](#)
Inside IN Business- [IUPUC Using VR to Train Nursing Students](#)
Kokomo Tribune- [Opinion: Hoosier coverage concerns](#)

2019 Legislative Session

Indy Star- [DraftKings, Rush Street Interactive launch Indiana's first online sportsbooks](#)
Cincinnati.com- [Mobile sports betting starts today in Indiana, and Cincinnati is a target](#)
NWI Times- [Betting on sports in Indiana now is as easy as pulling out your phone](#)

RFRA Fix Lawsuit

Indy Star- [Attorney: RFRA nondiscrimination 'fix' is a 'grotesque' stripping of religious rights](#)
IN Public Media- [Religious Conservative Groups Ask Court To Strike Down RFRA Fix](#)
Journal Gazette- [Judge hears suit over Indiana's religious objections law](#)
NWI Times- [Judge hearing suit over Indiana's religious objections law](#)
DC Herald- [Groups contest limits on religious objections law](#)

Misc.

Indy Star- [Fetal remains from dead doctor's Illinois home are back in Indiana](#)
CBS Chicago- [Fetal Remains Found In Illinois Now Stored In Indiana](#)
WISHTV- [Fetal remains found at late doc's home moved to Indiana](#)
WIBC- [Vaping Illness: Sixty Hoosiers Have Gotten Sick, So Far](#)
WBIW- [Indiana Legislators Mull Installing Highway Traffic Cameras](#)
WIBC- [Contractors, Unions Urge Automated Cameras to Catch Work Zone Speeders](#)
Indy Star- [94-year-old World War II vet received France's highest honor — 75 years later](#)
IN Public Media- [Sheriff Expresses Jail Overcrowding Concerns With State Officials](#)
IN Lawyer- [Legislative study committee hears juvenile offender concerns](#)
WTHR- [Hospital Association responds to study critical of Indiana hospital system](#)
RTV6- [State releases income eligibility guidelines for child and adult food program](#)
CBS Chicago- [Fatal Crash On I-80/94 In Indiana Leaves Car Wedged Under Semi-Truck](#)
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WGN- [Some schools in NW Indiana closed due to legionella bacteria](#)
WTHR- [Indiana flags at half-staff Sunday for Fallen Firefighters](#)
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Oct. 4, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

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TRUMP CALLS ON CHINA TO INVESTIGATE THE BIDENS: Ensnarled in an impeachment investigation over his request for Ukraine to investigate a chief political rival, President Donald Trump on Thursday called on another nation to probe former Vice President Joe Biden: China ([AP](#)). "China should start an investigation into the Bidens," Trump said in remarks to reporters outside the White House. Trump said he hadn't directly asked Chinese President Xi Jinping to investigate Biden and his son Hunter but said it's "certainly something we could start thinking about." Trump and personal lawyer Rudy Giuliani have also tried to raise suspicions about Hunter Biden's business dealings in China, leaning on the writings of conservative author Peter Schweizer. But there is no evidence that the former vice president benefited financially from his son's business relationships. "I have a lot of options on China, but if they don't do what we want, we have tremendous, tremendous power," Trump said. He later alleged without evidence that China had a "sweetheart deal" on trade with the U.S. because of the Bidens. "You know what they call that," Trump said. "They call that a payoff."

TRUMP TOSSES STINK BOMB INTO CHINA TRADE TALKS: President Donald Trump just tossed his most pressing economic issue into the morass of impeachment politics ([Politico](#)). Trump's suggestion Thursday that Beijing should investigate a political rival, moments after threatening America's "tremendous power" in the ongoing trade talks with China, exposes his long-running negotiations with the world's No. 2 economy to new scrutiny and could cast a political shadow over the results. Trump's characteristic conflation of issues comes just a week before Chinese officials are due to arrive for a 13th round of trade talks in Washington. Even if Trump's comments don't shift the dynamic at the negotiating table, people who have been tracking every twist in the trade talks say the president's statement will cloud how any outcome from the talks is received by Trump's Democratic opponents and other U.S. policymakers. "This is a gift to anyone who doesn't like the deal," said Derek Scissors, a China scholar at the American Enterprise Institute who has advised the administration on China issues. "It will be very easy to say, the U.S. could have gotten more but the president wanted China to investigate Biden and gave up something that would have helped American workers," he added.

TRUMP TO DARE PELOSI TO IMPEACH: The White House will send House Speaker Nancy Pelosi, D-Calif., a letter on Friday "daring" her to hold a vote on Democrats' impeachment inquiry into President Trump, Fox News has confirmed ([Fox News](#)). The letter will say the White House won't comply with the Democrats' investigation because Pelosi hasn't codified the probe with a formal vote on the House floor. Its tone will be consistent with that of the letter House Minority Leader Kevin McCarthy, R-Calif., sent to the speaker on Thursday, Fox learned. In his letter, McCarthy called on Pelosi to end the impeachment inquiry until "equitable rules and procedures" are set up.

TRUMP'S RED WALL INCLUDES SENS. BRAUN, YOUNG: Every time President Trump seems to tempt fate — like inviting China on-camera yesterday to investigate the Bidens — remember that he's counting on a red wall in the Senate to save him even if he's impeached, [Axios'](#) David Nather and Jim VandeHei write. This visual shows just how strong that wall is: 51 Republican senators from states Trump won in 2016, including Indiana's U.S. Sens. Todd Young and Mike Braun. He only needs 34 to save him from being convicted and removed from office if the House impeaches him. So if Mitt Romney or Ben Sasse feel like voting to convict, they can and it wouldn't make a difference. The red wall doesn't include Susan Collins or Cory Gardner, the two Republican senators from states that voted for Hillary Clinton (Maine and Colorado). Both are up for re-election next year. They could vote to convict too, and it still wouldn't matter. Remember that impeachment, which only takes a majority vote in the House, doesn't end Trump's presidency. That only happens if two-thirds of the Senate votes to convict and remove him — 67 senators if they all show up. 36 Republican senators represent Trump states where he's still popular. 15 of them are up for re-election. 15 Republican senators represent Trump states where his approval ratings are underwater, but only 4 of them are up for re-election.

NAPOLITANO SEES TRUMP 'IMPEACHABLE OFFENSE': Fox News senior judicial analyst Andrew Napolitano argued in a column and video published on FoxNews.com Thursday morning that President Donald Trump's "criminal behavior" with regard to Ukraine is impeachable, and that his threats against the whistleblower are dangerous ([Mediaite](#)). The column opens by noting that "the criminal behavior to which Trump has admitted is much more grave than anything alleged or unearthed by Special Counsel Robert Mueller, and much of what Mueller revealed was impeachable," before outlining the specifics of the Ukraine scandal currently presenting an existential threat to his administration. He later calls out the specific language used by Trump towards the unnamed whistleblower: Trump has also admitted to accusing the as-yet publicly unnamed whistleblower of treason, and suggesting that the whistleblower and those who have helped him are spies and ought to be treated as spies were in "the old days" (Trump's phrase) — that is, by hanging. The president's allusions to violence are palpably dangerous. They will give cover to crazies who crave violence, as other intemperate words of his have done."

GIULIANI PUSHED FOR UKRAINE AMBASSADOR DISMISSAL: President Trump ordered the removal of the ambassador to Ukraine after months of complaints from allies outside the administration, including his personal lawyer Rudy Giuliani, that she was undermining him abroad and obstructing efforts to persuade Kyiv to investigate former Vice President

Joe Biden, according to people familiar with the matter ([Wall Street Journal](#)). The recall of Marie Yovanovitch in the spring has become a key point of interest in the House impeachment inquiry. A whistleblower complaint by a CIA officer alleges the president solicited foreign interference in the 2020 elections by pressing Ukraine's president in a July 25 call to pursue investigations, including into the activities of Mr. Biden, a Democrat who is running for president. The complaint cites Ms. Yovanovitch's ouster as one of a series of events that paved the way for what the whistleblower alleges was an abuse of power by the president. Mr. Trump has described the call with his Ukrainian counterpart as "perfect" and the House inquiry as a "hoax."

INDIANA GOP OFFERING 'IMPEACH THIS' T-SHIRT: The Indiana Republican Party is offering an "Impeach This" T-shirt (*Howey Politics Indiana*). The Republicans said, "In just the last week, radical Democrats have escalated their attacks on President Donald Trump. And while Democrats have recklessly called for impeachment, President Trump has been fully transparent with the American people. Get Your 'Impeach This' shirt now & stand with President Trump. As Democrats try to distract from the real results President Trump is delivering the American people, we have an important question: How does the radical left think they can get away with impeachment when they're facing a country this red?"

PUTIN JOKES ABOUT ELECTION MEDDLING: Russian President Vladimir Putin joked about Russia meddling in the 2020 presidential elections, telling reporters "don't tell anyone" ([Epoch Times](#)). During an appearance at an event in Moscow, Putin was asked by an NBC reporter about whether Russia was going to meddle in the upcoming U.S. election. "I'll tell you a secret: Yes, we'll definitely do it," Putin replied, according to CNN. "Just don't tell anyone," he added. "You know, we have enough of our own problems," CNN quoted Putin as saying. "We are engaged in resolving internal problems and are primarily focused on this." Bloomberg News also reported on Putin's response. In the same conference, Putin also said he never had a close relationship with President Donald Trump. "In my opinion, we have good, businesslike relations, and a relatively stable level of trust," Putin said, Bloomberg reported. "We've never been close, and aren't now."

NEW SCRUTINY FOR OLD DEM FRONTRUNNERS: Bernie Sanders' hospitalization with a blocked artery this week finally forced the Democratic Party to confront a lingering fact: All three of its presidential front-runners are septuagenarians, and two are older than Donald Trump — himself the oldest person ever to take office ([Politico](#)). For Sanders, the immediate effect of the incident — a blockage requiring two stents — was to sideline the 78-year-old senator until further notice, with rest for what an adviser called "the next few days." But the broader implications were also thrust into plain view: In a Democratic primary that was once expected to break along generational lines, a whole crop of younger contenders has fallen so far back that — even with an aging, top-tier contender laid up — it would take an upset for the party to mount a generational argument against Trump next year. Biden, Sanders and Sen. Elizabeth Warren — the youngest of the three at 70 — are pulling nearly three-quarters of the primary electorate's support in national polling. And even if Sanders stumbles, no younger alternative is likely to benefit.

BILL LANDSKE SENTENCED TO 55 YEARS: The 84-year-old widower of a state senator was sentenced Thursday to 55 years in prison for killing a prominent attorney who was a friend of his wife for more than 30 years (Reese, [NWI Times](#)). William "Bill" Landske, of Cedar Lake, was convicted of murder in August for shooting Tracy Edward Page multiple times in August 2018 after leading Page away from members of both of their families under the guise of having a talk outside Page's Hobart home. Page's brother and sister-in-law, Paul and Sally Page, said Page's death left a hole in the fabric of the community. "He never met a person he couldn't win over," Sally Page said of her brother-in-law. Tracy Page was a pillar of every community he was part of, and his death continues to reverberate. Kevin Swanson, Tracy Page's spouse and partner of more than 30 years, witnessed the ambush killing and remains so grief-stricken he could not attend Thursday's sentencing hearing, they said. Swanson also may not attend the Page family's holiday gatherings again this year as he attempts to find a "new normal." "It's too painful for him to be with the rest of us," Sally Page said.

BIDEN POSTS JUST \$15M: Former Vice President Joe Biden said he raised \$15.2 million for his presidential campaign during the past three months, a drop-off from his initial fundraising foray that could put him at a disadvantage against some of his Democratic rivals ([Wall Street Journal](#)). Mr. Biden told donors at a Palo Alto, Calif., event Thursday about his fundraising totals in the three-month period that ended Sept. 30. The amount compares to his \$22 million haul during the first two months of his campaign through the end of June. Vermont Sen. Bernie Sanders, who has been hospitalized following a heart ailment, reported earlier this week that he had raised \$25.3 million, while South Bend, Ind., Mayor Pete Buttigieg said he had collected \$19.1 million during the period. Massachusetts Sen. Elizabeth Warren, who has been vying with Mr. Biden for the top position in primary polling, hasn't yet announced her fundraising amount for the quarter.

HPI DAILY ANALYSIS: Democratic frontrunner just reported a \$15 million, which is an underwhelming number, compared to the \$25 million for Bernie Sanders and \$19 million for Pete Buttigieg. It underscores Biden's vulnerability, which is now under assault from President Trump, and under influence by Sanders health scare. The question is whether Buttigieg can use his robust funding to join the top tier. He lacks African-American support and addresses the Indianapolis NAACP tonight. - *Brian A. Howey*

Campaigns

CRAWFORD'S WIFE IN TV AD FOR MAYOR HENRY: The wife of Republican Fort Wayne City Councilman John Crawford has been featured in an advertisement supporting Democratic Mayor Tom Henry's reelection campaign. The campaign video, which aired on TV and was posted to the Henry campaign Facebook page, is titled "Republicans for Mayor Tom Henry" and features two Republicans and an independent. One of the Republicans is Marcia Crawford (Gong, [Fort Wayne Journal Gazette](#)). In the video, Crawford states that she is supporting Henry "because he works for all parties, making sure the neighborhoods are thriving, businesses are investing and our young people are staying in Fort Wayne, living, working and raising their families here." Henry is running against Republican Tim Smith in the Nov. 5 general election. The other two featured in the video are Ryan Neumeister and independent John Dortch, who said Henry is "positive and has a real plan for moving our city forward." John Crawford said his wife's appearance in the ad was her choice. "You don't tell modern women what to do. They tell you what they are going to do," he said in an interview Tuesday. "I gave her no direction one way or another; it was her decision."

HUPFER CALLS ON BUTTIGIEG TO ADDRESS SOUTH BEND CRIME: Ahead of Mayor Pete Buttigieg's stop in South Bend Thursday night to open a new presidential campaign office, Indiana Republican Party Chairman Kyle Hupfer released a statement calling on Buttigieg to stick around South Bend a little longer and to address the city's rising crime ([Howey Politics Indiana](#)). "As homicides and aggravated assaults continue to rise in South Bend, the city needs a leader," said Hupfer. "And sadly right now, it's clear that Mayor Pete Buttigieg is dodging the responsibilities of being that leader. "The people of South Bend care about the safety of their own neighborhoods – not baseless impeachment inquiries, and certainly not Buttigieg's latest celebrity endorsement. They need someone who will work toward real solutions for their city on crime, and Buttigieg's priorities are clearly elsewhere." According to reporting by the South Bend Tribune, so far this year (as of August, the latest month with full statistics) South Bend has seen 10 homicides.

DIETZEN ENTERS GOP 5TH CD RACE: Chuck Dietzen is the fifth Republican to launch a campaign for the 5th CD. "I want to serve the community that has given me extraordinary opportunities to make a difference in the lives of people here and all over the world," said Dietzen ([Howey Politics Indiana](#)). "I want to make sure we make healthcare work for patients, and socialized medicine does not work. I want to ensure our families and communities thrive – to do that we must protect our constitutional freedoms." Dietzen retired from as chief of Pediatric Rehabilitation Medicine at Riley Hospital for Children at Indiana University Health. He is the founder of, and a volunteer for, Timmy Global Health, an Indianapolis based nonprofit that has worked to expand healthcare access in developing countries.

Presidential 2020

BUTTIGIEG OPENS NEW SOUTH BEND HQ: Mayor Pete Buttigieg opened his new presidential campaign office Thursday night in South Bend (Caruso, [Indiana Public Media](#)). A large crowd gathered outside of the new 'Pete For America' campaign office to show their support. Buttigieg said there are several reasons he opened the office - like preparation for the Indiana primary in May. "It is very likely the nomination contest will still be pretty intense and undecided when the primary happens here in Indiana so it's never too soon to be organizing right here." Buttigieg also said South Bend is the heart of his campaign and he wanted to grow his local presence.

DEFIANT BIDEN RESPONDS TO TRUMP: Joe Biden delivered his most forceful response to President Trump's attacks on him in a speech in Reno Wednesday, painting Mr. Trump as "wounded" and "desperate," on a day when Mr. Trump angrily attacked congressional Democrats over the impeachment inquiry and kept up his unsupported accusations of impropriety against Biden and his son Hunter, who was employed by an energy company in Ukraine ([CBS News](#)). "Let me make something clear to Trump and his hatchet men and the special interests funding his attacks against me — I'm not going anywhere," Biden said, to applause from the crowd. "You're not going to destroy me. And you're not going to destroy my family. I don't care how much money you spend or how dirty the attacks get."

TRUMP CAMPAIGN TO AIM ADS AT BIDEN: President Donald Trump's reelection campaign is preparing an avalanche of TV ads targeting Joe Biden in early primary states — its most aggressive step yet to meddle in the Democratic nomination contest ([Politico](#)). Starting this weekend, the reelection effort will air over \$1 million in anti-Biden commercials in Iowa, South Carolina, New Hampshire, and Nevada, according to two people familiar with the move. The spots focus on Trump's claim that the former vice president and his son engaged in corruption in Ukraine.

CNN REFUSES TO RUN TRUMP CAMPAIGN AD: CNN said Thursday that it will not run two Trump campaign ads because they disparage the network's journalists and make "demonstrably false" claims while discussing impeachment and pushing unsubstantiated allegations of corruption against former vice president Joe Biden ([Washington Post](#)). The network's decisions come as the Trump administration escalates its attacks on congressional Democrats' impeachment efforts and continues to

lash out at media organizations it tries to discredit as “fake news.” CNN’s move brought renewed ire from Trump’s reelection campaign, as Communications Director Tim Murtaugh called the news network a “Democrat public relations firm” that “spends all day protecting Joe Biden.” The first rejected ad, posted last week to YouTube, suggests the president is being unfairly scrutinized for pressing Ukraine to investigate Biden and his son Hunter. The ad accuses Trump’s potential 2020 opponent of corruption, continuing a favorite talking point of the president and his supporters amid an impeachment inquiry and concerns Trump used his office to create trouble for a political rival.

SANDERS EXPECTED TO ATTEND OCTOBER DEBATE: As Sen. Bernie Sanders recovers from a heart procedure to clear a clogged artery, his campaign promises he will be on the debate stage in less than two weeks ([ABC News](#)). “Bernie is up and about. Yesterday, he spent much of the day talking with staff about policies, cracking jokes with the nurses and doctors, and speaking with his family on the phone. His doctors are pleased with his progress, and there has been no need for any additional procedures,” Jane Sanders said in a statement Thursday afternoon. “We expect Bernie will be discharged and on a plane back to Burlington before the end of the weekend. He’ll take a few days to rest, but he’s ready to get back out there and is looking forward to the October debate.”

MAYOR BRODERICK PASSES ON BUTTIGIEG ENDORSEMENT: More than 50 mayors across the country — including nearly a dozen from Indiana — have publicly endorsed Pete Buttigieg in his primary campaign for the Democratic presidential nomination, but two local leaders aren’t among them (Knight, [Anderson Herald-Bulletin](#)). Anderson Mayor Tom Broderick said he received an emailed invitation from the United States Conference of Mayors to sign on to the endorsement, but chose not to because he’s focused on his own mayoral campaign this fall. Broderick is seeking to become the first Anderson mayor elected to consecutive terms since J. Mark Lawler in 1999. “I’m focused on my own race right now, but I’m continuing to watch the debates like everyone else and hear what everyone has to say,” Broderick said.

YANG POSTS \$10M: Andrew Yang likes to joke about being a math guy, and right now, the numbers are on his side (*Politico*). The Democratic businessman announced Wednesday that over the past three months he raked in \$10 million for his presidential campaign — more than a number of his rivals for the Democratic nomination and just shy of Sen. Kamala Harris, who has won three statewide elections in the nation’s biggest state.

MAYOR PETE STEPS OUT OF 'OUR TOWN': It’s a gorgeous day in the eye-squinting New Hampshire sunshine, a becoming natural setting for a 37-year-old candidate who seeks to embody youthful vigor and hope. Soon enough the Democratic mayor from the Midwest with the tongue-tying surname, Pete Buttigieg, appears before us. He sports snug-fitting blue jeans, a white long-sleeve shirt folded neatly up to the elbows and, for me, a genial decency reminiscent of Thornton Wilder’s “Our Town” ([Washington Post](#)). You remember “Our Town,” don’t you? That canonical play from the 1930s that recorded the cycles of life in the unremarkable New England village of Grover’s Corners? Why, come to think of it, “Our Town” takes place in New Hampshire, too! Standing before us on a platform in the middle of rolling farmland, his silhouette framed by a red barn draped with the stars and stripes, the candidate seems as if he could indeed be a figure conjured out of Wilder’s imagination: a pleasant fellow of homespun virtues, the sort who would leap to help a little old lady cross a street. Mayor Pete maintains a gentlemanly facade offstage. He’s preternaturally mild-mannered. In two days of watching him work New Hampshire crowds, from a meet-and-greet in a Veterans of Foreign Wars hall in Manchester to a walking tour of downtown Lebanon and a boisterous college-town rally in Hanover, I never once saw the mask of calm come off. He never seems to get steamed up, rarely even raises his voice. Pete the Imperturbable. “Look, we can throw an elbow if we have to,” he declares at another stop, with the confident reserve of an Atticus Finch.

Congress

WALORSKI WILL HOST A MEDICARE FORUM: U.S. Rep. Jackie Walorski (R-Ind.) today announced her office will host “Medicare 101” educational sessions across the 2nd District to give Hoosiers the opportunity to learn the basics about the Medicare program, including enrollment, and have their questions answered by experts. This year’s “Medicare 101” events will take place in Elkhart, Goshen, La Porte, Mishawaka, Peru, Plymouth, Wabash, and Winamac (*Howey Politics Indiana*). “Medicare is a sacred commitment we have made to our seniors, and part of keeping that promise is providing Hoosiers the information and assistance they need to secure the benefits they deserve,” Congresswoman Walorski said. “These ‘Medicare 101’ educational sessions are a great way for Hoosier seniors to learn more about Medicare and have their questions answered by experts. I encourage all 2nd District Hoosiers who are at or near retirement age – or who are caregivers for Medicare beneficiaries – to attend one of these incredibly helpful events.”

REP. UPTON BACKS INQUIRY INTO UKRAINE CALL: Michigan Rep. Fred Upton, a moderate Republican who has been critical of President Trump in the past, said Wednesday that he supports an inquiry into the president’s actions pertaining to

Trump's controversial July call with the Ukrainian president, but not an impeachment inquiry ([Washington Post](#)). "Let's really look at all the details, ask lots of questions and see where it takes us," Upton told NPR's Michigan station. "So you're supportive of the idea that there needs to be this inquiry. You're not questioning that," a reporter clarified. "Yeah, I want the answers to the questions that need to be raised," Upton said.

General Assembly

LEGISLATORS HEAR ABOUT SPEED CAMERAS IN WORK ZONES: Some Indiana lawmakers want to authorize the installation of work zone speed cameras along the state's highways to photograph speeding cars and fine the lead-footed motorists. The [NWI Times](#) reports that members of the General Assembly's Interim Study Committee on Transportation advanced a plan Wednesday to authorize using the traffic cameras. The panel will decide later this month whether to officially recommend that Indiana's Republican-controlled Legislature consider making Indiana the sixth state with work zone speed cameras. State Rep. Chuck Moseley, a committee member who proposed a failed automated enforcement bill in the last House Session, says he's determined to get the measure passed in 2020.

SHERIFF TELLS OF BULGING JAIL: From the moment inmates enter the Johnson County jail in Franklin Indiana, they are under constant 24 hour surveillance (Pinsker, [Indiana Public Media](#)). A jail deputy sits in front of a bank of TV screens and computer monitors, where he can watch every inmate's movement around the facility. Sheriff Duane Burgess says he's seeing more inmates with mental health issues enter his jail. "Jail should not be a location where you put people with mental health issues, there needs to be other treatment centers where these folks can go," says Burgess. Originally constructed in the 1970's, jail now has a capacity for 322 inmates. "We've been as high as 458 and we've struggled with those numbers for the past few years," says Burgess. On September 30th, the recently formed Jail Overcrowding Task Force convened to tackle many of the concerns brought by the county sheriffs around Indiana. The panel is co-chaired by State Senator J.D. Ford (D-Indianapolis). "I've heard from different folks that our jails are serving as detox centers. I've heard from different folks about how mental health is a huge problem," says Ford.

State

GOVERNOR: HOLCOMB LEADS CALL FOR PELL GRANTS - Gov. Eric J. Holcomb offered the following statement after leading a letter calling on Congress to provide flexibility in the Pell grant program which would support Indiana's Next Level Jobs initiative. Eleven governors joined Gov. Holcomb in the effort ([Howey Politics Indiana](#)). "Indiana has never been more focused on helping people obtain the skills they need to secure good jobs that fuel our state's growing economy. Expanding the reach of federal Pell programs will help support education for incarcerated Hoosiers, adult learners and high school students to help them obtain a quality credential beyond a high school diploma. This will go a long way in helping Indiana meet its goal for at least 60 percent of Hoosiers to have education and training beyond high school by 2025 — a goal directly aligned to future workforce need. These federal changes recognize that states need more flexibility to target support to their unique populations, meet current workforce needs, and prepare for a rapidly changing future workforce and economy." The letter is addressed to U.S. Senate Health, Education, Labor and Pensions Committee Chairman Lamar Alexander and Ranking Member Sen. Patty Murray. Chairman Alexander recently released a bipartisan package of legislation to reform higher education that included reform of the Pell program.

STATEHOUSE: HILL SAYS FETAL REMAINS BACK IN INDIANA - Attorney General Curtis Hill announced today that he has overseen the transportation of 2,246 aborted fetuses back to Indiana after they were discovered in September at the Illinois home of the late Dr. Ulrich Klopfer. An investigation has revealed that the fetuses were aborted by Dr. Klopfer at Indiana clinics located in Fort Wayne, Gary and South Bend ([Howey Politics Indiana](#)). The St. Joseph County Coroner's Office assisted the Office of the Indiana Attorney General in bringing the remains back to Indiana, Attorney General Hill said at a South Bend press conference. "This investigation has been a team effort involving multiple offices and agencies since the day it began, and it remains a team effort as we proceed forward," Attorney General Hill said. "Our priority throughout this process is to give proper respect to the remains of these unborn children and to the women and families associated with them. We are still working through the decision-making process in regard to ultimate disposition of these remains, and we will continue to proceed with appropriate care and consideration at each step of the way. For now, we can simply let everyone know that these remains are back home in Indiana."

JUDICIARY: ARGUMENTS IN RFRA FIX LAW - Indiana's infamous religious freedom law came back into focus today as a Hamilton County judge heard almost three hours of arguments about whether the so-called fix to the controversial statute is unconstitutional (Kelly, [Fort Wayne Journal Gazette](#)). Also at issue was whether four cities' anti-discrimination ordinances discriminate against several Christian nonprofits. Terre Haute attorney Jim Bopp, who is seeking to invalidate the law, said

the case is unprecedented because no state has ever granted legal protection for religious freedom and then within days stripped that protection away. "We know that limiting the exercise of a person's religious freedom only to the four corners of their church or home is patently unconstitutional but that is what we are faced with," he said. But the Indiana Attorney General's Office and lawyers for the cities of Indianapolis, Carmel, Bloomington and Columbus argued the organizations that sued don't have standing because they haven't been harmed.

AGRICULTURE: FARMERS GET \$600M IN BAILOUT - Indiana farmers received nearly \$600 million from the United States Department of Agriculture during the first round of payments from the Market Facilitation Program that seeks to minimize the impact of retaliatory tariffs from the Chinese government ([Indiana Public Media](#)). More than 35,000 farmers applied for the program last year.

AGRICULTURE: DIFFICULT HARVEST AHEAD - Just about every part of this year's growing season has been a challenge from planting to weed control. Harvest will be no different. The 2019 harvest slowly which is getting underway in some parts of the state is going to be a difficult one for many reasons but primary because of the extreme variability in crop development (Truitt, [Hoosier Ag Today](#)). Lance Shepherd, with Pioneer, says, "We are definitely going to be harvesting different moisture levels in corn and even in soybeans. Early yield numbers in SE Indiana have been very disappointing. Shepherd feels yields in NE Indiana will be better, "I still think we are going to be in the 160bpa to 180bpa on corn. I don't think we will be breaking any records in 2019." He added that harvest activity in the NE has been spotty but is expected to ramp up this weekend and into next week.

ISU VIGIL FOR KHASHOGGI: As the sun set and a crescent moon shone in the southwest sky, about a dozen people gathered at Indiana State University's Dede Plaza to remember Washington Post journalist and ISU alumnus Jamal Khashoggi on the one year anniversary of his death (Loughlin, [Terre Haute Tribune-Star](#)). The ISU chapter of the Society of Professional Journalists conducted a candlelight vigil in memory of Khashoggi, a critic of the Saudi government who was murdered on Oct. 2, 2018, after visiting the Saudi embassy in Turkey to obtain marriage documents. His death prompted an international outcry. Khashoggi attended Indiana State as an undergraduate from 1977 to 1982 and received a business administration degree on May 7, 1983. Alexa Imperial, ISU SPJ secretary, and Lori Henson, ISU journalism instructor and SPJ adviser, read from a prepared text and also called for a moment of silence. According to the Committee to Protect Journalists, at least 53 journalists around the world were killed in 2018, Imperial read. At least 34 were singled out to be murdered, including Khashoggi, "a columnist for the Washington Post, a 1983 graduate of ISU, a father, a fiancé, and a fierce advocate for press freedom, democracy and human rights." Imperial continued, "We gather to remember him today because he was one of countless journalists around the world who risk everything they have — even their lives — to defend freedom of expression, freedom of the press, and freedom to debate ideas peacefully in a complex world."

Nation

WHITE HOUSE: IRS WHISTLEBLOWER EMERGES ON TRUMP, PENCE TAXES - An Internal Revenue Service official has filed a whistleblower complaint reporting that he was told that at least one Treasury Department political appointee attempted to improperly interfere with the annual audit of the president's or vice president's tax returns, according to multiple people familiar with the document ([Washington Post](#)). Trump administration officials dismissed the whistleblower's complaint as flimsy because it is based on conversations with other government officials. But congressional Democrats were alarmed by the complaint, now circulating on Capitol Hill, and flagged it in a federal court filing. They are also discussing whether to make it public. The details of the IRS complaint follow news of a separate, explosive whistleblower complaint filed in August by a member of the intelligence community. That complaint revealed Trump's request of Ukrainian leaders to investigate former vice president Joe Biden, a political rival. It has spurred an impeachment probe on Capitol Hill.

WHITE HOUSE: VOLKER THOUGHT TRUMP UKRAINE PLAN 'CRAZY' - A top American diplomat in Ukraine repeatedly raised concerns with colleagues about the White House's decision to withhold \$391 million in security aid from Ukraine, describing it as a "crazy" plan to withhold security assistance "for help with a political campaign," according to texts released Thursday as part of the impeachment inquiry into President Trump ([New York Times](#)). The texts, which were turned over to Congress by Kurt D. Volker, the State Department's former special envoy for Ukraine, come from a series of early September exchanges. They appear to show a dispute among American diplomats over whether the president was trying to use security aid or a White House meeting with the country's new leader as leverage to pressure Ukraine to dig up dirt on a leading political rival — a charge at the heart of the impeachment investigation. One message, written by William B. Taylor Jr., the top American diplomat in Ukraine, suggested that Mr. Trump was holding back the package of military aid to Ukraine as a bargaining chip to influence the country's president to do his political bidding. "As I said on the phone, I think it's crazy to withhold security assistance for help with a political campaign," Mr. Taylor wrote on Sept. 9 to Mr. Volker and Gordon D. Sondland, the United States ambassador to the European Union.

WHITE HOUSE: TEXTS SHOW TRUMP PRESSED UKRAINE - The Trump administration sought to use a potential meeting between the president and his Ukrainian counterpart as leverage to press Kyiv to investigate Joe Biden, newly released text messages showed, as President Trump called on China to also investigate his political rival ([Wall Street](#)

[Journal](#)). The president's efforts to persuade Ukraine in a July phone call to investigate Mr. Biden have already set off an impeachment inquiry by House Democrats, who are looking at whether the president abused the power of his office for political gain. Text messages released by House committees late Thursday revealed that Trump administration officials sought to use a White House meeting between Mr. Trump and his Ukrainian counterpart as leverage to press the Ukrainian government to pursue an investigation into Mr. Biden and other matters. The messages show that U.S. officials coordinated with aides to the Ukrainian president and Rudy Giuliani, Mr. Trump's private lawyer, on a draft statement in which Kyiv would announce an investigation into Mr. Biden and the 2016 U.S. election—at the same time as announcing a visit by the Ukrainian president to the White House.

WHITE HOUSE: PENCE GOES TO BAT FOR TRUMP - Vice President Mike Pence went to bat for President Donald Trump on Thursday, then he went to bat for himself. In case you missed it, Pence told the press earlier in the day that the Trump-Ukraine July 25 phone call raised issues that were "appropriate" and that were of "genuine interest" to the American people ([Law&Crime](#)). "The American people have the right to know whether or not the vice president of the United States or his family profited from his position," Pence said. In case you weren't sure who he was talking about, it was Joe Biden and Hunter Biden. Pence made these comments after it was reported that an aide of his listened in on the phone call that sparked a whistleblower complaint and sparked Speaker of the House Nancy Pelosi (D-Calif.) to back an impeachment inquiry against the president. During that call, President Trump asked Ukraine President Volodymyr Zelensky to investigate the Bidens.

WHITE HOUSE: E.U. TARIFFS EXPECTED TO HIKE FOOD PRICES - New 25% U.S. tariffs on Italian cheese, French wine, Scotch whisky, British biscuits, Spanish olives and thousands of other European food products will lead to higher prices ahead of the holiday season and cost American jobs, trade groups said on Thursday ([Reuters](#)). The U.S. Trade Representative's Office said on Wednesday it was imposing tariffs on hundreds of European products after the World Trade Organization gave the green light to the action in response to EU subsidies on large aircraft. The Specialty Food Association said in a statement the tariffs would decrease sales and adversely impact U.S. employment at 14,000 specialty food retailers and 20,000 other food retailers across the United States. The impact would be "dramatic," the trade group said.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House at 10:30 a.m. for Walter Reed, where he will meet with wounded warriors. He will leave at 11:50 a.m. to return to the White House. At 4:30 p.m., he'll deliver remarks at the Young Black Leadership Summit 2019 in the East Room.

ENERGY: PERRY EXPECTED TO RESIGN - Energy Secretary Rick Perry is expected to announce his resignation next month, according to three people familiar with his plans ([Politico](#)). The former Texas governor largely avoided the controversies that pushed other Cabinet members out of the administration, but his contacts with Ukraine have drawn him into the impeachment inquiry engulfing President Donald Trump and his inner circle. However, the three people said the Ukraine affair is unrelated to Perry's departure. Deputy Energy Secretary Dan Brouillette is expected to replace Perry, at least temporarily.

MEDIA: SUNDAY TALK - "Fox News Sunday": Panel: Karl Rove, Julie Pace, Josh Holmes and Juan Williams. Power Player of the Week: Kennedy Center President Deborah Rutter. **CNN "State of the Union"**: Panel: Linda Chavez, Mitch Landrieu, Amanda Carpenter and Karen Finney. **ABC "This Week"**: Rep. Hakeem Jeffries (D-N.Y.) ... Rep. Jim Jordan (R-Ohio). Panel: Matthew Dowd, Terry Moran, Yvette Simpson and Alice Stewart. **CBS "Face the Nation"**: Rep. Eliot Engel (D-N.Y.), Rep. Jim Himes (D-Conn.), Sen. Roy Blunt (R-Mo.), Bob Woodward and Peter Baker. Panel: Ramesh Ponnuru, Susan Page, Julie Hirschfeld Davis and Jamelle Bouie. **CNN "Inside Politics"**: Julie Hirschfeld Davis, Jeff Zeleny, Seung Min Kim and Toluse Olorunnipa.

Local

CITIES: SOUTH BEND MINORITY CONTRACTS BELOW POPULATION - A study of minority- and women- owned business participation in South Bend contracting found those businesses get a disproportionately small share of jobs, suggesting the city could have legal grounds for considering race and gender when awarding work (Parrott, [South Bend Tribune](#)). Of more than \$100 million in contracts awarded by the city between 2015 and 2017, businesses owned by minorities and women accounted for 12% of the companies that won the contracts, according to the study by Colette Holt & Associates, a California-based consulting firm. That's despite the fact minority- and women-owned businesses made up almost 15% of the contractors that were available in the city's market area to do the types of work awarded by the city over that time frame, the study found. The study also calculated the "disparity ratio" for minority- and women-owned businesses, which showed the dollar amount paid to those companies was low compared with their availability to contract with the city. The disparity ratio for minority businesses was just more than 72%. The ratio for minority- and women-owned businesses together was about 80%. The further below 100%, the greater the disparity.

CITIES: HOBART FIREFIGHTERS GET 1ST CONTRACT IN 53 YEARS - The Hobart City Council has unanimously approved a collective bargaining contract with Hobart Professional Firefighters Local 1641, the first time in 53 years the union

has had a contract (Lavery, [NWI Times](#)). "This is a landmark case for the fire department," City Councilman Matt Claussen said. Fellow firefighters, who filled the council chamber Wednesday night in a show of support, applauded the council's decision and the nearly yearlong negotiations between union president Enrique Lopez and a council subcommittee comprised of Claussen, City Councilman Dan Waldrop and City Councilman John Brezik. Mayor Brian Snedecor, who also took part in the negotiations that began in November, praised Lopez and fellow union members for their efforts. "It shows that the union and city leaders can come together and give and take," Snedecor said. Hobart Fire Chief Randy Smith described it as an "opportune time to make this happen."

CITIES: ELECTRIC WORKS DEVELOPER ASKS FOR EXTENSION - Key deadlines in the economic development agreement between the city of Fort Wayne and the developers of the \$248 million Electric Works project could be extended once again (Gong, [Fort Wayne Journal Gazette](#)). The proposal, which was requested by RTM Ventures – the firm developing the site – sets new leasing and private financing deadlines at Feb. 1 for financing commitments and April 30 for final closing on the transaction. The original deadlines set in 2018 have been revised several times and were most recently set at Nov. 1.

CITIES: TERRE HAUTE COUNCIL PASSES \$96M BUDGET - The Terre Haute City Council on Thursday approved a \$96.5 million budget for 2020 in an 8 to 1 vote (Modesitt, [Terre Haute Tribune-Star](#)). The \$3.3 million increase in spending over 2019 totals represents a 3.5% increase in total spending. Terre Haute Mayor Duke Bennett said the budget is projected to produce a \$1.8 million surplus by the end of 2020. Bennett said he feels good about the budget overall and it being the fourth consecutive balanced budget. "It's a balanced budget with excess revenues going to reserves and just exactly what we've been following the plan to do," Bennett said. "This is the best budget of the last four. I'm really excited about where we're at now and couldn't be happier they passed it tonight."

CITIES: KAMP NAMED ELKHART FD CHIEF - Mayor Tim Neese announced Thursday that Steve Kamp will be appointed Elkhart fire chief following Chad Carey's transition to the private sector ([Elkhart Truth](#)). Kamp has served as Carey's assistant fire chief since Jan. 1, 2016.

COUNTIES: BROWN SAYS HE'LL SHOW UP TO WORK - Lake County Recorder Michael B. Brown pledged, in person, to the Lake County Council on Thursday that he will begin regularly showing up for work. This promise came after admitting he stayed away from the county government center for much of the past three years (Carden, [NWI Times](#)). In a candid statement, Brown apologized for his rampant absenteeism and attributed his failure to come to work to health issues he said originated in 2017 after he was sued by a former subordinate for sexual harassment. The county paid \$185,000 to settle that lawsuit one year ago. "Through that experience and just through that whole process, I've honestly developed a very embarrassing file, I'd say, of mental anxiety and mental health issues in relation to my safety in my workplace, co-workers, mentors, politicians, friends, family," Brown said.



Indiana legislators mull installing work zone traffic cameras

October 3, 2019 | [Associated Press](#)

KEYWORDS [CONSTRUCTION](#) / [GOVERNMENT & ECONOMIC DEVELOPMENT](#) / [INTERSTATES/HIGHWAYS](#) / [STATE GOVERNMENT](#) / [TRANSPORTATION](#) / [WORKPLACE SAFETY](#)

Some Indiana lawmakers want to authorize the installation of work zone speed cameras along the state's highways to photograph speeding cars and fine lead-footed motorists.

Members of the General Assembly's Interim Study Committee on Transportation advanced a plan Wednesday to permit using the traffic cameras, The Times of Northwest Indiana reported.

The panel will decide later this month whether to officially recommend that Indiana's Republican-controlled Legislature consider making the state the sixth with work zone speed cameras.

State Rep. Chuck Moseley, a committee member who proposed a failed automated enforcement bill in the last House session, said he's determined to get the measure passed in 2020.

"This is not a speed enforcement issue for me. This is a safety enforcement issue for me," Moseley said.

Leaders of Indiana Constructors Inc., a statewide construction trade group, emphasized to the committee the need for enhanced work zone safety, underscoring state records that show work zone crashes jumped to 6,370 in 2017 from 2,878 in 2013.

Though the construction trade committee acknowledged Indiana has more work zones after legislators increased fuel taxes and vehicle dues in 2017 to subsidize infrastructure projects, they also noted motorists appear to be driving more recklessly because of speed and technological distractions.

"We want to get the work done, but we want to do it safely," said Dan Brown, ICI board chairman.

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.

Judge hears arguments in lawsuit that claims RFRA fix is unconstitutional

October 3, 2019 | [Lindsey Erdody](#)

KEYWORDS [COURTS](#) / [HAMILTON COUNTY](#) / [LAWSUITS](#) / [LEGAL ISSUES](#) / [REGIONAL NEWS](#)

After years of delays—and nearly five years since the legislation passed—a Hamilton County judge heard arguments Thursday morning in a legal challenge to the so-called “fix” given to Indiana’s controversial Religious Freedom Restoration Act.

The Indiana Family Institute and the American Family Association of Indiana [initially filed the lawsuit](#) in 2015, claiming the clarifying language state lawmakers added to RFRA to quell discrimination concerns was unconstitutional and infringes upon their First Amendment rights to freedom of religion and speech.

The suit makes the same claims against four anti-discrimination municipal ordinances—those from Indianapolis, Carmel, Columbus and Bloomington.

The RFRA statute, which passed in 2015, said that religious views could be raised as a defense in court and would require a governmental entity to demonstrate that its rules were either not violating religious freedoms or were doing so to achieve a “compelling governmental interest” and doing so in the least burdensome way possible.

The RFRA fix, which legislators quickly approved after a widespread uproar that the law would allow discrimination of LGBTQ individuals, clarified that RFRA could not be used as a defense to protect against discrimination by various service providers.

The fix exempted churches, clergy members in their official capacities, and organizations connected to a church. But the Indiana Family Institute and the American Family Institute, while organized around religious views, argue the exemptions in the fix do not apply to them because they are not specifically connected to any church.

Both groups—which were strong supporters of the original law—marriage and believe they have the constitutional right to prevent couples from attending their events, participating in their program them.

Jim Bopp, a Terre Haute attorney representing the groups, said the protection for religious freedom, but the fix stripped it from a select



Terre Haute attorney Jim Bopp talks to reporters after the hearing Thursday.

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unconstitutional.

“It flies in the face of well-established constitutional rights of people to have their religious freedom protected and not infringed upon,” Bopp said.

But Jefferson Garn, an attorney with the Indiana Attorney General’s Office, said the objective of the “fix” was to clarify how to apply RFRA.

“It wasn’t to strip anybody’s rights,” Garn said.

Garn and lawyers representing the four cities named in the lawsuit argued that neither of the groups have suffered any harm, because they haven’t actually done anything to violate state or local statutes—they haven’t denied anyone access to their events or programs, nor have they denied employment to anyone because of their sexual orientation or gender identity.

“They simply haven’t shown that our ordinance is going to be triggered,” Larry Allen, assistant city attorney for Bloomington, said. “There is no credible threat of prosecution.”

Daniyal Moazzam Habib, assistant corporation counsel for Indianapolis, said the American Family Association of Indiana in particular has been having events in the city of Indianapolis for 13 years without being the subject of any complaint, investigation or threat.

“AFA can keep doing what it does without bothering the ordinance,” Habib said.

Libby Goodknight, an attorney with Krieg DeVault representing Carmel, said the groups haven’t faced any enforcement in that city, either.

“In four years, these predictions have never come to fruition,” Goodknight said.

Bopp said the cities haven’t enforced the statutes because of this lawsuit.

“They never try to enforce these ordinances after you sue them,” Bopp said. “Yeah, our suit has prevented them from enforcing it against us, and that’s exactly what our intention is—we don’t want these ordinances enforced against us.”

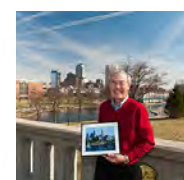
Even if the organizations did violate a statute, lawyers for the state and cities said both are exempt from the regulations because of their religious status.

But Bopp said the two organizations, while they are registered as not-for-profits and have religious beliefs, are not considered religious organizations under Indiana law because engaging in religious activity is not their primary purpose.

Goodknight also mentioned that both organizations would be exempt from the ordinance because they do not have six or more employees.

“Plaintiffs can’t sue to have a law overturned just because they don’t like it,” said.

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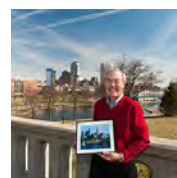
Bopp said the groups don't want to strike down the local ordinances, but they don't want to be forced to follow government mandates that go against their religious beliefs.

"We do agree that the government has a general interest in protecting people from discrimination," Bopp said.

Hamilton County Superior Court Judge Michael Casati did not issue a ruling immediately following the hearing.

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High cost of insulin endangers lives, diabetics tell legislative panel

 thestatehousefile.com/high-cost-insulin-endangers-lives-diabetics-tell-legislative-panel/40065/

By Janet Williams

By Brynna Sentel
TheStatehouseFile.com

INDIANAPOLIS—A legislative study committee heard from Type 1 diabetics who described their daily struggles with pharmaceutical companies, insurance agencies and the healthcare system to get the insulin they need to stay alive.

Sa’Ra Skipper testified that she lived off samples and donations of insulin that she shared with her younger sister, also a Type 1 diabetic, for years.



Sa’Ra Skipper speaks about her struggles to afford insulin for her Type 1 diabetes while Taya Keeler listened nearby during the Interim Study Committee on Public Health, Behavioral Health, and Human Services meeting Tuesday. Photo by Brandon Barger, TheStatehouseFile.com

“It’s so frustrating to me the person who is actually working a full-time job with insurance and I am not able to afford what I need because it’s a thousand dollars and I know it’s not my fault,” Skipper said. “I feel like I am being failed.”

Skipper was among the witnesses who testified Wednesday before the Interim Study Committee on Public Health, Behavioral Health and Human Services, which is examining rising prescription drug costs and what lawmakers can do about it.

The committee also heard from lobbyists, pharmaceutical companies and doctors as well as patients who shared testimony and data to explain the rise in prescription medication prices, who gets that money and how it affects the people who need the drugs.

Executives from Indiana-based Eli Lilly and Company, a leading producer of insulin, talked about how they have programs designed to reduce overall costs of diabetes medications for their consumers.

The company has offered different programs such as automatic discounts, rebates and an out-of-pocket cap for Medicaid Part D consumers.

"This is an incredibly important topic for all of us," said John Steel, senior director of Lilly Diabetes Corporate Affairs. "We want to make sure that everyone who needs insulin has it."

But these programs don't reach as many consumers as Hope Charters would like. She is a Type 1 diabetic.

"We appreciate what Lilly is trying to do but it's almost like too little too late and it feels like such a PR move," Charters said. "Like it takes five to seven dollars to manufacture and provide insulin why are they still charging like \$135 for a half-priced vial."

Charters has struggled with Type 1 diabetes since she was 15. Soon after she was diagnosed, her father lost his job and his insurance coverage. He had been injured on the job and could have fought for disability payments, but instead settled with the company so his daughter could get six more months of insurance coverage.

"For years, we had to beg clinics for free samples of two different types of insulins," she wrote in a statement to the committee. "We did not qualify for any patient assistance programs through the pharmaceutical manufacturers. My mom had to ignore utility bills and rent occasionally in order to pay for my insulin when no free samples were available."

Harry Rybolt is not only a Type 1 diabetic who struggles every day, but he lost his 39-year-old son, also a diabetic, in August because he was taking a "cheaper" option which put him into a diabetic coma which ultimately led to his death.

"This stuff has got to stop," Rybolt said. "Something has got to be done where people who need it can get it no matter the cost because it is a fatal choice."

The committee also heard from Colleen Becker, a policy specialist for the National Conference of State Legislatures, who gave examples of how other states are tackling the problem. Bills passed in 2019 in Louisiana, Maine and Minnesota have transparency requirements and language to ensure the best interest of clients is considered.

Also in attendance was Antonio Ciaccia, of 3 Axis Advisors, who conducted a study through the 46Brooklyn project to figure out why prescription medication prices were so high. 3 Axis Advisors is an Ohio consulting company that advises government and businesses on many issues, including prescription drug prices.

He also spoke about the issue of Pharmacy Benefit Managers (PBMs) and how the problem has resulted, in part, because from 75 percent of those enterprises are handled by three companies.

The lack of competition allows for them to raise prices and underpay pharmacies, Ciaccia said.

Rep. Robin Shackleford, D-Indianapolis, said in a news release after the meeting that she plans to push for legislation to control the cost of prescription medications, noting that drug costs rose nearly 58 percent in Indiana from 2012 to 2017.

"This is not a one-sided problem and we have to take into account the consumers, manufacturing companies, insurance plans, pharmacists, and pharmacy benefit managers when crafting policy changes," she said.

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Mobile sports wagering begins in Indiana

 thestatehousefile.com/mobile-sports-wagering-begins-indiana/40067/

By Janet Williams

By Brandon Barger

TheStatehouseFile.com

INDIANAPOLIS—Sports betting in Indiana officially expanded Thursday to mobile devices, allowing gamblers to wager on their favorite teams on their cells phones.

The Indiana Gaming Commission put rules in place that allow casinos running sports bookmaking operations to accept wagers via mobile devices.

The U.S. Supreme Court cleared the way for states like Indiana to allow betting on college and professional sports when, in May 2018, it struck down a 1992 law that had barred sports wagering in most states. After that ruling, individual states began legalizing betting on sports.

Indiana legalized sports wagering in the 2019 legislative session and Gov. Eric Holcomb signed House Enrolled Act 1015 into law in May. Thirteen casinos began to operate their own sports books on or after Sept. 1. Now, Hoosiers can bet on the Fighting Irish at Notre Dame or the Indianapolis Colts on their phones and desktops as mobile betting apps are becoming more widely available.

Mobile betting operations will be run through apps that are linked to Indiana's casinos. Currently, only two are active—DraftKings Sportsbook licensed with Ameristar East Chicago and BetRivers licensed by French Lick Casino.

Indiana is currently the only state in the region to have a mobile sports betting operation. Dustin Gouker, the lead analyst for PlayIndiana.com, said that while Illinois has legalized sports wagering, there are no mobile options. Michigan, Kentucky and Ohio are exploring betting options.

PlayIndiana.com, in a news release, said Thursday that Indiana could generate substantial profits if neighboring states don't expand their sports betting options.

"The state's best-case scenario is to generate nearly \$400 million in annual revenue from a handle of close to \$6 billion if neighboring states such as Ohio and Kentucky do not legalize sports betting," PlayIndiana.com reported.

But the Indiana Gaming Commission is more cautious, citing a study by Eilers and Krejcie Gaming which estimated that with mobile wagering, the state could see \$256.1 million in revenue by year five of all wagering on sports.

Gouker said many bets, whether made at casinos or on mobile devices, will be placed on National Football League teams.

"Football is number one in the United States in terms of how much is bet," he said.

Jennifer Roberts, associate director at the University of Nevada-Las Vegas's International Gaming Institute, has seen how sports betting has worked in her state.

"When you look at what happened in Nevada for the several decades we've had sports betting," Roberts said. "It's always been an amenity to other forms of betting."

She said that sports betting in Nevada is not as profitable as other forms of gambling, like blackjack or roulette, because it is a low margin way of betting, which means that although it brings in a lot of money, it also pays out a lot to people who bet.

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Local production bakery plans \$25M expansion, 50 new hires

October 3, 2019 | Mickey Shuey

KEYWORDS **ECONOMIC DEVELOPMENT INCENTIVES** / **FOOD MANUFACTURERS** / **HIRING** / **JOB CREATION** / **TAX ABATEMENTS**



An Indianapolis-based commercial bakery plans to spend \$25 million to expand operations and hire 50 employees for its facility near Indianapolis International Airport.

CraftMark Bakery LLC, 5202 Exploration Drive, expects to spend about \$5 million to convert a warehouse into production space and another \$20 million on new equipment, the company says in a tax-abatement request

to the city's Metropolitan Development Commission.

CraftMark is the baked goods supplier for more than 70,000 restaurants in North America, including Subway, one of its largest clients. Its products include frozen cookie and bread doughs, premade frozen batters and ready-to-eat flatbread.

Founded in 2014, CraftMark employs about 300 people at its nearly 340,000-square-foot facility at the AmeriPlex business park, adjacent to the airport.

Craftmark is seeking two separate seven-year tax abatements as it looks to create a 20,000-square-foot addition to its pre-baked cookie production area as it looks to take on a larger chunk of the national market.

Both abatements would be phased, starting with a 100-percent abatement in the first year and diminishing in subsequent years.

The abatement for the personal property—new equipment—would allow the company to save 31%, or \$528,946. It would pay about \$1.2 million in personal property taxes on the new equipment over the seven-year term of the abatement, in addition to the \$255,349 it already pays annually. After the personal property abatement ends, it would see an increase of \$195,756 to its annual taxes.

Separately, Craftmark is looking to save about 9%, or \$47,450, with an abatement on its real property improvements. The company would still pay \$523,505 during the seven-year abatement, along with the existing annual total of \$415,913. When the abatement expires, the firm would pay an additional \$81,565 each year on the improvements.

The incentive requests aren't the first CraftMark has made to the city. In 2017, the company reached an abatement agreement on \$32 million in investment. That was part of a [massive \\$56 million project](#) that included a 118,000-square-foot expansion to the building and a commitment to employ at least 396 people by the end of 2020.

The company said the incentives will help it hire 50 workers making average pay of \$19.06 per hour and retain 396 workers making average pay of \$24.90 per hour.

The 50 hires CraftMark plans to make through the new expansion would put the company at 446 employees by the end of 2022.

The company also received abatements in 2014 tied to a \$75 million initial investment to construct a building and start operations.

The abatements received preliminary approval from the MDC on Wednesday and are expected to be heard for confirmation by the same group before the end of the month.

CraftMark representatives did not immediately respond to a call requesting comment Thursday.

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.



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INDIANA LEGISLATIVE INSIGHT

Industry sees forest through trees

Hurt from China tariffs also poses opportunity for the hardwoods trade

A new Indiana hardwoods industry strategic plan released in February aimed at expanding timber production has taken a major hit from the trade war and attendant tariffs.

An economic development strategy commissioned by the Department of Natural Resources, the Indiana Hardwood Lumbermen's Association and the Indiana State Department of Agriculture and assembled by DJ Case & Associates, Purdue Center for Regional Development, Purdue University Department of Forestry and Natural Resources, and Purdue Extension called for increasing efficiency in timber production, expanding current production, and attracting new facilities to Indiana.

Indiana has an advantage in hardwood and plywood manufacturing, engineered wood manufacturing, truss manufacturing, and almost all wood furniture compared to the rest of the nation, according to testimony Wednesday by Jeff Cummins of the Indiana State Department of Agriculture to the Interim Study Committee on Agriculture and Natural Resources.

However, the Hoosier hardwood product industry - which has an annual overall economic impact of \$10.4 billion and supports more than 70,000 jobs through the 3,000+ Hoosier businesses connected to the hardwoods and forest products sectors, according to ISDA and the new strategy - is hurting as a result of China tariffs, upending plans for an import substitution strategy to meet what had been excess demand and re-capture some supply chain leakage.

Indiana exported \$268 million worth of hardwood products in 2017, the highest amount since 2004, and China was the principal player. In 2017, China purchased 75% of Indiana's exported logs, and more than two-thirds of the value. The destination of logs exported remained dominated by China at 84% in 2018 according to DNR data. Indiana shipped logs to 29 different countries in 2018 and China accounted for 60% of those exports in total value (next was Vietnam at just seven percent). Almost 45% of the value of Hoosier lumber exports in 2017 was derived from sales to China, rising to 49% in 2018 (Canada was second with 17% of total lumber export value).

Indiana Log Exports by Country Destination in U.S.

Country	2015	2016	2017
World Total	\$25,582,120	\$32,158,310	\$37,355,618
China	\$15,014,522	\$21,850,169	\$25,413,877

Indiana Lumber Exports by Country Destination in U.S.

Country	2015	2016	2017
World total	\$55,071,923	\$57,130,909	\$57,315,561
China	\$16,178,568	\$18,508,123	\$25,484,595

As the *Wall Street Journal* noted last week, "The big bet that U.S. hardwood lumber companies placed on China over the past two decades is collapsing. China was a savior of sorts for the industry after the financial crisis last decade. Customers there kept buying oak and ash boards in large quantities, while construction and furniture production fell in the U.S. Now, after Beijing placed retaliatory tariffs of up to 25% on imports of lumber and other U.S. wood products, exports of hardwood lumber to China have fallen 40% this year."

For more, please see the following page . . .

An ounce of protection

AG questions Mears pot prosecution policy

Ryan Mears (D), Marion County's interim prosecutor, announced that his office will, as a matter of policy, no longer prosecute simple possession cases involving less than one ounce of marijuana (what you could mail for the cost of a forever stamp), and his caucus opponent for a full term says if he wins, he will not immediately undo the policy.

Attorney General Curtis Hill (R) was not pleased. "I respect and support the fact that prosecutors have absolute discretion in deciding when to file criminal charges and how to allocate their resources," the former Elkhart County prosecutor began a statement. "Typically, though, prosecutors carefully exercise this discretion on a case-by-case basis rather than proclaiming that in all cases they will ignore a particular state law not to their liking. I am concerned that this proclamation in Marion County will attract to Indianapolis people with a particular interest in communities where drug enforcement is lax. It seems to me a curious strategy to put out a welcome mat for lawbreakers in a community already facing challenges related to crime, homelessness and other social problems stemming from drug abuse."

Sen. Karen Tallian (D), an AG hopeful, called the Mears move "an issue of criminal justice and racial equality." We told you last week she plans 2020 decriminalization legislation.



Indeed, a July report from the Department of Natural Resources, *2019 Indiana Forest Products Price Report and Trend Analysis*, highlights the problem, which only included several weeks of experience after the President raised the tariff on some Chinese goods to 25% on May 10 and China retaliated.

“Indiana’s export of hardwood products continue to be an important part of overall hardwood sales. According to data from the U.S. Census Bureau, log exports declined, primarily to Asia and China specifically, likely due to tariffs imposed as part of U.S.-China trade dispute.”

The DNR mid-year report on the hardwood market finds it “unsettled” for “ash, cherry, walnut, and, most importantly, red oak. By no coincidence, these are the species that had become most dependent on Chinese business, with sales volumes contracting by more than 50% from the peak levels of 2017 and early 2018. Exporters to China are trying, in effect, to push large volumes of these species into a market that does not need much of these species. As a result, reports of highly distressed pricing are now commonplace for orders destined for China,” and this comes at a time when “Domestic demand for grade lumber is flat, overall”

The DNR report also finds that “China’s appetite for red oak is greatly diminished White oak lumber exports fell in May and were down 15% year-to-date, due mostly to lower Chinese purchasing At present, Chinese demand for U.S. hardwoods – including ash – is low. Combined ash shipments to the next 10 largest export destinations were up 19% on the year through May, but China still consumes nearly three times as much as all of those countries combined. Ash lumber exports were down 20% year-over-year through May, thanks to a 31% decline from China Trends in ash sales tend to parallel China’s market performance because China is the leading market destination for the species Hickory exports have trended higher in 2019, reaching an 18-month high in May after trending lower much of last year. Year-over-year shipments to Mexico and China, the two largest markets, were down year-over-year through May 2019”

With export trade to our largest hardwood partner, China, stymied by the trade war, it’s important to look back at the new strategy’s domestic component. Indiana exported \$268 million worth of hardwood products in 2017, the highest amount since 2004, yet Hoosier businesses imported more than \$230 million of hardwood products from outside Indiana, and the plan for growth looked toward recapturing some of that local market. However, even that potential area for growth has seen recent contraction as the Indiana (and Midwestern) economy has slowed, making it less likely in the short-term that a refocused domestic focus can compensate for the Chinese export shortfall ... and an industry assessment had also suggested that boosting exports to other markets, would require support from an additional intermodal terminal between Indianapolis and the Ohio River, something that has not apparently made it onto the drawing board.

While public accounts of the impact of the trade war on Indiana’s economy have largely been centered upon the hard-goods manufacturing and agricultural sectors, the tariffs on China in particular have hit the Indiana hardwoods industry as it was at a crossroads, looking to expand upon its success with the help of a closer partnership with the State.

Rather than working to expand its impact and boost exports, the industry, which was likely to hit almost \$400 million in annual state and local taxes paid by the end of this decade, now finds itself struggling to survive due to policy circumstances beyond its control, exacerbated by a strange 2019 weather system that negatively impacted growth of certain forest species.

Ray Moistner, executive director of the Indiana Hardwood Lumbermen’s Association, acknowledges that this issue is complex, explaining that while his industry is resilient and accustomed to market fluctuations, “The difference here is that most of those fluctuations are driven by economic swings. He reminds us that around 2009-11, for example, his members were pummeled by simultaneous hits to two of their biggest drivers – housing and furniture – with housing collapsing while furniture companies moved offshore. “At that time, the huge appetite from China saved us from disaster, and companies began exporting and cultivating customers over there. We were addressing growing concerns with fair trade, but they kept buying and buying hardwoods, mostly to serve their own rapidly growing consumer base,” recalls Moistner, who draws upon three decades industry experience for his comparisons.

This time around, Moistner notes, “although we were still working through those trade concerns, the U.S. hardwood industry enjoyed a \$2.5 billion trade surplus with China when the tariffs went into effect. That makes it tough to swallow when the market interruption is tariff-driven and not market-driven. By and large, we supported the efforts to force China to comply with fair trade practices, but the length of this dispute is now forcing companies to find new markets and fight for survival.”

However, the industry veteran also sees opportunity, suggesting that circumstances open the door for more domestic manufacturing to return to Indiana, “where hardwoods enjoy the benefits of vertical integration. We grow some of the best trees in the world here; we harvest them here; we mill them into lumber and veneer here and most importantly, we add a layer of secondary manufacturing here that makes the economic impact of hardwoods go through the roof. Indiana has a huge base of cabinet, flooring, caskets, recreational vehicles and furniture manufacturing right here in our state.” Moistner suggests that “That’s why we are Indiana’s largest agricultural industry and one of the largest manufacturing sectors. Replacing \$2 billion in annual sales with new customers doesn’t happen overnight,” he concedes, “but we have the manufacturing infrastructure and we are open for business. 70,000 jobs depend on it.”

Keep an eye on what steps the State might take to help this industry move forward under changed circumstances ... and how it might leverage the situation to promote reshoring – presumably one of the matters addressed by the Governor and the Indiana Economic Development Corporation in last month’s economic development mission to – yes – China.

IN Politics

Federal Office Races . . .

● Joe Mackey (D) of Lafayette, a retired Caterpillar worker who finished third in a seven-candidate field in the 2018 CD 04 Democratic primary for what was then an open seat, becomes the first candidate to seek the nod to oppose U.S. Rep. Jim Baird (R).

● In a last-minute end of quarter fundraising appeal in CD 06, the campaign of U.S. Rep. **Greg Pence** (R) tells supporters, “As Democrats become increasingly radicalized ahead of 2020, Greg is holding the line for our shared priorities. Major Democratic presidential candidates are pushing a socialist agenda that includes trillion-dollar plans to ‘save the environment,’ a government takeover of healthcare, and calls for mandatory gun buybacks that amount to the end of the Second Amendment in America. Needless to say, Greg is prepared to fight harder than ever before to preserve American values against these dangerous attacks from leftist politicians in Washington.”

● **Nai Collymore-Henry** moves from Massachusetts where she has been working for several business and civic associations to join the open seat CD 05 campaign of former Rep. **Christina Hale** (D) as finance director – the same post she held for now-U.S. Rep. **Ayanna Pressley** (D-MA) when she was a member of the Boston City Council three years ago . . . Team Hale touts her “first big endorsement of the campaign,” from BOLD PAC, “an organization dedicated to increasing Hispanic representation and leadership in Congress. As a Cuban-American, Christina is proud and honored to have received their early endorsement” . . . as **Beth Henderson** (R) edges closer to being the Hoosier Henderson more likely to make the CD 05 race, we’re hearing that her interest may be more in the nature of testing the waters for a 2022 open state senate seat run . . . Dr. **Chuck Dietzen** (R) finally opted to reveal himself to the CD 05 world as a candidate Thursday afternoon, and he’s said to have been picking up a lot of big-name social conservative support before he jumped in, and some of the names – including one top former state party and another former high-ranking national party name – happen to be part of the Pence camp. While Dr. Chuck would seem to be able to raise cash from a disparate set of sectors (especially with the help of some of the names we’ve heard and consultants we’ve mentioned), there are also signs pointing to him self-funding the jump-start (perhaps to allow him to control how his candidacy launches and is defined, which has worked for him to date, save in the pages of your favorite newsletter) . . . the Trump drama probably means more in the CD 05 GOP primary than in any other district in the state, and the longer that some (we’re looking at you, Dr. Chuck) can avoid weighing in, the better for them, because they won’t antagonize wither pro-Trump voters or anti-Trumpers, and if they wait long enough, it may be clear which side is the best to perch upon politically for both the primary and general election (or it may be a moot point).

● Former Sen. **Brent Waltz** (R) files his October Quarterly campaign finance report with the Federal Election Commission disclosing that he continues to owe himself \$120,844 from loans that he made to his unsuccessful 2016 CD 09 primary campaign . . . and the October quarterly report filed by **Jonathan Lamb** (R) in CD 06 shows that he continues to carry a \$250,000 balance on loans that he made to his own unsuccessful 2018 primary campaign.

IN the Presidential Race . . .

● South Bend Mayor **Pete Buttigieg** (D) rolls out the big guns, turning to his mother Back Home in South Bend for an end-of-quarter email fundraising solicitation, and she helped him raise more than \$19.1 million during the third quarter, down from the eye-popping \$24.9 million he raked in during the second quarter of 2019 (but an increase of some 182,000 new contributors since Q2, bringing his total individual unique donor pool to more than 580,000 individual supporters who can keep being tapped), and below the \$25.3 million brought in by U.S. Sen. **Bernie Sanders** (D-VT) during the quarter. Ironically, the youngest and oldest candidates have topped the Q3 cash contest among those who have released numbers, but they both have also seemed to lose ground in polls. the Buttigieg bucks top the \$15.2 million raised by former vice president **Joe Biden** (D); more than double the prowess of U.S. Sen. **Kamala Harris** (D-CA), who raised \$11.6 million during the quarter; bests the \$10 million of **Andrew Yang** (D); more than triples the \$6 million posted by U.S. Sen. **Cory Booker** (D-NJ), who made a special

end-of-quarter appeal for funds to keep his candidacy alive; and is more than five times the \$3.1 million haul of **Marianne Williamson** (D), sans the help of crystals. The Buttigieg booty tallies \$51 million+ since the start of 2019, a number no one would have predicted entering the year, particularly given that, unlike most of his top-tier opponents, he had no active federal campaign account from which to transfer cash from other federal office runs. There was no indication from the campaign as to cash on hand, which would tell us about the burn rate . . . Bloomberg sees hizzoner “positioning himself to be the standard-bearer for moderate Democrats if the front-runner fades,” now “pitching himself as an alternative to moderate Democrats who might not be sold on Joe Biden.” On his current Iowa bus tour, Mayor Pete seems to reframe his case, “emphasizing the need to ‘re-center our politics’ and recapture the notion of freedom and

faith from conservatives who he says use those terms to ‘club people over the head.’ That message could find a new audience as Biden, the leading moderate, is tangled in the impeachment inquiry of Trump” . . . St. Joseph County Election Administrator **Arielle Brandy** is the new Buttigieg Indiana state director. A South Bend native and Indiana State University alum, the Afro-Latina activist and community organizer was the CD 02 regional field director for the Indiana Democratic Party’s 2016 coordinated campaign. Indiana’s 2016 May primary was still relevant on both sides. As for that first state on the list, Team Pete picks up ex-Gillibrand Iowa caucus director **Casey Clemmons**, and taps him for the role of deputy state director for Iowa as the cash-flush Buttigieg campaign launches what the *New York Times* describes as “a massive ground game” in the Hawkeye State . . . ahead of a Thursday Buttigieg South Bend stop to open his local HQ and introduce Brandy, Indiana Republican Party Chair **Kyle Hupfer** called on Buttigieg “to stick around South Bend a little longer and to address the city’s rising crime,” as the state GOP phrases it. “As homicides and aggravated assaults continue to rise in South Bend, the city needs a leader,” said Hupfer. “And sadly right now, it’s clear that [he] is dodging the responsibilities of being



that leader. The people of South Bend care about the safety of their own neighborhoods – not baseless impeachment inquiries, and certainly not Buttigieg’s latest celebrity endorsement. They need someone who will work toward real solutions for their city on crime, and Buttigieg’s priorities are clearly elsewhere.”

□ Mayor Pete remains in fifth place with five percent, unchanged in rank and percentage – for a third consecutive week – in the latest Morning Consult poll of all Democratic primary and caucus voters nationally, and is up one point, breaking a three-way tie for fourth from one week earlier with U.S. Sen. Kamala Harris (D-CA) and Need to Impeach leader Tom Steyer (D) among Democratic primary and caucus voters in Iowa, New Hampshire, South Carolina, and Nevada. Mayor Pete grabs sole possession of fourth with seven percent . . . a late September College Reaction/Axios presidential poll among “a representative sample of 586 college students,” – that includes President Donald Trump (R) as a choice – with a margin of error of four percentage points finds Mayor Pete, the candidate closest to college-age, in sixth place with 6.5% (fifth among Democratic hopefuls), trailing the President, Sens. Warren and Sanders, Biden, and Yang, and down by 3.9 points from July . . . a new Winthrop University poll of Democratic RVs in South Carolina finds Buttigieg running fifth with four percent, largely due to zero percent backing (sixth place) from SC’s African American Demo voters offsetting his third place 10% prowess among white Palmetto State Demo RVs . . . the latest Monmouth University Poll shows Buttigieg tied for fourth with five percent among early-state Democrats (up from four percent in June and August), and in sole possession of fourth place among Democrats in other states with six percent,

● Last week may have featured the first “official” Democratic acknowledgment of the possibility that the opposition party nominee may not end up running against President Donald Trump (R). In a New Hampshire stump speech, U.S. Sen. Bernie Sanders (D-VT) told a First State crowd that, “[G]iven the impeachment process that is now taking place, if it’s not Trump (who is the nominee), we’re gonna beat Mike Pence more – even worse. So I don’t know who the Republicans will bring forth, but whoever it is, we’re gonna beat them.”

IN Other Political News . . .

● Playing the role of former vice president Joe Biden (D) in the season premiere *Saturday Night Live* Democratic debate skit on September 27: actor Woody Harrelson. The irony: Harrelson and Vice President Mike Pence (R) – whom Pence succeeded in office, had two years of overlapped tenure at their alma mater, Hanover College (Harrelson said years ago that the two were friends back in their college days in the early 1980s).

● Circle City Republicans are shaking their respective heads over Marion County’s interim prosecutor, a few days before he faces a tough challenge in a Democratic caucus selecting who will fill the remaining three years of the term, effectively decriminalizing the possession of a joint, a big issue in the county’s African American community . . . and an announcement by IndyGo that new Red Line commuter bus service will remain free for almost six weeks beyond the initial free trial, through a period ending just a few days after election day (without an attendant announcement about what IndyGo is doing to pursue damages from the contractor late in providing workable ticket-vending technology).

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up by half from four percent in August.

● Hoosier Republicans at the state and local levels are fighting back against the impeachment inquiry using social media, and references to coups, socialism, and overturning election results have popped up.

□ An Indiana Republican Party “Presidential Harassment” Facebook post tells Hoosiers that “Nancy Pelosi and her socialist-leaning Democrat allies have noticed the positive trajectory of the our country – more than 6.3 million new jobs, unemployment at historic lows, strong wage growth and lower taxes – and they need a distraction. And so they’re trying to impeach President Donald Trump.”

□ The Vanderburgh County Republican Party cautions voters in Southwestern Indiana to “Think National Act Local. The Socialist Democrats are at it again. Impeach Trump screams the liberal media. Cries for impeachment would normally be concerning. However we’ve heard the same gnashing of teeth day after day, year after year, since Hillary lost to the ‘basket of deplorables’ in 2016. The Socialist Democrats have been trying desperately to orchestrate a ‘soft’ coup for three years. They’ve tried everything from Russian collusion to Stormy Daniels, to Trump hangs his toilet paper in the wrong direction. The latest allegations that call for ‘Impeachment?’ will once again prove to be nothing more than Socialist Democrats in congress and their comrades in the media trying to overturn YOUR decision in the last Presidential Election. Impeachment is also their only option for beating Trump in 2020. All politics is local so they say, yet the local parties are the foundation for what we see on the national stage. It does matter that Republicans control local offices. It’s about more than local budgets, projects, roads, etc... It is also about the national conversation. To vote Democrat in the upcoming election is to give a wink and a nod to the charade taking place in Washington.”

● The Montana Department of Commerce issued a warning about “surveys” sent by the Republican National Committee that carry the livery of official census forms, but are designed to raise money for the President’s reelection campaign . . . and similar oversized “2019 Congressional District Census” missives landed in mailboxes across Indiana in late September as well, with multiple (capitalized and sometimes boldface) references to the “Census” and “Census Document.” At least one Indiana mailer we saw included a cover letter signed by RNC Chair Ronna McDaniel, informing the recipient that “President Trump has requested that a Census of every congressional district be conducted immediately.”

□ The *Washington Post* notes “The potentially misleading mailings come as the U.S. Census Bureau is preparing for what’s expected to be one of the most challenging federal counts in decades. The bureau is grappling with factors like a switch to digital and the fallout from the Trump administration’s efforts to add a citizenship question to the survey.”

IN Brief

IN Federal Circles . . .

● U.S. Sens. Todd Young (R) and Mike Braun (R), joined by nine of their Republican colleagues, file S.2950, a measure to enforce guidelines for the dignified handling of aborted fetal remains and impose penalties for failing to respect the sanctity of human life. The “Dignity for Aborted Children Act” is based upon Indiana’s 2016 law to protect the dignity of fetal remains, upheld this year by the Supreme Court of the United States.

□ The bill was prompted by the discovery of more than 2,200 aborted fetal remains on the Illinois property of a deceased Indiana abortion doctor. S.2950 would require abortion providers dispose of the remains of unborn children just as any other human being. Failure to do so would be punishable by a fine and up to five years in prison. A consent form would also be required so the mother can choose to retain possession of her unborn child or allow the provider to cremate or inter the unborn child. Failure of the provider to execute these forms is punishable by civil penalty.

□ “I will always fight to protect innocent life and ensure all children are treated with dignity,” said Sen. Young. “The recent discovery of over 2,200 fetal remains in the home of an Indiana abortionist proves there is a deeply disturbing problem with our current system. That’s why I joined a group of Senators to introduce the Dignity for Aborted Children Act to ensure the bodies of the unborn are treated with respect.” “The discovery of thousands of fetal remains in an Indiana abortionist’s home horrified every American who respects the sanctity of life, and highlighted a disturbing trend that Indiana has taken the lead in rectifying,” adds Sen. Braun. “All human remains, regardless of stage of life, deserve to be treated with dignity and respect, and I’m proud to introduce the Dignity for Aborted Children Act to ensure that grotesque collections like Dr. Klopfer’s can’t be allowed to happen ever again.”

● U.S. Sen. Todd Young (R) takes to the editorial pages of the *Muncie Star Press* to author an op-ed defending Albany’s AquaBounty Technologies, a producer of genetically engineered salmon from a provision in an agriculture appropriations bill that would prohibit the commercialization of genetically engineered salmon and cause the company to cease production immediately, euthanize 160,000 fish currently maturing in Albany, and put Hoosiers out of work after a major capital investment in Indiana by the company. While he blames “the federal government – for no discernable reason other than to protect the current market leaders” for the move, we’ve told you that the provision in question is being aggressively advanced by one of Sen. Young’s majority colleagues, U.S. Sen. Lisa Murkowski (R-AK) to help the Alaskan salmon industry which “wants to shut down competition, though, and has fought back” (thinking back to the 1996 Indiana gubernatorial race, we can envision the TV spot now: “Lisa Murkowski: Bad for Fish, Bad for Indiana.”). Sen. Young says that if the measure passes,



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“Dozens of Hoosiers would be out of a job. The operation would be moved to another country – likely China – which sees the incredible value in dominating agriculture innovation. And the young dreamers and doers across America who are investing in ag technology will suddenly have to wonder whether their effort and investment is truly worth it.” He continues, “If one legacy industry can manipulate Congress to unilaterally kill one innovative company, how free is our free market? I’m doing everything I can to keep this provision out of our funding bills to protect innovation and ensure the free market is allowed to operate” . . . Sen. Young, a member of the Senate Committee on Foreign Relations, released a statement after Saudi Arabia transferred \$500 million to United Nations for humanitarian programs for Yemen: “During my recent trip to Saudi Arabia, I met with Saudi leaders and received assurances they would soon provide the financial aid they had committed to help end the humanitarian crisis in Yemen,” said Sen. Young. “I’m pleased Saudi Arabia is fulfilling that commitment with their official transfer of \$500 million to the UN, and I thank them for doing so. We will continue to monitor the situation to ensure this assistance is properly administered to help end the suffering of the Yemeni people.” We had told you last month that Sen. Young and U.S. Sen. Chris Murphy (D-CT) led a bipartisan cadre of eight senators in calling on Saudi Arabian Crown Prince Mohammad bin Salman to fulfil the Kingdom’s full commitment of \$750 million to the United Nations to help fund critical programs aimed at alleviating the humanitarian crisis in Yemen.

- U.S. Sen. Mike Braun (R) was one of only 16 senators to vote against H.R. 4378 on September 26, the continuing resolution to fund federal agencies and extend several health care-related programs for FY 2020 through November 21. The President quickly signed the bipartisan resolution that affords the White House and Congress another 51 days to reach a longer-term appropriations agreement to avoid another partial government shutdown. Senate Committee on Appropriations Chair Richard Shelby (R-AL) told the *Washington Post* Wednesday that Congress could perhaps just keep passing short-term spending bills if House Democrats and the President cannot agree on 2020 spending priorities, and if that transpires it will be interesting to see if Sen. Braun continues to oppose the measures, or if more of his colleagues join him in the effort . . . Sen. Braun takes to Facebook in the last week of September to talk impeachment, observing that “Democrats have baselessly attacked President Trump since before he was elected. Let’s show the President that Hoosiers won’t fall for liberal political games” . . . inspired by Hoosier Laura McLinn and her fight for drug and treatment access for her young son Jordan, a ubiquitous fire-helmeted State House presence in recent years, Sen. Braun penned an op-ed for *Modern Healthcare* calling on Congress to hasten what he describes as its “quicksand pace” in finding a middle-ground solution on drug access, and proposing a solution that would provide wider access to more drugs for less without sacrificing safety for American patients. “In the business world,” he writes, “those who are slow to act and adapt find themselves out of business in a hurry. In Washington, it can take 10 years to get even a good idea across the finish line. But when it comes to the soaring drug prices, lack of access to meaningful treatments and drug shortages, D.C.’s quicksand pace isn’t just frustrating—it can be deadly.” The “ADAPT Act” which Sen. Braun advocates would amend the Food, Drug, and Cosmetic Act to create an accelerated approval pathway to act as a “passing lane” for prescription drugs that have already been approved for sale in other developed countries with a positive history of clinical trials and available data such as Canada and Great Britain.

- A bipartisan letter sent September 27 to the President signed by 173 members of Congress, asking him to work urgently toward the safe return of veteran U.S. Marine Corps captain and award-winning journalist Austin Tice, who has been held in Syria for seven years, was signed by only two Hoosiers: U.S. Sen. Mike Braun (R) and U.S. Rep. Pete Visclosky (D).

□ “Congress remains united in our commitment to supporting any and all constructive efforts to bring Austin home to his family,” said the letter, organized by U.S. Sens. John Cornyn (R-TX) and Patty Murray (D-WA), and by U.S. Reps. Eliot Engel (D-NY), Michael McCaul (R-TX) and Al Green (D-TX). The letter was part of a campaign on Tice’s behalf, led by the National Press Club Journalism Institute and Reporters Without Borders.

- U.S. Rep. Jackie Walorski (R), assisted by U.S. Rep. Jim Banks (R), led 65 of their House Republican colleagues in calling on the U.S. Department of Justice to provide any assistance requested by state authorities in investigating the discovery of human fetal remains on the Illinois property of Indiana abortion doctor Ulrich “George” Klopfer, and to open a separate inquiry if any federal laws were violated. In a letter to U.S. Attorney General William Barr, the members also requested a DOJ review of state laws pertaining to the disposition of human fetal remains. The letter was also signed by the other GOP members of the Indiana House delegation, U.S. Reps. Jim Baird (R), Susan Brooks (R), Larry Bucshon (R), Trey Hollingsworth (R), and Greg Pence (R).

□ “The discovery of more than 2,200 preserved human fetal remains on the property of a man infamously known as Indiana’s most prolific abortionist reveals a callous disregard for the sanctity of human life,” the Walorski-led members wrote. “This case has countless victims – both unborn babies and mothers – and represents a grotesque violation of human dignity that American society should not and cannot tolerate. We urge you to do everything in your power to support the Indiana and Illinois attorneys general in their investigations, and to keep us apprised of any developments.”

- During the final week of September, the U.S. House, on a bipartisan 321 - 103 vote, approved the “Strengthening the Tenth Amendment Through Entrusting States (STATES) Act,” a measure that would allow legal cannabis-related businesses to access the national banking system – and, in turn, help Indiana’s hemp industry, which has faced similar banking restrictions since its local legalization and federal recognition under the FARM bill. Passage came after a bipartisan coalition of 21 attorneys general urged its passage, a cadre that included our neighboring states of Illinois, Kentucky, and Michigan, but not Indiana (nor Ohio, where medical marijuana is legal, and recreational marijuana has been decriminalized).

□ The Indiana congressional delegation was split over passage of H.R. 2093, with both Democrats voting for it, three Republicans also favoring it and four Republicans opposing the measure . . . largely reflecting the divide among all Republicans who voted on the measure (47% favored it; 53% voted against it). Voting for it were U.S. Reps. Jim Baird (R), Jim Banks (R), André Carson (D), Trey Hollingsworth (R), and Pete Visclosky (R). Weighing in against passage were U.S. Reps. Susan Brooks (R), Larry Bucshon (R), Greg Pence (R), and Jackie Walorski (R).

● U.S. Rep. André Carson (D), a senior member of the House Permanent Select Committee on Intelligence, appeared live on CNN Monday night with Poppy Harlow to talk about the impeachment inquiry, and told viewers, “I would hope that this president does not act in a way that is reminiscent of a mob figure. And if he sees himself as such, he will be dealt with as such. It means that if he wants to be a gangster, then we’re going to have to uphold the law and treat him like a gangster. He’s already shown that he’s a tyrant.” He added that the House was “making sure that he doesn’t act like a gangster and use the seat of the presidency to continue to intimidate foreign leaders, to blackmail foreign leaders as it relates to the aid that they get from the U.S., to continually pollute all of the agencies and create this very toxic work environment where people are afraid to come forth with whistle-blowing complaints, and members of the cabinet and administration as well are afraid to even challenge the President. That’s a mob mentality and those are certainly traits of a tyrant.” He added, “I think that the whole Trump Administration has become a circus. So if you give them more cameras, you’re going to get more theatrics; you’re going to get more pageantry. We need to get to the facts. The Intel Committee is known to be disciplined, especially under the leadership of Chairman Schiff and ... we have a very talented staff of attorneys and former members of the Intelligence Community. And so those of us who serve as representatives, we take our jobs very seriously. We take our oath very seriously. And so what we want to do is make sure that the identity of the whistleblower is protected and we want to get to the bottom of this. The call is Exhibit A, the complaint is Exhibit B, if you will, and we need a fuller picture of what happened and what is happening. And so those who are concerned Republican, Democrats, urge your representative to do the right thing and put pressure on the Trump administration to cooperate.” As for Rudy Giuliani, “as a former prosecutor and a lawyer, I would expect for Mr. Giuliani to understand this process. I would hope that he would act in a cooperative manner. If he is someone who is truly concerned about the preservation of our democracy and upholding our constitutional rights as members of Congress, he should be willing to cooperate.” However, he added, “Giuliani has a reputation of being a smart man – or he had a reputation of being a smart man. It seems more clear that Mr. Giuliani is impressionable. He’s been hanging around Donald Trump, so he’s flip flopping just like the President. Again, my hope is that Mr. Giuliani will cooperate with the Committee and understand that Chairman Schiff is an accomplished leader, a very thoughtful leader, a fellow prosecutor might I add. And so I think that this is Mr. Giuliani’s time to preserve what’s left of his reputation, and work in a cooperative manner with those of us on the Intel Committee.” On Thursday, Rep. Carson sat down with Dan Spehler of WXIN-TV Fox 59 in Indianapolis, and was asked if he would vote for articles of impeachment if they came on the floor today. “At this point absolutely,” Rep. Carson responded. As for the President’s Thursday remarks from the White House lawn on China and Biden, “For him to openly do this is blatant and it’s disrespectful,” said Rep. Carson.

● U.S. Rep. Trey Hollingsworth (R) asks constituents: “On Tuesday, September 24, House Speaker Nancy Pelosi announced House Democrats’ official impeachment proceedings against the President. Her announcement followed the release of a transcript of a phone call between President Trump and President Zelensky of Ukraine. Question of the Week: Do you support impeachment of President Trump?”

IN State Circles . . .

● House Committee on Education Chair Bob Behning (R) and Rep. Chris Chyung (D) participated in a late September bipartisan educational tour of the Republic of Korea funded by the Office of the Consulate General of Korea in Chicago.

● Rep. Chris Chyung (D) indicates that his 2020 session bill ideas include some concepts not previously found in legislation.

● Local government cybersecurity practices (user awareness training; mandate data backups/patches)

● Lifting restrictions on affordable housing (Indiana has preempted local governments from running programs to expand affordable housing)

● Lowering age limits to run for House and Senate to 18 (27 states have lower age limits than Indiana)

● Flood mitigation plan coverage (Indiana is second to last in the nation according to FEMA)

● Consumer data privacy (opt-out provisions and ability to request data collected on you)

● Even as Hoosier lawmakers have largely overlooked both cybersecurity and data privacy issues over the years – even as the critical mass has seemed to grown acute in the past year or so – *Insurance Journal* reports that “Cyber risks are the top concern among businesses of all sizes. Of the 1,200 business leaders who participated in an insurer-sponsored survey, 55% said they worry some or a great deal about cyber risks, ahead of medical cost inflation (54%), employee benefit costs (53%), the ability to attract and retain talent (46%) and legal liability (44%).”

□ Keep an eye on the cybersecurity and data privacy front. Not only are both big national issues that have been entirely ignored by the Third Floor, but the importance on the former front grows as authorities try to downplay what is widely rumored to have been a ransomware attack on at least one key supplier of Subaru of Indiana Automotive, Inc. (close geographically to SIA in Tippecanoe County) that forced SIA to shut down two shifts last week. Ironically as well, the Governor proclaimed October as Cybersecurity Awareness Month in Indiana, supporting the national theme for 2019: “Own IT. Secure IT. Protect IT.” The proclamation communicates the importance to all Hoosiers that “maintaining the security of cyberspace is a shared responsibility in which each of us has a critical role to play, and awareness of computer security essentials will improve the security of the State of Indiana’s information, infrastructure and economy.” As we’ve been telling you all year, all long-ignored aspects of cybersecurity and data privacy will have to be addressed by Hoosier lawmakers in the very near future.

● Attorney General Curtis Hill (R) joins the State of Indiana with six other Republican-led states in an *amicus* brief filed at the end of September asking the Supreme Court of the United States to grant a *writ of certiorari* in *City of Boise v. Martin, et al.*, No. 19-247. Indiana and the other states want the Supreme Court to overturn a 2018 ruling by the U.S. Court of Appeals for the Ninth Circuit that bans municipalities from prosecuting homeless people for sleeping on the streets when there is no option for them sleeping indoors. The intermediate appellate panel decided that “the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter.”

□ The brief signed onto by General Hill claims the ruling has infringed on the rights of states under the Tenth Amendment, and that “The Ninth Circuit’s decision has grave implications on the rights of states to enforce their laws putting the health and safety of their residents at risk,” and has “far ranging implications for the states’ criminal justice systems.” The amici argue that “the states have comprehensive rights in fashioning their rules for the betterment of the health, safety, and general welfare of their inhabitants,” and cite “the immediate grave effects of the Ninth Circuit’s decision and the potential for it to upend the states’ ability to create and enforce their most foundational public health and safety laws” as reasons why the justices should review the ruling. While cities such as Indianapolis (and downtown businesses) have concerns about how they can legally address the assorted concerns arising from homeless people living on the streets, General Hill and his colleagues read much more into the *Boise* ruling.

□ According to the filing, “The inability to enforce these laws has grave consequences, putting states’ residents at risk in rest areas, along highways, and on the grounds of important state structures, such as memorials, universities and capitol buildings. The inability to enforce these laws also poses environmental hazards and hinders the ability of state officials to maintain state infrastructure. Further, the inability to enforce these laws risks decreasing public access to important public buildings. The Ninth Circuit’s decision has also called into question many other criminal laws that democratically elected state lawmakers have deemed necessary to protect public health and safety. Clearly, the Ninth Circuit’s decision implicates laws prohibiting conduct by individuals who are homeless that may be considered ‘biologically compelled,’ such as public urination and defecation, theft of food, water, and clothing to protect against the elements, and public use of drugs and alcohol if the individual is addicted to such substances. But it also calls into question such fundamental prohibitions as laws imposing criminal penalties for murder, child sex abuse, child pornography, domestic violence, stalking, drug use, and rape for any criminal defendant who argues that his conduct was the product of a compulsion. Criminal defendants have recognized this for years,” contending as defenses to criminal charges “that their acts were compelled. But the Ninth Circuit swept these concerns away to constitutionalize an area of state control. Even worse, the Ninth Circuit’s action on this issue is unnecessary – state common laws already address the concerns that underpin the Ninth Circuit’s decision without intruding on states’ rights.”

● Governor Eric Holcomb (R) led a letter late last week to the chair and ranking member of the U.S. Senate Committee on Health, Education, Labor and Pensions Committee signed by 11 other Republican governors calling on Congress to provide flexibility in the Pell grant program (which would support Indiana’s Next Level Jobs initiative).

● Some utility case updates, courtesy of the Office of the Utility Consumer Counselor: The Indiana Utility Regulatory Commission evidentiary hearing in the Indiana Michigan Power (I&M) rate case starts October 7, with a decision expected in 2020 . . . consumer comments in the Duke Energy rate case are due October 23 . . . a Commission hearing on the Indianapolis Power & Light (IPL) infrastructure plan is scheduled for November 14 . . . the NIPSCO electric rate case is fully briefed and awaiting a Commission order . . . OUCC analysts and attorneys are reviewing Vectren’s proposed AB Brown ash pond mitigation plan, with testimony due December 10.

● Environment & Energy Publishing, LLC’s E&E News publishes a fascinating detailed report – the first in a series – outlining how an enforcement action against a Dearborn County whiskey distillery by the U.S. Environmental Protection Agency Air and Radiation Division in the final full month of the Obama Administration evaporated under pressure from the distillery’s Oklahoma attorney “to EPA Chief of Staff Ryan Jackson, a fellow Oklahoma Republican who’s one of the agency’s longest-serving and most influential political appointees,” and from then-U.S. Rep. Luke Messer (R), whose assistance on behalf of the company included a four-page June 2017 letter to then EPA administrator Scott Pruitt that was more in the form of a legal brief.

□ MGP Ingredients, Inc.’s MGPI of Indiana, LLC was charged by the EPA regional office with having “improperly built air polluting warehouses in a county that at the time failed to comply with smog limits. MGPI took the allegations seriously, warning investors in November 2017 that its failure to apply for a Clean Air Act permit could cost the company at least \$100,000 in fines.” Greendale Mayor Alan Weiss (I), “feels federal and state officials let him down – along with the people he represents. Weiss had hoped EPA’s enforcement case would force the company to curb its emissions of ethanol, a volatile organic compound (VOC) that helps create lung-damaging smog, which is also known as ozone pollution. Downwind from the warehouses, Cincinnati is currently violating EPA’s ozone standard. But what really bothers Weiss and people in Greendale is ‘whiskey fungus,’ a type of mold caused by ethanol vapor released during the whiskey aging process. The velvety black *Baudoinia compniacensis* has unknown human health effects and grows all over Greendale buildings, vehicles and street signs – particularly those closest to the MGPI warehouses. The mayor, a political independent, said he learned of MGPI’s air pollution lobbying campaign only after being contacted by E&E News ‘It really didn’t matter what we wanted,’ Weiss said ‘Nobody was listening to our concerns.’ Recall we told you a while back about the whiskey fungus phenomenon and damage it was causing in Aurora, Greendale, and Lawrenceburg.

□ The Messer letter to EPA’s Pruitt alleged that EPA’s Region V “is overstepping its authority and acting contrary to long-standing EPA policy,” with the “notice of violation to MGPI constituting an action that “will not only cost jobs, but is also legally unjustifiable” He claimed that Region V’s “stance flaunts EPA’s regional consistency guidelines, putting future economic growth in Indiana at risk,” and contended that it was placing Indiana at risk of losing an economic development project across the Ohio River to Kentucky. “Far from an abstract legal violation, Region V’s policy is already beginning to have negative effects on economic growth in Indiana,” Wrote Messer, “which the guidelines are designed to prevent. MGPI wishes to further expand its business, and requires additional aging warehouses. MGPI has identified available warehouse space across the river in Kentucky, under the jurisdiction of EPA’s Region IV. Because Region IV (like every EPA regional office other than Region V) adheres to the agency’s longstanding position with regard to fugitive whiskey emissions, MGPI can age its whiskey there without having to navigate inconsistent regulatory interpretation and enforcement. Unless the position taken by a staff lawyer in Region V is reversed, MGPI will be forced to locate this and perhaps future expansions in Kentucky rather than Indiana. The regional consistency guidelines are meant to avoid just this type of situation where inconsistent regional positions cause economic development to be redirected from one state to another.”

□ MGPI also ultimately paid “a penalty of just \$11,250 to the Environmental Management Special Fund under an agreed order reached in August,” reports Mike Perleberg of *Eagle Country* 99.3-FM in Lawrenceburg. “According to the original notice of violation, the company had failed to abide by EPA rules by constructing and operating the (nine) barrel houses prior to receipt of the proper air permit. Eight of the barrel houses were built 2014-2016 and another was to be constructed in 2018 in Greendale, although the company had not submitted to IDEM a significant source modification. The VOCs in the case are ethanol which emits from barrels which sit by the thousands in warehouses as whiskey inside them ages. Part of the whiskey in each barrel evaporates through the barrel’s wood. The presence of ethanol in the air allows a fungus called *baudoinia compniacensis* to thrive in areas surrounding a distillery or barrel house. The so-called ‘whiskey fungus’ collects on homes, vehicle, trees and other structures as an unsightly, black, soot-like growth. In all, the warehouses would house more than 439,000 barrels, enough to emit well beyond the permitted limit of 25 tons of ethanol per year. The U.S. EPA decided in 2018 not to pursue the case, instead leaving it to IDEM.”

□ Perleberg explains that “After being called out for the permit violation, MGPI submitted applications to IDEM for the proper permits of the Greendale warehouses in May 2018. The authorization for construction and operation of the warehouses and their VOC emissions was granted last December. IDEM granted MGPI, in April, the necessary permit to begin housing up to 320,000 whiskey barrels at the former Deufol warehouse in Sunman, Indiana. The approval came despite uproar from area citizens about ‘whiskey fungus’ impacting their properties nearby.”

● We’ve long been first to tell you about key developments affecting the Unemployment Insurance Trust Fund – sometimes serving as your early warning system, as we did early in the Daniels Administration. On Thursday, the Interim Study Committee on Employment and Labor discussed the topic with stakeholders, and the Department of Workforce Development confirmed that while Indiana is ahead of schedule on paying off the Trust Fund, our state is near the bottom of the list of states for state Trust Fund solvency.

□ While no recommendations were made at the meeting Thursday, we think that it’s safe to tell you to expect an agreement among key parties to impose a freeze on Schedule E for a five-year period (Schedules run from A – I, with A being the highest revenue, and the fiscal health of the Trust Fund determines which schedule we use, with the state currently on Schedule E). This should help the State build some \$1.4 billion in reserves, which both business and organized labor seem to believe is an appropriate target (we are sitting on a about \$880 million now; DWD projects hitting a \$1.1 billion balance in 2022, which would drop us to a lower schedule).

□ One area still being debated between the stakeholders: the triggers for changing payments if the balance dips too low, or the amount is exceeded.

● While local government units in Lake County and St. Joseph County have long prepared for the fiscal cliff they will experience when the long-delayed property tax caps hit their respective counties in 2020, overlooked is the budget squeeze that many smaller rural communities across the state are experiencing from the caps as they struggle to attract new building and businesses, and assessed valuation fails to increase.

● Effective October 26, the Indiana Health Coverage Programs (IHCP) is amending its reimbursement policy regarding high-risk pregnancy care, as part of a statewide effort to improve health outcomes of mothers and babies.

□ For dates of service on or after October 26, IHCP will reimburse for high-risk pregnancy care (a pregnancy that threatens the health or life of the mother or her fetus and requires specialized care from specially trained providers) when provided by physicians or advanced practice registered nurses. Some pregnancies become high risk as they progress, while some women are at increased risk for complications even before they become pregnant. IHCP does not determine conditions that may or may not complicate a pregnancy, so if the provider determines that an illness or injury could complicate a pregnancy or have an adverse effect on the pregnancy’s outcome, IHCP allows billing for covered services provided to treat the illness or injury. Services must be deemed medically necessary or preventive healthcare services, and provided within the scope of the applicable license and certification. Reimbursement will apply to services rendered under the fee-for-service (FFS) and managed care delivery systems.



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● The final numbers are in, and cities and towns learn that a definitional oversight (for lack of a better phrase) in the formula for distributing local road dollars will mean that the City of Indianapolis should enjoy a net gain of about \$12 million for road projects in 2020, an increase of some 23% from 2019 levels (the funding apparently cannot be directed toward retroactively paying all of the tire and wheel repair bills the city punted on over the past two pothole seasons). The bottom line will also result in just about every other jurisdiction suffering a loss of some eight percent in their respective long-awaited road repair dollars beginning next year as well.

- Stay tuned for the next report from the Indiana Climate Change Impacts Assessment (IN CCIA) examining *The Future of Indiana's Water Resources*. This Purdue Climate Change Research Center report is expected to be released later this year during a community briefing in Fort Wayne. Topics to be covered in the report will include expected changes in rainfall, snowfall, soil moisture, stream flow, flooding, and drought.

- In *Whole Woman's Health Alliance, et al., v. Hill, et al.*, No. 1:18-cv-01904-SEB-MJD, the federal court challenge to the failure of the Indiana State Department of Health to license a South Bend abortion clinic, Senior Judge Sarah Evans Barker denies the request by the plaintiffs to add all 91 county prosecutors to this case – even as a class, finding that the effort simply to fend off any possible prosecutions of the clinic during pendency of licensing proceedings would unnecessarily encumber and significantly complicate the proceedings for no good and necessary reason. Judge Barker does add, however, that should the situation change such that any particular county prosecutor decides to file or threatens to file or does file a criminal prosecution against the plaintiffs during the pendency of this litigation, the motion can be renewed, and she will revisit her ruling.

- In the pending legal disciplinary proceeding against Attorney General Curtis Hill (R), attorneys for his two top aides and a law clerk in the Office of the Attorney General file a response to the Supreme Court Disciplinary Commission's motion seeking information from Aaron Negangard and Mary Beth Bonaventura and law student Garrett Bascom. The attorney for the trio seeks to quash the Disciplinary Commission's subpoena, and argues that "the Commission has taken a position contrary to its own practice in this case with this very discovery and with respect to Ms. Blackwell (another hill aide who entered into a separate deal to produce subpoenaed information) and is attempting to justify that with respect to the other three Non-Party Subpoena Recipients, a Protective Order should not issue. The Commission should be consistent and now judicially estopped from treating disparately the information it has requested and receives from the non-parties. The logical conclusion in part that might explain why the Commission is treating the subpoena recipients differently is that Ms. Blackwell did not have privileged communications between herself and Mr. Hill. On the other hand, however, Bonaventura and Negangard regularly engage in privileged communications with Mr. Hill, and because the issue of privilege exists for them and is asserted, the Commission is dissatisfied and choosing to preclude them from the benefit of a Protective Order as it relates to their information and responses. That cannot be the entire rationale, as Garrett Bascom has offered a complete response to the Discovery Request without any claim of privilege, he too is providing his personal information, email and phone information, metadata associated therewith, and the Commission has refused to provide a Protective Order to him notwithstanding that his response is on all fours with Ms. Blackwell's, for whom the Commission agreed to issue a Protective Order. The issuance of the Proposed Order of Protection in no way impairs or impedes the Commission's use of the Discovery responses in its case against Mr. Hill. It simply affords protection to seasoned lawyers and an aspiring lawyer from third parties accessing their information once it is provided to the Commission. The concern for these lawyers and lawyer to be, as the Commission agreed exists as it relates to Ms. Blackwell, is that the information sought in every request involves personal information, including metadata associated with their email accounts and phone service via text messages."

□ Attorney General Hill files an affidavit explaining that he understands the Disciplinary Commission has issued non-party requests for production to Negangard and Judge Bonaventura that include "communications in any format with Curtis T. Hill, Jr., that pertain to the events of the Sine Die party of March 14-15, 2018 and/or the allegations that Hill inappropriately touched four women at the Sine Die party." and that "pertain to the disciplinary investigation and/or disciplinary matter regarding allegations that Hill inappropriately touched four women at the Sine Die party." he affirms to Supreme Court Hearing Officer Myra Selby that "All of my communications to and from Aaron Negangard and Mary Beth Bonaventura that are quoted above were communications made in confidence with two individuals who were and are attorneys employed by the OAG related to the legal interests of the Attorney General of Indiana and the OAG and to obtaining professional legal advice relating to the same." That set of statements may come into play later, because it could be read as potentially relating to mixing official OAG business with Hill's personal affairs.

□ Counsel for the OAG trio also takes the opportunity, in a footnote to his motion to quash, to again deride the Supreme Court Disciplinary Commission for engaging in conduct perhaps best described as unbecoming. "As set forth in the Certification of Counsel the parties did engage in appropriate discussions and exhausted their efforts to resolve the issue of whether an Agreed Protective Order could issue. Notwithstanding that fact, the Commission in its first Response to the moving papers of the Non-Party Subpoena Recipients indicated that the Commission had invited a response from the undersigned that was not forthcoming, which representation did not accurately reflect the sequence of communication. When the undersigned presented the concern that the Commission represented inaccurately the extent of the communications between these parties, the Commission agreed that it did not invite a response that was not forthcoming and filed an Amended Response removing the inaccurate depiction that the undersigned did not respond to a request of the Commission."

- In *State of New York, et al., v. Env'tl Protection Agency*, No. 19-1019, the U.S. Court of Appeals for the D.C. Circuit vacates the U.S. Environmental Protection Agency's denial of a petition that asked EPA to increase regulation on the amount of smog pollution that emanates from nine states – including Indiana – and drifts into New York and other northeastern states.

□ EPA has informed the appellate court that it may seek rehearing of the decision, as well as a parallel decision issued by the court in September in *Wisconsin v. EPA*, No. 16-1406.

IN the Economy

- The 2018 Gross State Product of Indiana, \$366.7 billion, trailed not only that of 17 other states, but also the Gross Metropolitan Product of 12 U.S. Metro Areas, according to data compiled by IHS Markit (the State Budget Committee's contract economic forecasting firm) for the U.S. Conference of Mayors in its 18th annual report and forecast on *U.S. Metro Economies*.

□ On the plus side, the \$147.0 billion Gross Metropolitan Product for the Indianapolis-Carmel metro in 2018 topped that of 17 states and the District of Columbia.

- New Census Bureau figures show the 2018 annual median household income lags at least \$1,000 behind pre-recession levels in Indiana and eight other states, after adjusting for inflation. After adjusting for inflation, Hoosiers are taking home, on average, \$1,700 less than they did in 2007. The only other non-coastal or foreign border state among the mix was Michigan.

- The Federal Reserve Bank of Chicago's Midwest Economy Index (MEI) moved up to a negative 0.26 in August from -0.37 in July (which had been the worst in 10 years), edging closer to the negative 0.30 posted in June. This constitutes the fifth consecutive month of negative territory for the Chicago Fed's index of nonfarm business activity in Illinois, Indiana, Iowa, Michigan, and Wisconsin. The relative MEI decreased to -0.27 in August from -0.06 in June and July. The basic MEI captures both national and regional factors driving Midwest growth, while the relative MEI provides a picture of Midwest growth conditions relative to those of the nation.

□ Four of the five MEI states (all but Iowa) made negative contributions to the index during August, with Indiana's -0.10 (unchanged from July) the largest negative contributor in the region, as it has been in recent months, led by a second consecutive significant monthly decline in contributions by the services sector. We have no logical explanation for this phenomenon. The manufacturing, construction, and consumer sectors were also all down from July; only Michigan experienced a continued decline in each of the four sectors. All four sectors in Indiana were also down over the month in the Relative MEI, something that was not seen in Illinois, Iowa, Michigan, or Wisconsin.

- The 1,531 single-family building permits pulled statewide during August represent a one percent increase from July, but a six percent decrease from the 1,624 permits pulled in August 2018. Single-family permit numbers for January - August 2019 are down by five percent compared to the first eight months of 2018., although builders anticipate starts will continue to rise as we move into the autumn months, affordability concerns aside. August permits had been on an increase in each year since 2015 until 2019.

- Farmers became much more pessimistic about current conditions on their own farms and in the U.S. agricultural economy in late summer, according to the September Purdue University/CME Group Ag Economy Barometer. While the overall Ag Economy Barometer reading dipped only slightly from August, there was what Purdue researchers referred to as "a relatively large sentiment shift among ag producers" as they became noticeably more pessimistic about current conditions on their farms and in the U.S. ag economy - while also being somewhat more optimistic about future economic conditions, both compared to one month earlier. Farmers' outlook toward making large investments such as machinery or buildings also declined in September. Concerns about current economic conditions led producers to be less inclined to think now is a good time to make large investments in their operations as the Farm Capital Investment Index declined by nine points to a reading of 47, 20 points lower than in July. The Farm Capital Investment Index dropped for the second month in a row, down nine points from August, which left it 20 points below the July 2019 reading taken when corn and soybean prices were peaking. Producers' farmland value expectations for both the next 12 months and five years also drifted lower in September.

□ In the September survey, only 21% of producers said they expect profitability to decline over the next year, compared to 41% that expected a profitability decline when the same question was posed back in May, seen by researchers as a potential signal that growers expect better times in 2020 compared to 2019... possibly because they are looking forward to a return to more normal growing conditions and crop production in 2020.

- Brock Turner, who reports on rural issues for Indiana Public Media, finds that "Indiana farmers received nearly \$600 million from the United States Department of Agriculture during the first round of payments from the Market Facilitation Program that seeks to minimize the impact of retaliatory tariffs from the Chinese government. More than 35,000 farmers applied for the program last year."

- As EmployIndy touts its programs and impact, it also tells benefactors that "Over the past decade, Indianapolis has seen an 80 percent increase in individuals living in poverty."

- Ivy Tech Community College President Sue Ellspermann testified in late September before the U.S. House Committee on Science, Space, and Technology, discussing the effects of machine learning and artificial intelligence on how community colleges and vocational schools educate and train the workforce.

- The Indianapolis-based Indiana Rail Road Company teams with the Association of American Railroads and the American Short Line and Regional Railroad Association to sue the State of Illinois in U.S. District Court for the Northern District of Illinois, Eastern Division, seeking to enjoin a new Illinois law that it claims is preempted by three federal laws. *Indiana Rail Road Co., et al., v. Illinois Commerce Comm'n, et al.*, No.1:19-cv-06466.

□ The Illinois law, which became effective in August, "imposes a categorical rule requiring that all freight railroads operate in almost all circumstances with at least two crew members," which the plaintiffs contend is preempted by the Federal Railroad Safety Act, the Regional Rail Reorganization Act, and the ICC Termination Act. The Illinois law was signed just three months after the Federal Railroad Administration determined that "no regulation of train-crew staffing is necessary or appropriate" for railroads to operate safely, according to the complaint. "In recent decades, technological breakthroughs have allowed railroads to gradually decrease average crew sizes - from about five in the 1960s to just two today - while compiling an ever-improving record of safety," the Indiana Rail Road filing asserts. "Now, the nation's railroads are poised to deliver even safer and more efficient service." The lawsuit does not challenge the constitutionality of the Illinois law as violative of the Constitution's Commerce Clause.

□ Indiana Rail Road, which operates a 250-mile regional railroad from Central Illinois to Southwest Indiana, contends in its complaint for declaratory and injunctive relief that "If there were any objective or empirical evidence that operating with one-person crews endangered the safety of INRD employees or the public, INRD would not continue one-person operations regardless of the attendant efficiencies. But there is simply no such evidence. To the contrary, INRD has complied a superb safety record while using one-person operations in Indiana and Illinois."

● The adjustable Indiana gas tax for October is set at 13.4¢ per gallon, meaning that for a fourth consecutive month (for the first time since November - January), the tax has declined from the prior month – and the rate of decline, 0.5¢, is higher than the 0.2¢ over-the-month decline from August to September. The rate is also down by a significant 2.4¢ over the prior year, a greater disparity than in any month since March. The 13.4¢ October 2019 rate matches the October 2017 figure. The four straight months of decline follow four consecutive months of over-the-month increases. The new October rate is still higher than any month during the first one-third of 2019. While we noted earlier in the year that the tax in each of the first four months of 2019 was lower than it was during *any* month in 2018, that positive phenomenon ended in May.

Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April	12.8¢	13.3¢	12.4¢	9.5¢	12.9¢
May	15.1¢	14.4¢	12.9¢	10.9¢	13.1¢
June	16.1¢	15.9¢	12.9¢	12.3¢	14.3¢
July	15.6¢	16.7¢	12.8¢	14.1¢	15.8¢
August	15.1¢	16.2¢	11.9¢	12.5¢	15.9¢
September	14.9¢	16.1¢	12.5¢	11.3¢	14.1¢
October	13.4¢	15.8¢	13.4¢	12.0¢	14.1¢
November		16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

● United Technologies Corporation, Pratt & Whitney Military Engines of Connecticut, gains a \$2,195,644,813 modification to a Naval Air Systems Command contract for the production and delivery of 112 F135-PW-100 propulsion systems for the Air Force, 46 F135-PW-600 propulsion systems for the Marine Corps, and 25 F135-PW-100 propulsion systems for the Navy, and some long lead components, parts, and materials associated with 129 F135-PW-100 and 19 F135-PW-600 propulsion systems for non-U.S. Department of Defense participants and Foreign Military Sales customers. More than one-quarter (26.5%) of the work will be performed in Indianapolis, to be completed in February 2023 . . . Faxon Machining, Inc., of Cincinnati, and Major Tool & Machine, Inc. of Indianapolis, are awarded a \$600,000,000 Air Force Life Cycle Management Center, Direct Attack Division indefinite-delivery/indefinite-quantity contract for BLU-136/B next generation area attack warhead case production. This contract provides for the procurement of 15,000 BLU-136/B next generation area attack warhead cases. Work will be performed in Cincinnati and Indianapolis, and is expected to be complete by September 30, 2026. This award is the result of a competitive small business set-aside acquisition . . . Rolls-Royce Corporation of Indianapolis is awarded a \$109,252,327 Defense Logistics Agency Aviation contract for supplies related to the support of the T56 family of aircraft engines. This sole-source acquisition is a five-year base contract with one five-year option period. Work will be performed in Indiana, with a September 30, 2024 completion date.

● Hemp Industry Daily caught up with Purdue Extension hemp specialist Marguerite Bolt to learn how Hoosier hemp farmers state fared in the 2019 production season. “According to the Office of Indiana State Chemist, Indiana licensed 130 farmers this year, with roughly 5,300 acres for outdoor production and approximately 400,000 square feet of indoor production Bolt said more than half of Indiana farmers planted fiber varieties in 2019, with 35% focused on growing hemp flower for CBD production and 15% planting hemp for grain.”

● The Forever 21 retail bankruptcy will mean the closure of stores in Carmel, Evansville, and Plainfield, but Simon Property Group, L.P. told the Marion County Commercial Court September 27 that as of that date, Forever 21 Retail, Inc. and Forever 21, Inc., were in default of obligations under 106 individual lease agreements in Simon shopping centers around the United States, “and owes Simon in excess of \$9,000,000 in unpaid rent and late charges.”

□ As Simon malls continue to hemorrhage tenants, the *Wall Street Journal* reports that Simon Property Group is a key player behind the Fair Markets Initiative, purported gras roots entity undertaking a national campaign criticizing the business practices of Amazon, the leading generator of online sales and protagonist in the mall exodus.

□ And on Wednesday, Simon announced that it will invest \$280 million in new, multi-platform digital value online shopping venture.

● Georg Utz, Inc., a plastic injection molding provider in Edinburgh, seeks a 10-year business personal property tax abatement from the Bartholomew County Council for a proposed \$3.4 million investment in new equipment that will help it retain more than 85 jobs and create almost 15 new production positions expected to pay \$16.75 per hour . . . Creative Works, a designer and manufacturer of themes, props, and attractions for the entertainment industry, plans to invest \$1.1 million to expand its operations in Morgan County; add new creative design, 3D modeling equipment, and custom fabrication equipment; and upgrade its research and development lab, expecting to create as many as 70 new jobs by the end of 2022. The Indiana Economic Development Corporation offers Creative Works up to \$575,000 in performance-based tax credits, and up to \$100,000 in conditional tax credits from the Hoosier Business Investment tax credit program. The Mooresville Town Council and Redevelopment Commission will consider additional incentives . . . Evansville-based plastics manufacturer Berry Global a multi-million-dollar, 40,000 square-foot expansion of its blown film operations in Odon, that is expected to create more than 10 new jobs in Daviess County. IEDC offers Berry Global up to \$100,000 in performance-based tax credits for the project, which was said to be a competitive choice between Odon and another unspecified city . . . Indiana Fabric Solutions Inc., a manufacturer of reusable sewn fabric packaging products, plans to invest \$2 million in a 25,000 square-foot addition to its Bedford facility, a project anticipated to create 15 new local jobs . . . CraftMark Bakery LLC of Indianapolis, a commercial bakery, plans to invest some \$5 million to convert a west-side warehouse into 20,000 square feet of production space, and add \$20 million in new equipment that will allow it to add 50 new local employees by the end of 2022. CraftMark seeks a pair of seven-year local property tax abatements . . . Sullair, a compressed air solutions provider, plans to invest \$8.2 million in an 80,000 square-foot expansion of its headquarters campus in Michigan City, constructing a new manufacturing building for production of air compressors, a canopied storage building, and an additional parking lot for employees and add \$16.2 million in new equipment with the help of a property tax abatement from the Michigan City Common Council . The project will also reconfigure portions of the primary 280,000 square-foot manufacturing facility on the campus. Sullair anticipates adding more than 30 full-time jobs as a result.

IN Transition

- The Speaker fills some committee and leadership holes caused by post-session resignations of two Republican lawmakers.

- Rep. Dale DeVon (R) will now take charge of the House Committee on Family, Children and Human Affairs, and Rep. Jim Pressel (R) will be the new chair of the House Committee on Government and Regulatory Reform.

- Rep. Ethan Manning (R) will become vice chair of the House Committee on Utilities, Energy and Telecommunications, and Rep. David Abbott (R) will serve as vice chair of the Committee on Government and Regulatory Reform.

- New Reps. Dollyne Sherman (R) and Ann Vermilion (R) will serve on the same committees as their predecessors. Rep. Sherman will serve on the Committee on Family, Children and Human Affairs; the Committee on Public Health; and the Committee on Utilities, Energy and Telecommunications. Rep. Vermilion joins the Committee on Government and Regulatory Reform; the Committee on Courts and Criminal Code; and the Committee on Insurance.

- Rep. Cindy Kirchhofer (R) is added to the House Republican leadership team as assistant majority floor leader, filling the post vacated by former Rep. Dave Frizzell (R).

- The Department of Child Services adds Deborah Burke of Anderson and Kimberly Nightingale of New Harmony as new assistant general counsels for the state's north and south regions, respectively. Both most recently served as regional chief counsels for DCS. In their new roles, Nightingale and Burke will develop the DCS litigation division to ensure attorneys and regional chief counsels effectively represent the agency and children it serves in court hearings.

- The Department of Child Services creates two new positions to oversee training for foster parents, provider agencies, and DCS employees who work with children removed from their homes because of abuse or neglect. Both will work directly with the DCS staff development team to implement evidence-based trainings both internally and externally and seek to ensure consistent resources and training to those who care for Indiana foster children.

- Harmony Gist of Nashville becomes the assistant deputy director of practice model and leadership. Gist, who has worked for DCS for 14 years in several different roles, will focus on relaunching the agency's updated practice model to all employees. The practice model, which promotes trust-based relationships and teamwork in child welfare, provides a framework for staff members to follow while serving Hoosier children. Retraining staff in the practice model principles was recommended by the Alabama-based Child Welfare Policy and Practice Group in the influential assessment of the agency in 2018.

- Chatney Grice of Indianapolis becomes the assistant deputy director of RAPT (Resource and Adoptive Parent Training) and provider trainings. Grice, who previously worked for several DCS providers, will focus on identifying challenges in training and developing solutions. Her role will also include personalized support of foster parents and the provider agencies who license and train foster parents.

- The Governor announces several new appointments and reappointments to various state boards, commissions, and task forces, including: Indiana Finance Authority - Harry F. McNaught of Carmel, president/CEO of Denison Properties, and Owen "Bud" Melton, Jr. of Carmel, former president and CEO of First Indiana Bank, both reappointed to respective new terms that will run until September 30, 2023 . . . Indiana Protection & Advocacy Services Commission - two new appointments, Leonard Hoops of Indianapolis, president and CEO of Visit Indy, will serve until April 30, 2021, and Tom Easterday of Zionsville, former executive vice president and chief legal officer of Subaru of Indiana Automotive, will serve until September 30, 2022 . . . Indiana Gaming Commission - former State Budget Agency director Jason Dudich of Indianapolis, vice president, CFO, and treasurer of the University of Indianapolis was appointed (to replace former Rep. Rich McClain (R)) and Marc Fine of Evansville, an attorney with Jackson Kelly, PLLC; Jane Saxon of Noblesville, senior manager at Somerset CPAs & Advisors; Joseph Svetanoff of Crown Point, senior attorney with Kopka Pinkus Dolin, P.C.; and Susan Williams of Indianapolis, former president of the Indiana Sports Corporation, were reappointed. All will serve for terms to end September 30, 2022 . . . Little Calumet River Basin Development Commission - Robert Ochi of Hammond, senior executive vice president and director of marketing with Rodriguez & Associates, Inc., is a new appointee who will serve until September 30, 2023 . . . State Board of Funeral & Cemetery Service - three reappointments include Christopher Cooke of Evansville, superintendent of Evansville City Cemeteries; Roland Cutter of Richmond, retired agent with RMD/Patti Insurance & Financial Services; and Thomas Sproles of New Castle, co-owner and funeral director with Sproles Family Funeral Home; and one new appointment, Kathleen Matuszak of South Bend, general manager of the St. Joseph Funeral Home and Cemetery, all of whom will serve until August 31, 2023 . . . Vincennes University Board of Trustees - five reappointments are R. Scott Brand of Carmel, senior vice president of quality control at Subaru of Indiana Automotive, Inc. (October 3, 2021); Reginald Henderson of McCordsville, vice president and general manager of Telamon Energy Solutions (October 2, 2022); George Ridgway of Bloomington, chief architect for Cook Group, Inc. (October 2, 2022); Michael Sievers of Vincennes, owner of Sievers & Companies (October 3, 2021); John Stachura of Vincennes, vice president and general manager of Solar Sources Underground LLC (October 3, 2021); and two new appointments, Dartanyan Abney of Walton, a fourth year Occupational Graphic Design/Multimedia student at Vincennes, who will serve as the student member of the board until October 4, 2020; and Kelly Clauss of Jasper, vice president of medical practice management and support services at Memorial Hospital and Health Care Center in Jasper, who will serve until October 2, 2022.

- Mitch Donick assumes the role of deputy director of operations for the Department of Correction's Parole Services Division. Donick comes to the post with more than 20 years of experience in law enforcement, corrections, and protective services. After service in the Air Force, he began his career in corrections in 2003 as a correctional officer at Putnamville Correctional Facility, then worked at Reception Diagnostic Center and Plainfield Correctional Facility as correctional officer and correctional sergeant. In 2013 he became a parole agent, and for the past six years he has worked in four different districts serving as a parole agent, regional assistant district supervisor, and district supervisor.

● **Christine Daniel** becomes executive director of transitional healthcare for the Department of Correction, post from which she will oversee the navigation of physical and behavioral healthcare for populations entering and leaving Indiana Department of Correction, as well as the Medicaid Processing Unit and the Parole Re-entry Liaison Team. Daniel began her correctional career as a parole re-entry liaison, and became the regional director of re-entry with Wexford of Indiana, where she led initiatives involving state agencies and community-based programming to develop relationships and protocols for successful re-entry and recidivism reduction. She also served as program supervisor at a community mental health center, operating a 24-hour supportive living program for clients with serious mental illness and co-occurring disorders.

● Following the retirement of **Jim Greeson** as state fire marshal after 11 years of (often controversial) service, the Governor selects South Bend Fire Chief **Stephen Cox** to serve as the Indiana state fire marshal. Cox has served with the South Bend Fire Department for 26 years, with 12 years in executive leadership, and seven as chief.

● Indiana University alum **Marie Harf** is back at work as a political commentator for the Fox News Channel. The former senior advisor of strategic communications to then-U.S. secretary of state **John Kerry** (she led Iran nuclear negotiation communications strategy), Harf had left Fox, where she had been a TV commentator and co-host of Fox News Radio's *Benson and Harf*, to join the quixotic presidential campaign of U.S. Rep. **Seth Moulton** (D-MA) as deputy campaign manager for policy and communications, focusing on foreign policy.

● In these pages a few decades ago, we reviewed Indiana Supreme Court voting combinations and discovered that here was a distinct pattern in the voting alignment between a given chief justice and a first-year justice, regardless of the party of the governor by whom each were appointed (and we've always cautioned you not to take political party "affiliation" into consideration in any Supreme Court vote of any kind by any justice after the year 1990 or so – perhaps unlike any other state supreme court in the nation).

□ After Network Indiana's **Eric Berman** sat down with Chief Justice **Loretta Rush** recently, he published a quick look at the voting patterns of the Supreme Court justices for FY 2019, the first year on the Court for Justice **Christopher Goff**. The other justice with whom "rookie" Justice Goff was most aligned: Chief Justice Rush, voting together in 93% of relevant rulings, more than any other pairing of justices (and following the CJ, we found Justice Goff most aligned with the Court's most senior member, Justice **Steven David**).

% of Rulings <u>Aligned</u>	<u>Combinations of Justices</u>
93%	CJ Rush - Goff
90%	David - Goff
88%	CJ Rush - David
	David - Massa
	Massa - Goff
86%	CJ Rush - Massa
76%	David - Slaughter
	Massa - Slaughter
	Slaughter - Goff
69%	CJ Rush - Slaughter

IN the Lobby

● Bloomington's Cook Group Inc. retains the Washington, D.C., law and lobbying firm Akin, Gump, Strauss, Hauer & Feld to lobby Congress on "Issues related to medical device excise tax repeal."

● Midwestern Pet Foods, Inc. of Evansville retains Venable LLP of Washington, D.C. to lobby Congress on "Pet food production Issues related to pet food regulations. former U.S. Rep. **Bart Stupak** (D-MI) is the lobbyist registered on the account.

● FrogueClark, LLC files a termination statement for its federal lobbying on behalf of Lilly USA, LLC.

IN Court

● Hoosiers who find themselves in need of a protection order may now request one from anywhere they can access the internet. A new protection order e-filing service is now available to individuals, advocates, and attorneys. The new service is designed for individuals, including children, who need protection from domestic or family violence, stalking, sex offenses, or harassment. People seeking protection can take advantage of the service to access it and request such orders on a 24/7 basis from the privacy and comfort of a safe space, without physically having to travel to and then file in a county courthouse.

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TechPoint's 'red carpet' event aims to match non-Hoosiers with jobs in central Indiana

October 4, 2019 | [Lesley Weidenbener](#)

KEYWORDS [EDUCATION & WORKFORCE DEVELOPMENT](#) / [JOBS/CAREERS](#) / [RECRUITING](#) / [TECHNOLOGY](#) / [TECHPOINT](#)



Hubert Goodman, right, who has lived and worked in Ho Chi Minh City, Vietnam, since 2013, came to a TechPoint "red carpet" recruiting event to see if Indianapolis might be where he should repatriate. (IBJ photo/Lesley Weidenbener)

Twenty-eight potential Hoosiers—some with Indiana connections and others with none—are scouting Indianapolis on Friday as part of a TechPoint "red carpet experience" to see if the city is a place they'd like to call home.

The prospects—as TechPoint calls them—are here from across the world, 14 states plus China and Vietnam. They were chosen from among nearly 400 applicants who expressed an interest in moving to central Indiana if they could find the right job.

Mike Langellier, president and CEO of TechPoint, said the organization worked with about two dozen large and small companies to determine the types of candidates the firms desired most and then narrowed the list "based on fit and real genuine interest in wanting to be here."

The event—which kicked off Thursday night with a reception at Salesforce Tower—is part of TechPoint's larger "Wish You Were Here" campaign. The organization is partnering with TMap, a startup using big data to try to reverse Indiana's brain drain, to identify people who have connections to or interest in Indiana and persuade them to move to the state.

Hubert Goodman made the trip from Ho Chi Minh City, Vietnam, where he has lived and worked as a trade consultant since 2013. He was already planning to repatriate. "The U.S. job market is so much more dynamic and exciting," Goodman said during the reception, which offered views from the top floor of Salesforce Tower.

Goodman lived in Brown County and Indianapolis during the 2000s when he worked for Cummins Inc. and he views the city as one place he could land again as he returns to the United States. He's looking for an opportunity to help a company turn its data into action.

"I have a knack for knowing how to profit from the effective use of information," he said.

Goodman found the TechPoint event intriguing. "When I found out about this event, I really got excited," he said. "It definitely increases the probability I will move back to Indianapolis."

On Friday morning, Goodman and other prospects were scheduled for 30-minute interviews with companies that were matched to by TMap.

Five companies—Salesforce, Raytheon, Cummins, Eli Lilly and Co. and Geico—paid \$10,000 each to help underwrite the red carpet event. But many other companies are participating and interviewing prospects.

Those companies will pay a fee if they hire one of the 28 prospects, but Langellier said it's less costly than if they had used a traditional recruiting service to make the connection.

After the interviews, prospects were scheduled to head off for tours of the city, including a bike ride along the Indianapolis Cultural Trail.

TechPoint planned tours and other events for the guests the prospects brought along as well, and Langellier said some of those “plus-ones” are being matched with job opportunities as well.

The prospects come from a wide range of industries but most are tech-related and have an average of 10 years of career experience.

“They’re at a stage in life where they want this kind of lifestyle,” Langellier said. “The traditional tech hubs are becoming unsustainable and many cases difficult to live in. The state where we had the most applicants from is California.”

Cara Corwin came from Michigan. She works in automotive consulting for a direct-mail company in the Detroit area (think about the coupons you receive encouraging you to get an oil change) and came to the TechPoint event because she’s ready for a change.

“In the position I’m in now, I’m kind of hamstrung,” she said. “I’m not really able to innovate or be entrepreneurial.”



Cara Corwin

Corwin has never lived in Indiana, but a former colleague now works for Cummins. He posted about the TechPoint red carpet opportunity on LinkedIn and Corwin applied. She’s looking for a product management role that provides a challenge.

She said she’s been impressed with the visit. “I think it’s an absolutely fantastic idea,” Corwin said. “And they’ve done a phenomenal job so far.”

TechPoint has been sending postcards, emails and even a virtual reality headset—the kind you slip your phone into to watch 3-D videos—to the prospects to help them get acquainted with the city.

Corwin was looking forward to her interviews and the neighborhood tours. “I would like to experience more of the downtown area,” she said. “I would love to live downtown if I were to come work here.”

Tanzil Rahman, a software developer who works in Iowa City, Iowa, came to the event with his wife. He also has no connection to Indiana and has lived in Iowa since moving to the United States from his native Bangladesh. But he wants to find a new challenge in a moderately sized Midwest city.

"I am looking for a position where I can grow professionally," he said. "And also, I would like to live in a city where I can get the flavor of a big city but not the hectic part of a big city. I don't want crime like Detroit or the traffic jams of Atlanta."



Tanzil Rahman

Rahman and his wife are looking for a neighborhood where they can raise a family and send children to good schools.

On Friday night, Rahman and other prospects were welcomed with music from Another Round, an all-male a cappella group from Indiana University, and a greeting from Mayor Joe Hogsett.

He encouraged the prospects to choose Indianapolis for what he called the "usual" reasons—a low cost of living, growing tech sector, and great sports and cultural amenities.

But, he said, as mayor, he had another argument.

"You have arrived in our city at an extraordinarily special time," Hogsett said. "We are growing, we are building, we are developing like never before. Renewing our infrastructure, redesigning everything from transit to criminal justice with a focus on being more sustainable, more equitable."

And he said prospects are just in time to take part in a civic collaboration that will define the city.

"I want you to know that as we seem to be living in a time of great change everywhere, the sudden evolution we are experiencing here in Indianapolis, well, it would seem to be right on time."

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.

From: [Warman, Tyler](#)
To: [#All Governor's Office](#)
Subject: News Clips 10/12-10/15
Date: Tuesday, October 15, 2019 12:32:31 PM
Attachments: [Cheat Sheet 10-15-19.pdf](#)
[Howey 10-14-19.pdf](#)
[Howey 10-15-19.pdf](#)
[IBJ- High-tech mobility company plans lab, 50 high-paying jobs in Westfield.pdf](#)
[Statehouse File- State funds fuel local road work.pdf](#)
[Times Herald- Millions in road grants headed to the area.pdf](#)
[Herald Bulletin- Local communities receive \\$2.2 million from state.pdf](#)
[News Dispatch- If IDEM and EPA won't, they will.pdf](#)

Pillar 1- Diversify our economy

WISHTV- [India wants to partner with Indiana on sports](#)
Statesman- [Indiana seeks investments from India](#)
Inside IN Business- [Ruoff Chose to Stay in Fort Wayne](#)
Inside IN Business- [Startup Week Fort Wayne to Kick Off](#)
Inside IN Business- [Jobs Announcement Set for Plainfield](#)
Inside IN Business- [Midland Metal Products to Cut Ribbon](#)
Inside IN Business- [Irish Tech Company Coming to Westfield](#)
Inside IN Business- [Slow Harvest in Indiana, Mixed Yield Estimates](#)
Inside IN Business- [Grow Wabash County Launching \\$1M Campaign](#)
Inside IN Business- [Life Science Companies Launch Information Source](#)
Inside IN Business- [Valpo Bearings Plant to Close; 160+ Jobs Impacted](#)
Inside IN Business- [JPMorgan Chase Investing in Indy Neighborhoods](#)
SB Tribune- [Indiana, Michigan farmers harvest first legal hemp crop since WWII](#)

Pillar 2- Upgrade our infrastructure

Inside IN Business- [Cumberland Deploys Fiber Optics](#)
Republic- [City, county receive road funding grants](#)
Herald Tribune- [Franklin County and area towns get INDOT grants](#)
WBIW- [District 44 receives more than \\$3.1 million in Road-Funding Grants](#)
14 News- [Boonville to put in \\$700k from state and city for bettering streets](#)
Daily Reporter- [More than \\$800,000 in road improvements coming to McCordsville](#)
NWI Times- [NIPSCO looking to make solar investment to boost Indiana's solar capacity](#)
IN Public Media- [Indiana Urged Not To Close Ohio River Bridge During Repairs](#)
WDRB- [Leaders continue push to keep Sherman Minton Bridge open during renewal project](#)
Republic- [Indiana urged not to close Ohio River bridge during repairs](#)

Pillar 3- Strengthen our workforce

IN Public Media- [Governor's Workforce Cabinet Announces Statewide Listening Tour](#)
IN Public Media- [Not Sure About Filing For Financial Aid? State Says You Should Finish FAFSA Anyway](#)
WBIW- [Wabash Valley Correctional Facility & Ivy Tech to Celebrate Offender Graduation](#)
IN Public Media- [Communities With GM Facilities Support UAW Members Through Strike](#)
Journal Gazette- [Toll of UAW strike begins to mount well beyond GM](#)
RTV6- [Nonprofit supports Hoosiers with disabilities with job search and career goals](#)
Inside IN Business- [Black Expo Bringing Gary Model to New Charter School](#)
Inside IN Business- [Radial to Hire 1,800 Seasonal Workers in Brownsburg](#)

IN Public Media- [Statewide Expo Connects Indiana Latinos With Jobs](#)
NWI Times- [Indiana income growth 40th in nation since Great Recession](#)
USA Today- [These states are getting hit hardest by the pension crisis](#)
WBIW- [Statewide Hiring Fair Coming To Aurora and Bloomington Oct. 16](#)
NWI Times- [U.S. Steel warns state of more job losses at East Chicago Tin](#)
Journal Gazette- [FWCS board OKs teachers' raise](#)
Indy Politics- [Another truth about teacher pay](#)

Pillar 4- Attack the drug epidemic

Indy Politics- [A Cannabis Conversation](#)
WIBC- [Crunching the Cannabis Numbers](#)
Tribune- [Lucas: A giant leap for cannabis advocates](#)
SB Tribune- [Legal marijuana casts a little haze over workplace drug rules](#)
RTV6- [Over 225 marijuana cases dismissed in Marion Co. since new policy announced](#)
Daily Reporter- [The Landing Place to offer new mental health, addiction treatment options](#)
Yale Daily News- [Researchers evaluate rural drive times to opioid treatment facilities](#)
WBOI- [Your Guide To The Massive \(And Massively Complex\) Opioid Litigation](#)

Pillar 5- Deliver good government service

NWI Times- [Indiana preparing to step up child support enforcement against out-of-state parents](#)
IN Public Media- [State Revenues Exceed Expectations In Fiscal Year's First Quarter](#)
Inside IN Business- [State Revenues Continue Higher in September](#)
Inside IN Business- [Hoosier Lottery Celebrates 30 Years](#)
WANE- [Hoosier Lottery celebrates 30 years](#)

2019 Legislative Session

IN Public Media- [Beekeepers, Researchers & State Lawmakers Agree: We Need The Bees](#)
NWI Times- [Indiana local government group recognizes Valparaiso senator as state's top lawmaker](#)
NWI Times- [Suburban casino proposals could put new gaming venues on Northwest Indiana's doorstep](#)
Inside IN Business- [Purdue Board Approvals Include Betting Ban](#)
IN Public Media- [IU Has No Plans To Mirror Purdue's Gambling Policy](#)
Inside IN Business- [Analysts: Indiana Sports Betting Starts Strong](#)
Inside IN Business- [BetIndiana To Launch Mobile SportsbookUSA](#)

State Trooper Peter Stephan

Indy Star- [State trooper dies in crash while on his way to help another officer](#)
Indy Star- [Indiana State Police makes patrol car a memorial to Lafayette trooper](#)
Journal Courier- [State trooper killed in crash on Old Indiana 25](#)
WSBT- [Indiana trooper dies in crash while headed to help colleague](#)
WTHR- ['One of the good ones': Friends remember Trooper 'Bo' Stephan](#)
Yahoo News- [Indiana trooper dies in crash while headed to help colleague](#)
WAVE- [Indiana State Police trooper dead after single vehicle crash](#)
WTHR- [Single vehicle crash kills Indiana State Police trooper](#)
CBS4- [State trooper dies on his way to help another officer](#)

EEE Virus

Indy Star- [What you need to know about rare but deadly mosquito-borne illness that killed one Hoosier](#)

WAVE- [First human case in over 20 years of rare mosquito-borne virus reported in Indiana](#)

Indy Star- [Hoosier dies of rare mosquito-transmitted virus, first Indiana human case in 20 years](#)

IN Public Media- [Human Case Of Rare, Deadly Mosquito Disease Found In Elkhart County](#)

WSBT- [Elkhart County resident dies from EEE](#)

Vaping News

Republic- [Indiana reports two more severe lung injury deaths due to vaping](#)

WDRB- [Schools confront student vaping as illness reports climb across U.S.](#)

My Wabash Valley- [Law enforcement speaks to middle school about vaping](#)

NWI Times- [Alleged counterfeit vaping pods nabbed from local store](#)

Misc.

Inside IN Business- [Notre Dame to Host Presidential Debate](#)

SB Tribune- [Notre Dame to host presidential debate in September 2020](#)

Indy Star- [University of Notre Dame to host first 2020 presidential debate](#)

Indy Star- [Schools keep close watch as state considers tweak to state funding formula](#)

NWI Times- [Region lawmaker seeking to improve death benefits for Indiana police, firefighters](#)

WTHR- [Holcomb rappels down northwest Indiana building to raise money for families](#)

WIBC- [Disciplinary Charges Filed Against Three Judges in White Castle Brawl](#)

SB Tribune- [Three Indiana judges face discipline after May shooting](#)

NWI Times- [AG: 165 more fetal remains linked to late doctor](#)

Journal Gazette- [Remains total rises after car search](#)

WFYI- [Indiana's Childhood Obesity Rate Poor Yet Steady](#)

RTV6- [Holcomb declares this week 'Indiana Move Over Week'](#)

Fox59- [Governor declares Indiana Move Over Week](#)

Sincerely,

Tyler Warman

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The Cheat Sheet, Vol. 8, Issue 26 – Oct 2019

The Rogue Republican



Superintendent of Public Instruction **Jennifer McCormick** has apparently decided to take a “damn the torpedoes” approach when it comes to her final 14 months in office. McCormick was there for the announcement by State Senator **Eddie Melton** that he was running for Governor and in an interview with [Chalkbeat Indiana](#), McCormick lamented the lack of a bipartisan approach to education in the Statehouse and on other occasions she and her staff, at least the ones who didn’t leave out of frustration with her leadership, have complained about the Governor and legislature.

So how did all this fall of the rails? Apparently, McCormick had the same problem that a lot of statewide elected officials deal with who come from smaller communities. Back home, they were the big fish in the small pond. Now in Indianapolis, at best they are a medium-sized fish in a big pond, but they haven’t accepted that reality and McCormick is a prime example. TCS spoke to several former employees and they all said the same thing. McCormick came here expecting to be the leader on education and that lawmakers would automatically defer to her. Anyone who’s been in that

building on Washington Street for any amount of time knows that is not how the real world works. And whenever staff tried to explain that to her, it fell on deaf ears.

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The Cheat Sheet, Vol. 8, Issue 26 – Oct 2019



They also said McCormick is in a giant echo chamber because her top staff reinforces her opinions and they don't give her the frank and candid advice that she needed. And when someone disagreed with the office policies they were considered disloyal and encouraged to find work elsewhere. It's unfortunate that things turned out this way because from what we're hearing, McCormick is going to need all the friends she can get over the remainder of her term.

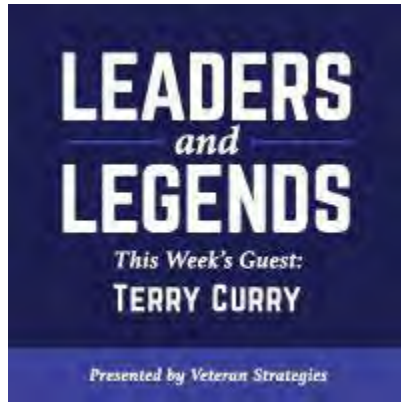
First of all, we're told that any agenda items she may have next year are basically dead even before they get out of her office on the second floor. More importantly, and with bigger consequences, we hear that there are some folks looking into her travel, particularly when she went on Melton's listening tour. You see the listening tour was not done in Melton's capacity as a State Senator but as a possible candidate for Governor, so when McCormick accompanied him on these trips, there is a serious question of whether the lines between governmental and political campaigning were crossed. In addition, some lawmakers are also questioning whether the Department of Education dropped the ball on monitoring virtual charter schools and if they had been paying closer attention, some recent controversies might have been avoided.

And those are just the tips of the iceberg. TCS hears there is a lot more coming that has the potential to make life very uncomfortable to the SPI, almost to the point that she might resign the office early. Of course, McCormick did actually try to leave a few months ago when she applied to be the head of Muncie Schools, but the Board and Ball State wanted nothing to do with her and her leadership.

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And the irony of that decision was that they hired **Dr. Lee Ann Kwiatkowski**, who previously worked for McCormick but left out of frustration.



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Hogsett's House of Cards



The fallout is continuing from last week's **Marion County Democratic** caucus for County Prosecutor. As you all know, **Ryan Mears**, who won, had the backing of **Terry Curry** while **Tim Moriarty** had Mayor **Joe Hogsett's** backing, along with **Andre Carson**, Council President **Vop Osili** and few other heavy hitters. He also had the "unofficial" backing of the County Party which is why they were all shocked when they lost by ten votes.

Well, we went and got a hold of the list all the precinct committeemen who were eligible to vote, both appointed and elected, and, well, let's put it this way, I'm from Chicago and I've never seen a deck so brazenly stacked. Out of the 75 or so appointed PCs, more than 50 had direct ties to Mayor Hogsett. They were either city employees or their family members. That list of 50 also included some personal friends of Moriarty as well as donors and lawyers with ties to the Mayor. Also, 14 PCs who were removed from the list had ties to Mears.

So if you think about this, Mears walked into the race with at least a 50-vote deficit (64-vote deficit if you count the removed PCs) and walked away with a ten-vote

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The Cheat Sheet, Vol. 8, Issue 26 – Oct 2019

victory. The Mayor and top aides, TCS hears, were livid at the result. We're also told that some of the PCs who were backing Moriarty did not show up to the caucus and those folks apparently have targets on their backs. So if you're one of them and you work for the city, don't be shocked if your office is relocated to the basement.

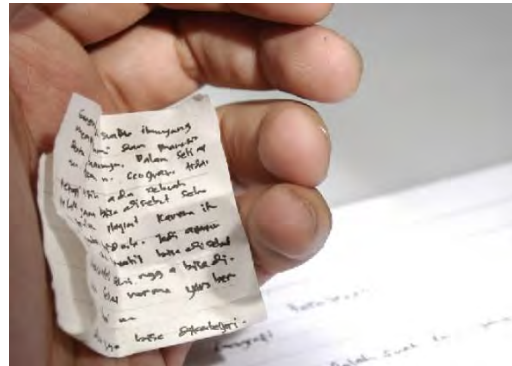
We are even hearing the County party is planning to go after the PCs who voted for Mears. However, the party may want to think twice about getting revenge and more about building up its defenses. TCS is hearing that a lot of folks are feeling emboldened by last Saturday's victory and are looking at a takeover of their own by recruiting candidates to run in every appointed spot.

Another side note to all this, and we are still working on getting confirmation, but we've heard from several circles that the relationship between the Mayor and City-Council President **Vop Osili** has gone south after this. And they got into it pretty bad recently. It didn't quite come to blows, but TCS hears someone had to step in and separate them. When we get more details, we will let you know.

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A Few Other Items of Note



We're hearing **Barnes & Thornburg** will have a role to play in the **impeachment inquiry** against President **Donald Trump**. Word is the firm has been retained by **Vice-President Mike Pence** to help deal with any subpoenas and investigations by House Democrats.

Marion County Democrats are apparently worried about Republican Mayoral candidate **Jim Merritt's** decision to name former IMPD Deputy Chief **Bill Benjamin** as the head of the police department if he becomes mayor. Benjamin is highly respected in the black community. And more importantly, when he ran for Sheriff in 2018, although he lost to **Kerry Forestal**, he got nearly 25,000 votes and in what a lot of folks think is going to be a low turnout election, that could potentially be a game-changer.

By the way, there had been some rumors that **Rev. Charles Harrison** of the Ten Point Coalition was going to make an endorsement in the Indianapolis Mayor's race. We spoke to him and he told us nothing could be further from the truth. He says neither he nor Ten-Point does endorsements as they are a not for profit.

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The Cheat Sheet, Vol. 8, Issue 26 – Oct 2019

Atlanta resident **Beth Henderson** announced her candidacy for Congress in Indiana's Fifth District. She is married to Tim Henderson who briefly ran for the U.S Senate in 2018.

Long-time Hoosier political activist **Curt Smith** announced this week the formation of a federal **SuperPAC** to benefit the candidacy of **Micah Beckwith**, one of at least five declared candidates in the GOP primary for the open Indiana Congressional District 5 race. Registered as the Hoosier Heartland Fund, the independent expenditure PAC will be assisted by former US Rep. **Marlin Stutzman** as strategic advisor.

FYI, it looks like we will be going back in the field one more time in **the Indianapolis Mayor's race** to *poll* in our LNG capacity. We'll be looking at the Mayor's race, council races and a couple of other local issues. We hope to present the results the week of the 21st.



The Usual Disclaimer Stuff:

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If you've got something you want to share, (good, bad or ugly) send it to Abdul@indypolitics.org. We promise to take all the credit and all of the blame.

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Oct. 14, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Monday, October 14, 2019 6:39 AM

NOTRE DAME TO HOST FIRST PRESIDENTIAL DEBATE: The University of Notre Dame will host the first presidential debate on Sept. 29, 2020. "The world's attention will be on us and on this region. Our democracy so badly needs a place where we can have serious conversations," Rev. John Jenkins, the university's president, said on Friday (*South Bend Tribune*). "We always welcome leaders from the various parties ... so we can have serious conversations about the issues that confront us. Presidential debates are a sacred moment in our democracy." It will take place at the Purcell Pavilion at the Joyce Center. It will be the first presidential debate in Indiana history. The other two sites for the 2020 presidential debates will be Belmont University in Nashville, Tenn., and the University of Michigan in Ann Arbor. The Commission on Presidential Debates in January sought proposals from sites interested in hosting a 2020 presidential or vice-presidential debate. The requirements included a debate hall with at least 15,000 square feet, "adequate" air and ground transportation, large parking areas for media, media filing and accreditation centers, at least 3,000 hotel rooms "nearby" and an unspecified financial contribution from the host site. The deadline for proposals was April 2.

HOLCOMB ENCOURAGED BY LOCAL SCHOOL PAY RAISES: Gov. Eric Holcomb is encouraged by local teacher pay increases that he believes are due to moves he and the General Assembly made with the biennial budget passed last spring (*Howey Politics Indiana*). Last week, Richmond teachers received a \$3,000 base pay raise, while there was a 4% increase for Carmel Clay teachers. Carmel teachers also received a \$25,000 increase in life insurance and a new leave agreement for foster parents. "I'm encouraged by reports that school districts are increasing teacher pay with the additional dollars the state provided with the historic increase in K-12 tuition support and the \$150 million used to pay down teacher pension liability," Holcomb told HPI over the weekend. "Collective bargaining is still underway and I hope to hear more of these positive reports." Last summer, Holcomb expressed concerns that local school boards would not pass along the state-produced savings to teacher pay.

DISCIPLINE CHARGES FILED AGAINST 3 JUDGES IN SHOOTING BRAWL: Three southern Indiana judges face disciplinary charges over an Indianapolis altercation which left two of them with gunshot wounds (Berman, [WIBC](#)). The Indiana Supreme Court's Judicial Qualifications Commission accuses Clark Circuit Judges Andrew Adams and Brad Jacobs and Crawford Circuit Judge Sabrina Bell of being drunk when they got in a three a-m confrontation with two men in a White Castle parking lot, which escalated into a fistfight and ended when one of the men shot Adams and Jacobs. The charges provide the first detailed picture of what led to the fight. The judges were in Indy for a judicial conference, and according to the charges had spent the night barhopping. They went to the Red Garter strip club in downtown Indy with a Clark County magistrate, but walked to the White Castle after finding it closed. While the magistrate was inside the restaurant, the commission says someone in an SUV yelled something at the judges, and Bell gave them the finger. That touched off a profanity-filled shouting match among all five of them. The charges say Bell told police she got "mouthy," and the other two judges were defending her, eventually advancing on Brandon Kaiser and his nephew Alfredo Vazquez. The commission says Jacobs eventually had Kaiser pinned on the ground, when Vazquez, who'd primarily been fighting Adams, pulled him off. The commission says when Kaiser started to set up, Adams came over and kicked him in the back. That's when, according to the charges, Kaiser pulled a gun, shot Adams in the stomach, then went to where Jacobs and Vazquez were scuffling and shot Jacobs twice in the chest.

LEGAL MARIJUANA CHANGING WORKPLACE DRUG RULES: For business owner George Lynch, setting an employee drug policy related to marijuana is easy. He's just not going to test for it. It doesn't bother him if his workers use pot. Actually, it's no surprise if they do (Spaulding, [South Bend Tribune](#)). Green Stem is a cannabis company opening shop in Niles, Mich., and it's in the business of growing, processing and selling medical and — likely in the future — adult-use, or recreational, marijuana. So the company won't test to see if a staffer has used pot. Other, harder drugs will be a different matter. "We have to have a sensible drug policy," Lynch said, "and the sensible drug policy is, absolutely we're not going to test for cannabis." But for the same reasons marijuana testing isn't a concern for Lynch, it's become more of a concern for some other area businesses. Increasing legalization and social acceptance of marijuana — recreational pot shops and consumption clubs could soon open in Niles and Buchanan — have cast a haze for some over their workplace drug policy.

CLIMATE CHANGE WILL BRING MORE FLOODS: Knee-deep water in Alan Hamlet's basement in South Bend last year was a sign that some would attribute to climate change. The neighboring St. Joseph River flooded in February 2018 when heavy rains were accompanied by melting snow; water tables in the ground were saturated. There was nowhere for rainwater to go, so it found basements like Hamlet's. "We can never say with great certainty that any particular extreme event is caused by climate change, per se," Hamlet, a climate researcher in affiliation with the University of Notre Dame, said at a recent seminar (Miley, [CNHI](#)). "What we can do, though, is point to those events as examples of what future conditions say," Hamlet continued. "This is not just a single event. It is a systematic change that is happening over time." The 2018 flooding was deemed a once-in-a-2,500-year event. In the year-and-a-half through February 2018, South Bend experienced a 500-year flood and a 1,000-year rain event, when 8.49 inches fell in a 24-hour period beginning Aug. 15, 2016. Predictions

indicate that the St. Joseph River at nearby Niles, Michigan, will see a 45% increase in 100-year floods by 2080. Over the past century, Indiana has become warmer by 1.2 degrees Fahrenheit, according to Jeffrey Dukes, director of the Purdue Climate Change Research Center. Rainfall has increased by 5.5 inches a year, causing more floods, Dukes said.

HPI PROGRAMMING NOTE: Your publisher became a married man last weekend, joining Susan Joiner Howey of the IU School of Medicine in a joyous and prosperous union. We are now traveling to New England. I've turned the insipid cable news off, silenced all the jabbering talking heads, and we'll be listening to the voices of America this week in places like Niagara Falls, Burlington, Dixville Notch, Newport, Provincetown, Pittsburgh and beyond. Your HPI Daily Wires will be coming a little later this week, but they'll include some of my observations. The next weekly *HPI* will be published on Tuesday, Oct. 22. As always, thanks for reading.

PEW FINDS PARTISAN DIVIDE INTENSIFYING: Three years ago, [Pew Research Center](#) found that the 2016 presidential campaign was "unfolding against a backdrop of intense partisan division and animosity." Today, the level of division and animosity – including negative sentiments among partisans toward the members of the opposing party – has only deepened. Growing shares in both parties give 'cold' ratings to those in opposing party. The share of Republicans who give Democrats a "cold" rating on a 0-100 thermometer has risen 14 percentage points since 2016 – with virtually all of the increase coming in "very cold" ratings (0-24). Democrats' views of Republicans have followed a similar trajectory: 57% give Republicans a very cold rating, up from 41% three years ago. The survey by Pew Research Center was conducted Sept. 3-15 among 9,895 adults (it was completed before House Speaker Nancy Pelosi's Sept. 24 announcement of an impeachment inquiry into President Donald Trump). It finds that both Republicans and Democrats express negative views about several traits and characteristics of those in the opposing party, and in some cases these opinions have grown more negative since 2016. For example, 55% of Republicans say Democrats are "more immoral" when compared with other Americans; 47% of Democrats say the same about Republicans. Three years ago, 47% of Republicans and 35% of Democrats said members of the other party were less moral than other people.

VOTERS FROM FISHERS FRET INVESTIGATIONS, IMPEACHMENT: As Democrats' impeachment inquiry into President Donald Trump intensifies, Mark Stenske of Fishers, Ind., feels like he's seen this movie before, and the storyline is getting old. First, there was the nearly two-year investigation into Russia's interference in the 2016 election and Trump's possible role in it. Then came the accusations against Trump's pick for the Supreme Court, Brett Kavanaugh, and contentious hearings before a Senate committee. Now it's questions about Trump's dealings with Ukraine's president and whether that should lead to Trump's removal from office (Burnett, [AP](#)). "I think they wanted to do it all along, and they're just looking for another way, another avenue," Stenske, a 55-year-old Trump supporter, said of the impeachment proceedings as he walked his dog through a suburban Indianapolis park last week. "I think it's kind of a ploy to help keep the pressure on him and muddy his campaign, his chances to win in 2020." Polling finds that support for the inquiry has grown since House Speaker Nancy Pelosi, D-Calif., announced the start of the investigation last month following a whistleblower complaint. But what those numbers don't show is the sense of fatigue among some Americans — a factor that could be significant as Democrats leading the inquiry debate how to proceed with an election year approaching. It's a feeling shared by people on both sides. For Trump supporters such as Stenske, the impeachment inquiry is more of the same from obstructionist Democrats still bitter about the 2016 election. Those who want Trump gone say it's tough to feel hopeful after watching him flout the rules and spew divisive rhetoric for almost a full term — and get away with all of it. "Impeachment in general has been depressing because it's sad that it's taken this long," said Megan Gettelfinger, 33, a preschool teacher and mother of two who moved to Fishers from Indianapolis almost three years ago.

TRUMP'S BLUFF KICKED OFF KURD FIASCO: President Trump had been calling Turkish President Recep Tayyip Erdogan's bluff for more than 2 years, and some senior administration officials thought Erdogan would never actually go through with his long-threatened Syria invasion, according to 6 sources with direct knowledge of the situation (Swan, *Axios*). "I think everyone thought Erdogan was bluffing," a source close to Trump told me today. The big picture: Trump would tell Erdogan that if he wanted to invade Syria he would have to own whatever mess ensued, according to these sources. Erdogan would have to take care of ISIS and manage international condemnation, trouble from Capitol Hill, and the quagmire with the Kurds. And when Trump put it in such stark terms to Erdogan, the Turkish leader would demur. Until last Sunday, that is, when he told Trump he was moving ahead with the invasion of northern Syria. This time, Erdogan called Trump's bluff, having waited for international forces to wipe out the ISIS caliphate. Erdogan's decision — which the White House cleared the way for in its Sunday night announcement, alienating and blindsiding key allies including Republican lawmakers and the Christian right — has plunged the Middle East and Trump's political standing in Washington into crisis. Sources in Turkey have indicated that while Erdogan was talking big, he thought Trump would restrain him, a U.S. official familiar with the details told Axios' Margaret Talev.

SEN. YOUNG CALLS KURD BETRAYAL 'VERY BAD PRECEDENT': Indiana Senator Todd Young says he's exploring how Congress can intervene against Turkey's assault on the U.S.'s Kurdish allies in Syria (Berman, [WIBC](#)). Turkey began a ground and air assault across the Syrian border on Wednesday, three days after the White House announced it would remove a small contingent of Special Forces who had served as a buffer between the Turks and Kurds. Kurdish forces have been U.S. allies in Iraq and against ISIS. Young calls the abandonment of allies a "very bad precedent." He says President Trump

deserves credit for trying to keep a campaign promise to bring American troops home. But he says the pullout in Syria was not only "imprudent," but a surprise. He says a move of that significance should have triggered legal requirements to consult Congress beforehand. Democratic Rep. Andre Carson says he's "horrified" by the bloodshed which follows what he calls Trump's "abrupt and reckless" decision, and says Congress needs to push back. He calls the withdrawal "a betrayal of U.S. leadership...resulting in a devastating human impact."

ABANDONED KURDS CUT A DEAL WITH ASSAD: Kurdish forces long allied with the United States in Syria announced a new deal on Sunday with the government in Damascus, a sworn enemy of Washington that is backed by Russia, as Turkish troops moved deeper into their territory and President Trump ordered the withdrawal of the American military from northern Syria. The sudden shift marked a major turning point in Syria's long war ([New York Times](#)). For five years, United States policy relied on collaborating with the Kurdish-led forces both to fight the Islamic State and to limit the influence of Iran and Russia, which support the Syrian government, with a goal of maintaining some leverage over any future settlement of the conflict. On Sunday, after Mr. Trump abruptly abandoned that approach, American leverage appeared all but gone. That threatened to give President Bashar al-Assad and his Iranian and Russian backers a free hand. It also jeopardized hard-won gains against the Islamic State — and potentially opened the door for its return. The Kurds' deal with Damascus paved the way for government forces to return to the country's northeast for the first time in years to try to repel a Turkish invasion launched after the Trump administration pulled American troops out of the way. The pullout has already unleashed chaos and bloodletting.

HPI DAILY ANALYSIS: It's cliché, but Susan and I ended up at Niagara Falls last night, a logical geographic way station to New England. It became what I call one of those "Rushmore Moments," after our visit to that iconic South Dakota tribute to our great presidents last summer. As we walked on the American side to the falls, we were in a throng of people headed down to see the last fireworks show of the season. More than half of this crowd were foreign visitors. We heard perhaps a dozen or so different languages. People were excited, polite and communicative. To me, it was another vivid example of this great melting pot nation we live in. At a time when our politics and news source choices become extreme and segregated, it is joyous to see the masses come together in a common place to experience something of explicit magnitude such as Niagara Falls, which never cease to amaze me. It was a heartening experience. We head through the Adirondacks to Burlington, Vt. today. - *Brian A. Howey*

Campaigns

DODEN BOOK RECOUNTS FORT WAYNE'S REVIVAL: A book that recounts Fort Wayne's downtown resurrection goes on sale today. The timing — just three weeks before the election that will decide the city's next mayor — isn't a coincidence (Slater, [Fort Wayne Journal Gazette](#)). Eric Doden, former head of Greater Fort Wayne Inc. and the Indiana Economic Development Corp., commissioned Virginia-based author Chis Mead to write the 12-chapter book, "Turning Rust to Gold: Fort Wayne's Fight for Revival." Doden, who failed to win the Republican mayoral nomination in 2011, supports Republican challenger Tim Smith in the Nov. 5 election. "I knew he didn't like (incumbent Mayor) Tom Henry," Mead said about Doden, who chose the book's release date. "I knew this book was coming out during election season. At 65, I wasn't born yesterday."

Presidential 2020

DEMOCRATS DEBATE TUESDAY: The fourth Democratic presidential debate, hosted by CNN and the New York Times, will take place on Tuesday in Westerville, Ohio. Twelve candidates will debate each other on one stage.

BUTTIGIEG SAYS TRUMP DESTROYING ALLIANCES: Moving U.S. troops out of Syria was the wrong move, according to South Bend Mayor and presidential candidate Pete Buttigieg (Darling, WIBC). In the past, Buttigieg has been an advocate for ending what he refers to as "forever wars" in the middle east. It was this reasoning that President Trump said prompted him to pull troops out of northern Syria early last week. Speaking on CNN's [State of the Union](#) in Des Moines, Iowa Sunday, Buttigieg said ending the war doesn't mean withdrawing from engagement. "Often if mean making sure we do our part to stabilize or help keep the peace so that full-blown conflicts don't break out," Buttigieg said. "This isn't even a strategy or a policy. It is the president systematic destroying American alliances and values. That makes the country worse off."

BUTTIGIEG, WARREN LEAD IN FIELD OFFICES: Just a half-block off the old courthouse square here lies a handsome storefront with bunting and a vintage sign that reads "Warren for President." It's a field office for Senator Elizabeth Warren of Massachusetts, who along with Mayor Pete Buttigieg of South Bend, Ind., is one of only two Democratic candidates with a brick-and-mortar presence in this college town 30 minutes south of Des Moines ([New York Times](#)). Ms. Warren and Mr.

Buttigieg have broken away from the Democratic pack with the most field offices overall in the four early states, and they are making an expensive bet that organizational strength on the ground will catapult them to crucial top finishes in Iowa's first-in-the-nation caucuses. Their ground games give them more workspaces for organizers and volunteers. More organizers lead to more in-person contact with potential supporters in every nook and cranny of a state. And in Iowa, where picking a candidate is akin to a religious conversion following extended evangelism from a supporter, a strong and broad organization is often the backbone of a winning campaign. The offices also serve as an advertisement that Democrats do still exist in more rural areas, like Indianola, that swung to President Trump in the 2016 election. Surrounding Warren County, which Barack Obama carried in 2008, went for President Trump in 2016 by 16 percentage points.

HUNTER BIDEN QUILTS CHINESE FIRM: Hunter Biden, whose overseas business dealings have drawn relentless attacks from President Trump and posed a threat to the candidacy of his father, Joseph R. Biden Jr., intends to step down from the board of a Chinese company, BHR, by the end of the month, his lawyer said on Sunday, a move his father later lauded in a forceful defense of his son's integrity ([New York Times](#)). The lawyer also said in a statement that if Mr. Biden were to be elected president, his son would "agree not to serve on boards of, or work on behalf of, foreign-owned companies."

Sunday Talk

SEC. ESPER DEFENDS SYRIAN PULLOUT: Members of President Trump's Cabinet, including Defense Secretary Mark Esper and Treasury Secretary Steven Mnuchin, on Sunday defended the decision to withdraw U.S. forces from northern Syria ahead of a Turkish military operation as well as a delay in sanctions against Ankara that have sparked bipartisan criticism. Esper said the presence of U.S. troops near Turkey's border with Syria would not have prevented Turkey's advance into Syria. "I think they were fully committed," Esper said of Turkey on [Fox News Sunday](#). "We are not going to go to war, another war in the Middle East, against Turkey. ... That's not what we signed up for." Esper also pushed back against host Chris Wallace's characterization of U.S. troops at the border as a "tripwire." "I'm not one to ... classify them as a tripwire and sacrifice them, if you will," he said.

ESPER CONFIRMS LARGER SYRIAN U.S. PULLOUT: Defense Secretary Mark Esper confirmed Sunday that President Trump has ordered a larger withdrawal of U.S. forces from northeastern Syria than was previously indicated. During an appearance on CBS's [Face the Nation](#), Esper said the U.S. has withdrawn about 1,000 U.S. troops from northern Syria since an initial smaller withdrawal of troops. Trump made the decision to increase the withdrawal amid reports that Turkey will expand its offensive "further south than originally planned and to the west," Esper told CBS's Margaret Brennan on Sunday. Esper also referenced reports that the Syrian Democratic Forces, a Kurdish group allied with the U.S. in the battle against ISIS, are seeking an agreement with the Syrian and Russian governments. "And so we find ourselves as we have American forces likely caught between two opposing advancing armies, and it's a very untenable situation," Esper told Brennan.

MATTIS SAYS ISIS WILL RESURGE AFTER BETRAYAL: Former Defense Secretary Jim Mattis said "ISIS will resurge" in Syria in his first public comments after President Donald Trump's withdrawal of troops from the region. "I think Secretary of State [Mike] Pompeo, the intelligence services, the foreign countries that are working with us have it about right that ISIS is not defeated. We have got to keep the pressure on ISIS so they don't recover," Mattis said in an interview on NBC News' [Meet the Press](#) set to air Sunday. Mattis' warning comes after Trump announced last week that the U.S. will move special operation teams away from the Syrian border as Turkey launches an offensive against Kurdish forces. The Kurds have long fought alongside the U.S. against the Islamic State in the region.

KINSINGER SAYS U.S. COULD HAVE PREVENTED TURKISH ASSAULT: Rep. Adam Kinzinger (R-Ill.) on Sunday sharply criticized President Trump's decision to remove U.S. troops from northeastern Syria, saying the 50 U.S. troops stationed at the border with Turkey would have prevented Turkish forces from advancing into the country. "We all know that if there were still those ... soldiers, Turkey wouldn't attack," Kinzinger, an Air Force veteran, said on CBS' [Face the Nation](#). Taking aim at Trump's argument that the U.S. should not be involved in endless wars in the Middle East, Kinzinger said the U.S. was "preventing an endless war and that actually commenced on Sunday a week ago." "To see this yet again, leaving an ally behind, abandoning people that we told that we were going to be with is disheartening, depressing, frankly it's weak," Kinzinger told CBS' Margaret Brennan. "I don't see how it follows through on the president's biggest promise in the campaign to defeat ISIS, because I think it's going to resurge."

SCHIFF SAYS WHISTLEBLOWER MAY NOT TESTIFY: House Intelligence Chairman Adam Schiff indicated Sunday that the whistleblower at the heart of Democrats' impeachment inquiry against President Donald Trump might not testify over concerns about the person's safety. Schiff's remarks come after Trump dramatically escalated his attacks on the whistleblower and as he repeatedly calls for the official to be unmasked. Trump's unrelenting barrage has spurred worries

from Democrats that congressional Republicans might try to reveal that person's identity — conceivably endangering his or her safety — at the behest of the president. Schiff (D-Calif.) said the whistleblower's testimony might not be needed given that a rough transcript of the call with Trump asking Ukrainian President Volodymyr Zelensky for a "favor" — the centerpiece of the whistleblower's complaint — is public. In addition, lawmakers have collected a tranche of damning text messages and witness testimony related to the scandal in the past two weeks. "Our primary interest right now is making sure that that person is protected. Indeed, now there's more than one whistleblower, that they are protected," Schiff said on CBS' "[Face the Nation](#)" on Sunday.

DEMS DISCUSS DETAINING OFFICIALS WHO IGNORE SUBPOENAS: Rep. Rashida Tlaib (D-Mich.) revealed in a new interview that House Democrats have discussed jailing allies of the president who do not comply with congressional subpoenas, an escalation of the House's efforts to force White House compliance with an impeachment inquiry ([The Hill](#)). Tlaib told Deadline Detroit that such an action, known as inherent contempt, would be "uncharted territory" for Congress but added that "serious conversations" about taking the step have occurred within the Democratic caucus. "There have been actual serious conversations about what the logistics would look like ... if we did have to force someone through a court order to come before the Congressional committee," she said. "This is pretty uncharted territory for many of us and even for Congress." Tlaib's comments echoed those of Rep. John Garamendi (D-Calif.), who called for the House to do as much in a CNN interview earlier this week.

CRUZ SAYS IT'S NOT APPROPRIATE FOR CAMPAIGNS TO SEEK FOREIGN HELP: Sen. Ted Cruz (R-Texas) said Sunday that "of course" it was inappropriate for President Trump to call for Chinese officials to investigate former Vice President Joe Biden and his son Hunter. Cruz was responding to a question on "[Face the Nation](#)" from the CBS host Margaret Brennan, who asked the Texas senator whether Trump's call for Beijing to investigate the Bidens was appropriate amid his own criticisms of Beijing for human rights abuses. "Of course not," Cruz responded, adding "elections in the United States should be decided by Americans and it's not the business of foreign countries to be interfering in our elections."

KASICH ASKS GOP TO 'LOOK IN MIRROR': Former Ohio Gov. John Kasich said his advice for fellow Republicans in Congress during the impeachment process was to "look in the mirror at how you want to be remembered." Kasich, who was defeated by President Trump in the 2016 primary and has often criticized the president, said Republicans shouldn't be afraid of telling Trump their true feelings. "Look in the mirror and figure out how you want to be remembered later and how you feel about yourself today," Kasich told CNN's Jake Tapper during an appearance on "[State of the Union](#)." "There's nothing wrong with telling the truth and sharing your real feelings," he said.

ENGEL 'DISGUSTED' BY ERDOGAN: House Foreign Affairs Committee Chairman Eliot Engel (D-N.Y.) said on Sunday that he is "disgusted" that a U.S. president would "feel comfortable" with Turkish President Recep Tayyip Erdogan. "Erdogan's a bad guy, and I'm disgusted that the American president would feel comfortable with a guy like Erdogan," Engel told host Chuck Todd on NBC's "[Meet the Press](#)." Engel also said that NATO should consider removing Turkey as a member because it's acting like a "Russian ally."

Congress

YOUNG SAYS THERE'S NO 'SMOKING TRANSCRIPT': Indiana Senator Todd Young says House Democrats haven't made the case yet for impeaching President Trump (Berman, [WIBC](#)). Young says the summary of Trump's phone call pushing Ukraine to investigate potential Democratic opponent Joe Biden is not, in his words, a "smoking transcript." He says he doesn't have a hard and fast rule for what would be impeachable conduct -- he says it's a case-by-case determination, and says he'll review any documents or evidence in the event of an impeachment. Young has said little about the impeachment investigation. He says he's determined not to let the House inquiry distract him from policy priorities like the trade deal with Mexico and Canada. Indiana's other senator, Republican Mike Braun, has been a more outspoken opponent, issuing a statement this week declaring Trump is right to refuse to cooperate with an impeachment probe he calls a "partisan sham."

TRUMP WANTED YOVANOVITCH OUT IN UKRAINE: The former U.S. ambassador to Ukraine whose abrupt ouster in May has become a focus of House impeachment investigators said Friday that her departure came as a direct result of pressure President Trump placed on the State Department to remove her, according to her prepared remarks before Congress ([Washington Post](#)). The account by Marie Yovanovitch depicts a career foreign service officer caught in a storm of unsubstantiated allegations pushed by the president's personal attorney Rudolph W. Giuliani and a cast of former Ukrainian officials who viewed her as a threat to their financial and political interests. She told lawmakers that she was forced to leave Kiev on "the next plane" this spring and subsequently removed from her post, with the State Department's No. 2 official

telling her that, although she had done nothing wrong, the president had lost confidence in her and the agency had been under significant pressure to remove her since the summer of 2018.

SONDLAND EXPECTED TO DESCRIBE TRUMP 'QUID PRO QUO': Ever since former U.S. special envoy to Ukraine Kurt Volker handed over those text messages, President Trump's defenders have pointed to one of them as supposedly exonerating Trump ([Washington Post](#)). "Bill, I believe you are incorrect about President Trump's intentions," Gordon Sondland, the U.S. ambassador to the European Union, told another diplomat. "The President has been crystal clear no quid pro quo's [sic] of any kind." This text has been a linchpin of the Trump Ukraine defense. But on Saturday night, the linchpin broke. The Washington Post's Aaron C. Davis and John Hudson reported that a person close to Sondland says the ambassador will tell Congress in a deposition this week that there was some kind of a quid pro quo, "but not a corrupt one."

HOUSE SCHEDULE: The House may consider a resolution opposing Trump's actions in Syria this week, a Dem leadership aide tells Alayna. House Foreign Affairs Committee Chairman Eliot Engel (D-N.Y.) and ranking member Michael McCaul (R-Texas) will introduce legislation to sanction Turkish officials involved in the invasion of Syria and banks involved in the defense sector (Axios). The leadership aide said the timeline of the bill's floor consideration is still unclear. The Hong Kong Human Rights and Democracy Act — bipartisan legislation that is one of Pelosi's top priorities — will be debated on the floor this week under suspension, the aide said. On Wednesday, Congressman Raul Ruiz (D-Calif.) will hold a gun violence prevention roundtable with physicians and public health experts. Pelosi is slated to attend.

TRUMP OFFICIALS SCHEDULED TO TESTIFY: The following Trump administration officials are scheduled to appear before the House Intelligence, Oversight and Foreign Affairs committees as part of their impeachment inquiry: Monday: Trump's former Russia adviser Fiona Hill. Tuesday: Deputy Assistant Secretary of State George Kent. Thursday: U.S. Ambassador to the European Union Gordon Sondland and Counselor of the State Department Ulrich Brechbuhl.

SENATE SCHEDULE: The Senate will confirm the following nominees, per a Republican leadership aide: Barbara McConnell Barrett as Secretary of the Air Force Frank Volk as a judge for the Southern District of West Virginia. Charles Eskridge III as a judge for the Southern District of Texas. David Novak as a judge for the Eastern District of Virginia. Rachel Kovner as a judge for the Eastern District of New York.

State

GOVERNOR: HOLCOMB DECLARES 'MOVE OVER' WEEK - Indiana Gov. Eric Holcomb has signed a proclamation declaring this week "Indiana Move Over Week." In April 1997, ISP Trooper Andrew Winzenread was killed while helping a motorist on Interstate 74 in Dearborn County, according to a press release from Indiana State Police ([WRTV](#)). After Winzenread's death, Indiana was the first state in the country to require people to move over a lane or slow down when passing an emergency vehicle, according to the release. The law has been expanded to require people to slow down at least 10 mph from the speed limit or move over for other vehicles with flashing amber lights, like tow trucks, utility service vehicles, and others, according to the release. On Saturday, the Indiana Towing and Wrecker Association and other groups will host an event from 9-11:30 a.m. at the Indian State Fairgrounds for attendees to hear from the people the law benefits. The event also serves a "touch a truck" event for children.

GOVERNOR: WORKFORCE COUNCIL TO DO LISTENING TOUR - The Governor's Workforce Cabinet is holding a series of listening sessions around Indiana over the next two months. It's seeking citizen input on how to spend federal workforce dollars over the next four years (Hicks, [Indiana Public Media](#)). The listening tour is part of a requirement for states looking to get tens of millions of federal dollars under the Workforce and Innovation Opportunity Act. The act gives states funds for youth and adult unemployment programs. There will be listening sessions for each of the state's 12 economic regions, with the first one to be held on Monday in New Albany. A spokesperson for the Governor's Workforce Cabinet wrote in an email that the state's plan will "incorporate a broader swath of programs" than previous years in order to streamline workforce efforts. Following the period for public comment, the Governor's Workforce Cabinet will submit the plan to the Department of Labor.

GOVERNOR: SEPTEMBER REVENUE UP - The monthly revenue report for September 2019 state tax collections was released Friday ([Howey Politics Indiana](#)). General Fund revenues for September totaled \$1,709.7 million, which is \$91.1 million (5.6%) above estimate based on the April 17, 2019 revised revenue forecast and \$101.9 million (6.3%) above revenue in September 2018. Overall, higher than expected collections from sales and use, individual income and corporate taxes and other revenues such as insurance and interest revenues combined to drive General Fund revenues above current year estimates and prior year actuals both on a monthly and fiscal year-to-date basis. While September is a high revenue activity month, most of the revenue collections are projected to come in between December and June. Significant monthly fluctuations are expected and revenues are better interpreted within the context of the longer term trend for fiscal year 2020.

STATEHOUSE: KLOPFER FETAL REMAINS GROW IN NUMBER- Indiana's attorney general said Friday that 165 sets of fetal remains have been found in the Chicago area inside a car owned by a late Indiana abortion doctor, boosting the total number of abandoned sets of fetal remains discovered at properties linked to him to more than 2,400 (Callahan, [AP](#)). Attorney General Curtis Hill said the 165 remains were discovered Wednesday in the trunk of a Mercedes-Benz parked at a business property in Dolton, Illinois, where Dr. Ulrich Klopfer had kept a total of eight cars. Those remains are believed to be from abortions Klopfer performed in 2002 at his three Indiana abortion clinics, Hill said. Last month, 2,246 sets of fetal remains were found in Klopfer's Will County, Illinois, garage, after relatives stumbled onto them while cleaning out that building after he died Sept. 3 at age 79.

ISP: TROOPER KILLED IN TIPPECANOE COUNTY ACCIDENT - An Indiana State Trooper died late Friday night when he was on his way to help another trooper in Tippecanoe County ([CBS4](#)). The Indiana State Police say 27-year-old Trooper Peter R. Stephan was on his way to help another state trooper who had called for back-up near Americus Township at approximately 10:25 p.m. Friday. Trooper Stephan was driving his 2018 Dodge Charger police car on Old State Road 25 North, just south of Stair Road, when he approached a curve. For some unknown reason, the car went off the east side of the road, rolling at least once and hit a utility pole. EMS personnel responded to the scene. Unfortunately, Trooper Stephan was pronounced dead at the scene as a result of his injuries.

INDOT: RESIDENTS DON'T WANT NEW ALBANY BRIDGE TO CLOSE - Southern Indiana officials are urging Indiana's transportation department not to fully close down an Ohio River bridge during repairs to the span ([AP](#)). Local leaders, members of business groups and local colleges shared their concerns Thursday about the Sherman Minton Bridge during a closed meeting with the Indiana Department of Transportation's commissioner. New Albany City Councilman Al Knable says local officials stressed during the meeting that the region cannot afford a full closure of the bridge, which links New Albany and Louisville, Kentucky. The News and Tribune reports that work on an estimated \$90 million to \$105 million in repairs is expected to begin in early 2021.

HEALTH: MOSQUITO RELATED DEATH IN ELKHART - A person has died in Elkhart County from a rare but deadly mosquito-borne virus that often affects horses. State health official say it's the first human case in Indiana in more than 20 years and only the fourth reported since 1964 ([WIBC](#)). Eastern equine encephalitis or EEE has already been found in more than a dozen horses in northern Indiana in 2019. Symptoms of the virus include chills, fever, body aches, and joint pain. Some develop a severe form of the disease that causes brain inflammation, nearly a third of all cases are fatal.

IDEM: HEC CLAIMS IMPROPRIETY IN WATER VIOLATIONS - Claiming state and federal regulators have not taken proper action in response to repeated violations of the Clean Water Act, two environmental organizations plan to bring a lawsuit against ArcelorMittal for "repeated violations" of its federal discharge permit (Mayes, [Michigan City News-Dispatch](#)). "ArcelorMittal has a record of 100 violations of the Clean Water Act since 2015, including their spill of ammonia and cyanide into the Little Calumet River in August," according to Indra Frank, environmental health and water policy director of the Hoosier Environmental Council. "In that time neither the U.S. Environmental Protection Agency, nor the Indiana Department of Environmental Management has taken any formal enforcement action. This suit is intended to ensure there are consequences for this long record of violations." The HEC filed notice with ArcelorMittal on Oct. 4 of its intent to sue, in conjunction with the Environmental Law & Policy Center.

EDUCATION: ND TRUSTEES GIVE JENKINS ANOTHER 5-YEAR TERM - The University of Notre Dame Board of Trustees has elected Rev. John Jenkins to another five-year term as president of the University (Mills, [Inside Indiana Business](#)). Jenkins was first elected in 2005. He's the 17th Holy Cross priest to serve in that role of the 176-year-old school. Jenkins' fourth term will begin immediately following the end of his current term on June 30, 2020. "Like the 16 Holy Cross priests before him, Father Jenkins has led the University of Notre Dame with ultimate distinction," said John Brennan, chairman of the university's board of trustees. "His insight, wisdom and steady hand have allowed Notre Dame to expand its research portfolio, grow globally and continue to provide an undergraduate education of the first rank, all in concert with our Catholic mission."

Nation

WHITE HOUSE: TOTAL CHAOS IN SYRIA AFTER TRUMP WITHDRAWAL - President Trump's decision to withdraw U.S. troops from northern Syria, where they had long kept an uneasy peace among competing forces, left the region in upheaval Sunday and the administration scrambling to respond to fast-moving events ([Washington Post](#)). In urgent meetings and telephone conferences, top national security officials studied often-conflicting accounts of what was happening on the ground. In public appearances, Cabinet secretaries denied that the United States had "abandoned" its Syrian Kurdish allies to invading Turkish forces and threatened severe sanctions against Ankara. "This is total chaos," a senior administration official said at midday, speaking on the condition of anonymity about the confusing situation in Syria.

WHITE HOUSE: TRUMP FALSE CLAIMS AT 13,435 - As President Trump approaches his 1,000th day in office Wednesday, he has significantly stepped up his pace of spouting exaggerated numbers, unwarranted boasts and outright

falsehoods ([Washington Post](#)). As of Oct. 9, his 993rd day in office, he had made 13,435 false or misleading claims, according to the Fact Checker's database that analyzes, categorizes and tracks every suspect statement he has uttered. That's an average of almost 22 claims a day since our last update 65 days ago. One big reason for the uptick: The uproar over Trump's phone call with Ukraine's president on July 25 — in which he urged an investigation of former vice president Joe Biden, a potential 2020 election rival — and the ensuing House impeachment inquiry. We've added a new category of claims, Ukraine probe, and in just a few weeks it has topped 250 entries.

WHITE HOUSE: JUDGE RULES TRUMP MUST TURN TAX RETURNS TO CONGRESS - Congress can seek eight years of President Trump's business records from his accounting firm, a federal appeals court in Washington ruled Friday in one of several legal battles over access to the president's financial data ([Washington Post](#)). In a 2-to-1 ruling, the U.S. Court of Appeals for the D.C. Circuit upheld Congress's broad investigative powers and rejected the president's bid to block lawmakers from subpoenaing the documents. The case is one of several clashes between the Democratic-controlled House and the Republican president over Trump's data that is expected to reach the Supreme Court. In this case, the judges ruled that Trump's arguments — that the subpoenas were invalid because Congress lacked a "legitimate legislative purpose" for its subpoenas — were incorrect. "Contrary to the President's arguments, the Committee possesses authority under both the House Rules and the Constitution to issue the subpoena, and Mazars must comply," Judges David S. Tatel and Patricia A. Millett wrote for the court. Both were appointed by Democratic presidents.

WHITE HOUSE: TRUMP TAUNTS FOX NEWS AFTER SMITH LEAVES - Fed up with the coverage on his favorite cable news station, President Trump decided late this summer that a direct intervention was needed. So he telephoned the chief executive of Fox News, Suzanne Scott, and let loose ([New York Times](#)). In a lengthy conversation, Mr. Trump complained that Fox News was not covering him fairly, according to three people with knowledge of the call. Ms. Scott, who has led the cable network since last year, responded by urging Mr. Trump to sit for an interview with Bret Baier, the channel's chief political anchor, the people said. If the conversation placated Mr. Trump — who has taken to calling Fox News "HOPELESS & CLUELESS!" — his public statements in the weeks afterward did not show it. Irrked by their reporting, he taunted the Fox News anchor Shepard Smith, who resigned from the network on Friday, and its chief national correspondent, Ed Henry. He declared that the Fox News pollsters "suck" after they found majority support for impeachment and openly pined for the network's "good old days."

WHITE HOUSE: TRUMP ANNOUNCES LIMITED TRADE DEAL WITH CHINA - President Trump said Friday that the U.S. and China have reached a limited trade deal, marking the first tangible achievement in the 18-month trade war between the world's two largest economies ([Washington Post](#)). Speaking in the Oval Office during a meeting with Chinese Vice Premier Liu He, the president said negotiators had reached a "substantial phase one" agreement though details remained to be written down. As part of the partial agreement, the White House agreed not to proceed with plans to increase tariffs on \$250 billion in Chinese goods next week from 30 percent from 25 percent. The partial accord, involving major Chinese purchases of U.S. farm products and U.S. tariff concessions, is intended to pave the way for a more complete bargain between Washington and Beijing. Trump and Chinese President Xi Jinping could meet to finalize such an agreement in Chile at an Asian-Pacific leaders summit in mid-November.

WHITE HOUSE: ACTING HOMELAND SECURITY CHIEF QUILTS - President Trump said late Friday that he is replacing Kevin McAleenan, the acting homeland security secretary, after a tenure in which McAleenan reduced border crossings and shepherded major Trump administration immigration policies but clashed with other senior officials and struggled to earn the president's trust ([Washington Post](#)). "Kevin McAleenan has done an outstanding job as Acting Secretary of Homeland Security. We have worked well together with Border Crossings being way down. Kevin now, after many years in Government, wants to spend more time with his family and go to the private sector," Trump said of his top immigration official in a tweet. McAleenan had become increasingly frustrated with a cadre of Trump's appointments to senior immigration roles, and he recently told The Washington Post that he was struggling to control the messaging coming out of his department. More hard-line figures have attacked him as insufficiently committed to the president's immigration agenda, while critics of the administration's policies argue McAleenan has used conciliatory rhetoric to lend cover to harsh measures.

WHITE HOUSE: TRUMP READIES TURKEY SANCTIONS - President Trump plans to sign a new executive order that authorizes "very significant" new sanctions that the U.S. government can impose on Turkey following its decision to launch a military operation in Syria this week ([Wall Street Journal](#)). The order allows for sanctions against any person associated with the government of Turkey, Treasury Secretary Steven Mnuchin told reporters on Friday, noting that these sanctions haven't been activated and are contingent on Turkey's actions, including its promise to keep Islamic State detainees in captivity. "We can shut down the Turkish economy if we need to," Mr. Mnuchin said. Officials at the Turkish embassy in Washington didn't immediately respond to a request for comment. However in a speech late Friday, Turkey's president, Recep Tayyip Erdogan, didn't address the possibility of U.S. sanctions, but said Turkey wouldn't bow to foreign pressure.

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump's schedule, per a White House official: **Monday:** Trump has no scheduled events. **Tuesday:** Trump will have lunch with Vice President Pence. He will also participate in a photo opportunity with 2019 Stanley Cup Champions, the St. Louis Blues. Trump will also meet with Secretary of Defense Mark

Esper. **Wednesday:** Trump will participate in bilateral meetings with Italian President Sergio Mattarella. The two will also hold a joint press conference. Trump will also have lunch with Secretary of State Mike Pompeo. Later he will deliver remarks at an Italian-American Reception. **Thursday:** Trump will participate in a roundtable with supporters and deliver remarks at a joint fundraising committee luncheon in Fort Worth, Texas. He will also participate in the ribbon-cutting and deliver remarks at the Louis Vuitton – Rochambeau Workshop in Texas' Johnson County. Later, he will deliver remarks at a Keep America Great Rally in Dallas.

PENTAGON: GREEN BERETS 'ASHAMED' OF KURD BETRAYAL - American commandos were working alongside Kurdish forces at an outpost in eastern Syria last year when they were attacked by columns of Syrian government tanks and hundreds of troops, including Russian mercenaries. In the next hours, the Americans threw the Pentagon's arsenal at them, including B-52 strategic bombers. The attack was stopped ([New York Times](#)). That operation, in the middle of the American-led campaign against the Islamic State in Syria, showed the extent to which the United States military was willing to protect the Syrian Kurds, its main ally on the ground. But now, with the White House revoking protection for these Kurdish fighters, some of the Special Forces officers who battled alongside the Kurds say they feel deep remorse at orders to abandon their allies. "They trusted us and we broke that trust," one Army officer who has worked alongside the Kurds in northern Syria said last week in a telephone interview. "It's a stain on the American conscience." "I'm ashamed," said another officer who had also served in northern Syria. Both officers spoke on the condition of anonymity to avoid reprisals from their chains of command.

PENTAGON: 2K TROOPS TO SAUDI ARABIA - The Pentagon is deploying three new antimissile systems, two squadrons of jet fighters and approximately 2,000 additional troops to Saudi Arabia in an accelerating U.S. buildup meant to counter Iranian hostilities in the region, officials said Friday ([Wall Street Journal](#)). The move represents the largest of three rounds of U.S. military deployments to Saudi Arabia since July, and comes as U.S. lawmakers hold a negative view of arms sales and support to Riyadh. The Pentagon will deploy two Patriot surface-to-air missile batteries as well as a Terminal High Altitude Air Defense system, or Thaad, which provides broader air defenses against the ballistic missile threat for much of the region, officials said.

ILLINOIS: 5 KILLED BY CHICAGO NEIGHBOR - Three men and two woman were killed in a shooting in an apartment building on Chicago's northwest side by a neighbor known to have "anger management issues," police said ([AP](#)). Authorities said the man left his apartment Saturday night, went to a neighbor's apartment in the same building and shot and killed four people as they sat around a table eating dinner. The man, identified as a 66-year-old construction worker who has lived in the building for about 15 years, then went to another neighbor's apartment and shot a 53-year-old woman, according to authorities.

Local

COUNTIES: PETA VIDEO SHOWS ABUSED PIGS IN JACKSON - The video contains graphic images of pigs with bloody sores living in cramped spaces ([Indiana Public Media](#)). "Several piglets were seen actually trying to stay afloat in the manure pit, where some flooring had collapsed, and the flooring just teemed with maggots, and roaches and rats," says Colin Henstock, a spokesperson for the People for the Ethical of Animals. Henstock says workers were also cutting off the tails of piglets and throwing them across the barn. "That's done without any pain relief at all, as a standard practice in the pig farming industry," says Henstock. PETA asked Indiana State Police to investigate the incident.

COUNTIES: ABATEMENT REJECT THREATNES MADISON SOLAR FARM - Officials in Madison County have rejected a tax abatement for a proposed solar farm, putting the \$110 million project in jeopardy ([AP](#)). The Madison County Council voted 4-3 on Tuesday to deny the Lone Oak Solar Energy Center's request for a traditional 10-year tax abatement. The proposed solar farm in northern Madison County would generate 120 megawatts of electricity, but officials with developer Invenergy say that not obtaining the tax abatement could make the project financially impossible. The Herald Bulletin reports that company officials say the tax abatement would have saved the company \$5 million in personal property taxes over the 10 years.

Oct. 15, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Tuesday, October 15, 2019 7:10 AM

COURTNEY APPROVED AS NEW MADISON MAYOR: Republican Madison Mayoral candidate Bob Courtney was unanimously approved to serve out the unexpired term of former Mayor Damon Welch at a Jefferson County Republican Caucus meeting Saturday morning at the Red Bicycle Hall ([Madison Courier](#)). The meeting, which was open to the public, took only minutes and Courtney was the only applicant for the position. Courtney will replace Acting Mayor Dan Dattilo, a Democrat councilman who stepped in as the city council's pro tem immediately after Welch's unexpected death on Sept. 25. Courtney will serve out the unexpired term of Welch that ends on Dec. 31, 2019. Courtney, who is facing Democratic candidate Julie Berry in the November General Election, took the oath of office at 11 a.m. on Monday at Madison City Hall.

ANALYST CRUNCHES MARIJUANA NUMBERS FOR INDIANA: Legal marijuana would create money and jobs, but maybe not as many as you think. Oregon economist Beau Whitney works with New Frontier Data, which focuses on bringing hard numbers to the cannabis debate. He told a Indiana Economic Development Association conference the cannabis industry has created a quarter-million jobs in the 33 states where it's legal, and predicts the rapid growth of the industry will nearly triple that number in seven years (Berman, [WIBC](#)). If cannabis were legalized nationally, he says, you could double that figure to 1.4 million jobs. But Whitney says the taxes on legal marijuana have typically accounted for just .3% of state revenue. In Indiana, that'd translate to about \$50 million a year, less than a quarter of what the state collects in cigarette taxes. And Whitney warns not all the pot business will move aboveground. If states ratchet taxes too high or make regulations too expensive to comply with, he says many customers will keep buying from dealers.

BIGGEST DEM DEBATE STAGE TONIGHT: Tonight will be the biggest presidential primary debate in history ([New York Times](#)). Twelve Democratic candidates will be stuffed on stage with former Vice President Joseph R. Biden Jr. and Senator Elizabeth Warren of Massachusetts again at the center. Senator Bernie Sanders of Vermont will be scrutinized following his heart attack. Senator Kamala Harris of California will try to reverse her fortunes. And second-tier candidates will seek to do something, anything to ensure a November debate spot. But being the aggressor has yet to pay off in the primary debates. Ms. Harris's June confrontation with Mr. Biden resulted in a temporary high. Former housing secretary Julián Castro's September attack on Mr. Biden's memory seemed to backfire. The question headed into the CNN/New York Times debate on Tuesday night: Can anyone make a splash without being the one who ends up soaked?

ASSAD'S FORCES SURGE BACK INTO SYRIAN VACUUM: Syrian government forces streamed into the country's northeast on Monday, seizing towns where they had not set foot in years and filling a vacuum opened up by President Trump's decision to abandon the United States' Syrian Kurdish allies ([New York Times](#)). Less than a week after Turkey launched an incursion into northern Syria with Mr. Trump's assent, President Bashar al-Assad of Syria, considered a war criminal by the United States, has benefited handsomely, striking a deal with the United States' former allies to take the northern border and rapidly gaining territory without a fight. In addition to Mr. al-Assad, Mr. Trump's decision to pull American forces out of the way has also quickly redounded to the gain of Russia and Iran, as well as the Islamic State, as the retreat reconfigures battle lines and alliances in the eight-year war. "For the Syrian regime and Russia, the Americans are leaving, so that is a big achievement," said Hassan Hassan, a Syria analyst at the Center for Global Policy. "In just one day, gone. They don't have to worry about what this presence means for the future."

TRUMP CALLS TO CHINESE, RUSS, ASSAD, 'NAPOLEON' TO PROTECT KURDS: President Trump on Monday said other countries — including China or Russia — should be responsible for protecting the U.S.-allied Kurds in northern Syria amid a groundswell of bipartisan criticism over his decision to pull American forces out of the region ([The Hill](#)). Trump took to Twitter to argue against a U.S. presence in the region, even as some of his staunchest allies in Congress assert that his strategy has opened the door for Turkey to slaughter the Kurds and for a resurgence of ISIS. "Let Syria and Assad protect the Kurds and fight Turkey for their own land. I said to my Generals, why should we be fighting for Syria and Assad to protect the land of our enemy?" Trump tweeted. "Anyone who wants to assist Syria in protecting the Kurds is good with me, whether it is Russia, China, or Napoleon Bonaparte. I hope they all do great, we are 7,000 miles away!" he added. Trump is sending Vice President Mike Pence to the region in an attempt to begin negotiations. Pence said Trump spoke directly to Turkish leader Recep Tayyip Erdogan (AP).

TRUMP, PENCE SCRAMBLE TO STOP TURKISH FIASCO: U.S. President Donald Trump on Monday demanded Turkey stop its military incursion in Syria and imposed new sanctions on the NATO ally as Trump scrambled to limit the damage from his much-criticized decision to clear U.S. troops from Turkey's path. Vice President Mike Pence said Trump had told Turkish President Tayyip Erdogan in a phone call on Monday to agree to an immediate ceasefire ([Reuters](#)). He also said he would travel to the region soon to try to mediate the crisis. Pence said Trump had been firm with Erdogan on the phone. "The United States of America simply is not going to tolerate Turkey's invasion in Syria any further. We are calling on Turkey to stand down, end the violence and come to the negotiating table," Pence told reporters. Turkey launched a cross-border operation into northern Syria on Wednesday just days after Erdogan told Trump in a phone call that he planned to move

ahead with a long-planned move against America's Kurdish allies in the region. Trump abruptly announced a redeployment of 50 American troops from the conflict zone to get them out of harm's way, dismissing criticism that this would leave the Kurds open to attack. This was widely seen as giving Erdogan a green light for his operation. With lawmakers in the U.S. Congress moving to impose sanctions of their own, Trump issued an executive order authorizing sanctions against current and former officials of the Turkish government for contributing to Turkey's military operation in northern Syria. In a statement, Trump said he had increased tariffs on imports of Turkish steel back up to 50 percent, six months after they were reduced, and would immediately stop negotiations on what he called a \$100 billion trade deal with Turkey. "Unfortunately, Turkey does not appear to be mitigating the humanitarian effects of its invasion," said Trump.

PELOSI, GRAHAM VOW SANCTIONS ON TURKEY: Democrats in Congress are vowing to quickly slap new sanctions on Ankara and formally oppose President Trump's decision to pull U.S. troops from northern Syria following Turkey's military offensive against Kurdish forces loyal to the United States ([The Hill](#)). Speaker Nancy Pelosi (D-Calif.) spoke Monday with Sen. Lindsey Graham (R-S.C.), an ally of Trump who is fiercely critical of his policy on Syria, about the need for bipartisan legislation. "As we find ourselves in a situation where the president gave a green light to the Turks to bomb and effectively unleashed ISIS, we must have a stronger sanctions package than what the White House is suggesting," said Pelosi. Republicans have excoriated Trump for his decision, but it's not clear how far they'll go with legislation to explicitly rebuke him. Senate Majority Leader Mitch McConnell (R-Ky.) didn't tip his hand Monday on what he will support, but said he was "gravely concerned" and that talks would be ongoing in the Senate this week on how to respond. "Withdrawing American leadership from this pivotal region would not serve our nation's short-, medium- or long-term interests. ... I look forward to discussing what the United States can do to avoid a strategic calamity with my Senate colleagues and with senior administration officials when the Senate returns to Washington this week," he said.

HILL BECAME ALARMED AT UKRAINE PRESSURE: President Trump's former top Russia adviser told House committees Monday that she and other White House officials grew so alarmed about the administration's efforts to push Ukraine to open certain investigations that they raised their concerns with a White House lawyer, according to people familiar with the matter ([Wall Street Journal](#)). Fiona Hill, who served on the National Security Council and left the administration in August, testified for about nine hours before three House panels as part of the impeachment inquiry examining the president, his administration and his allies' dealings with Ukraine, including a July call in which he pressed Ukrainian President Volodymyr Zelensky to investigate Democratic presidential candidate Joe Biden. In her testimony, she detailed a July 10 meeting she attended with senior Ukrainian officials, then-National Security Adviser John Bolton, and other U.S. officials in which the U.S. ambassador to the European Union, Gordon Sondland, raised the issue of the investigations, the people said.

BOLTON BECAME CONCERNED ABOUT UKRAINE: The effort to pressure Ukraine for political help provoked a heated confrontation inside the White House last summer that so alarmed John R. Bolton, then the national security adviser, that he told an aide to alert White House lawyers, House investigators were told on Monday ([New York Times](#)). Mr. Bolton got into a tense exchange on July 10 with Gordon D. Sondland, the Trump donor turned ambassador to the European Union, who was working with Rudolph W. Giuliani, the president's personal lawyer, to press Ukraine to investigate Democrats, according to three people who heard the testimony. The aide, Fiona Hill, testified that Mr. Bolton told her to notify the chief lawyer for the National Security Council about a rogue effort by Mr. Sondland, Mr. Giuliani and Mick Mulvaney, the acting White House chief of staff, according to the people familiar with the testimony. "I am not part of whatever drug deal Sondland and Mulvaney are cooking up," Mr. Bolton, a Yale-trained lawyer, told Ms. Hill to tell White House lawyers, according to two people at the deposition. (Another person in the room initially said Mr. Bolton referred to Mr. Giuliani and Mr. Mulvaney, but two others said he cited Mr. Sondland.)

HPI DAILY ANALYSIS: President Trump is going to put *The Onion* out of business. He and Vice President Pence are becoming the gang who can't shoot straight. This is keystone cop diplomacy in a Chinese fire drill, with the Marx Brothers thrown in for good measure. - *Brian A. Howey*

Campaigns

MILLER FAINTS AT SECOND ELKHART DEBATE: Republican candidate for mayor Dave Miller vowed to press ahead with his campaign despite a fainting spell Monday that cut short a debate with his opponent ([Elkhart Truth](#)). It was the second occurrence of this type for Miller, who fainted during a previous debate at the Matterhorn restaurant on Sept. 10.

REPUBLICAN COUNCILWOMAN ENDORSES HOGSETT: Republican Susie Cordi, who was elected to the council in 2015 and is not seeking re-election this year, is featured in a radio ad released Monday by the campaign for Democratic incumbent Mayor Joe Hogsett ([IBJ](#)).

NEW BUTTIGIEG DIGITAL AD AHEAD OF DEBATE: Pete for America released a new digital spot, "Makes More Sense," highlighting the difference between his health care plan, Medicare for All Who Want It, with Elizabeth Warren's support of Medicare for All. The paid digital ad will run in Iowa on a variety of platforms ([Howey Politics Indiana](#)). The ad highlights Pete's bold approach to health care would not kick millions of people off their private health care, and would give them the option to choose the plan that's right for their them.

Congress

HILL TESTIFIES FOR 10 HOURS: President Trump's former Russia adviser testified under subpoena for roughly 10 hours on Monday as Democrats try to dig into how allies of the president tried to circumvent official policy on Ukraine as part of the impeachment inquiry ([The Hill](#)). Fiona Hill, who served as Trump's top analyst on Russia on the National Security Council staff until this summer, is the third witness to appear for a closed-door session before the three House committees leading the impeachment inquiry, following former Ukraine special envoy Kurt Volker and former ambassador to Ukraine Marie Yovanovitch. While lawmakers largely declined to comment on the specifics of Hill's testimony, Democrats asserted that Hill corroborated what they described as a concerted effort by Trump allies who were pushing for the Ukrainian government to investigate the Bidens to remove Yovanovitch from her post in May. At the center of that effort, they say, was the president's personal lawyer Rudy Giuliani.

SAYS GIULIANI RAN 'SHADOW' FOREIGN POLICY: Fiona Hill, the White House's former top Russia adviser, told impeachment investigators on Monday that Rudolph W. Giuliani, the president's personal lawyer, ran a shadow foreign policy in Ukraine that circumvented U.S. officials and career diplomats in order to personally benefit President Trump, according to people familiar with her testimony ([Washington Post](#)). Hill, who served as the senior official for Russia and Europe on the National Security Council, was the latest witness in a fast-moving impeachment inquiry focused on whether the president abused his office by using the promise of military aid and diplomatic support to pressure Ukraine into investigating his political rivals.

Nation

WHITE HOUSE: TRUMP PRESSES SANCTIONS ON TURKEY - President Trump authorized sanctions and raised steel tariffs on Turkey, while threatening more-powerful financial penalties if Ankara continued a military offensive in northern Syria launched after Mr. Trump decided to withdraw U.S. troops from the region ([Wall Street Journal](#)). Mr. Trump also spoke separately with President Recep Tayyip Erdogan of Turkey and Kurdish Commander Mazloum Abdi and urged them to negotiate an end to the violence, administration officials said. Mr. Trump, calling for an immediate cease-fire, tapped Vice President Mike Pence and White House national security adviser Robert O'Brien to lead a delegation to Turkey to seek a resolution to the conflict. The administration's first punitive actions against Turkey and its effort to start talks came amid widespread criticism on Capitol Hill that Mr. Trump's decision left Kurdish militias that had aided the U.S.-led fight against Islamic State open to attack. Meanwhile, Democratic and Republican lawmakers said they plan to speed through their own sanctions package starting on Tuesday. "I am fully prepared to swiftly destroy Turkey's economy if Turkish leaders continue down this dangerous and destructive path," Mr. Trump said on Monday. "Unfortunately, Turkey does not appear to be mitigating the humanitarian effects of its invasion."

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump will have lunch with VP Mike Pence at 12:30 p.m. in the private dining room. He will welcome the 2019 Stanley Cup Champions, the St. Louis Blues, at 3:10 p.m. in the Rose Garden.

NASA: RESEARCHES SAYS LIFE WAS DISCOVERED ON MARS - We may have already discovered the essence of life on Mars 40 years ago, according to a former NASA scientist ([CNN](#)). Gilbert V. Levin, who was principal investigator on a NASA experiment that sent Viking landers to Mars in 1976, published an article in the Scientific American journal last Thursday, arguing the experiment's positive results were proof of life on the red planet. The experiment, called Labeled Release (LR), was designed to test Martian soil for organic matter. "It seemed we had answered that ultimate question," Levin wrote in the article. In the experiment, the Viking probes placed nutrients in Mars soil samples -- if life were present, it would consume the food and leave gaseous traces of its metabolism, which radioactive monitors would then detect. To make sure it was a biological reaction, the test was repeated after cooking the soil, which would prove lethal to known life. If there was a measurable reaction in the first and not the second sample, that would suggest biological forces at work -- and that's exactly what happened, according to Levin.

SPORTS: POPE 'ENDORSES' NEW ORLEANS SAINTS - The New Orleans Saints got an unexpected — and probably unintentional — backer for their game at Jacksonville ([AP](#)). Pope Francis, the head of the Catholic Church, included the Saints' Twitter logo in a tweet Sunday morning — one New Orleans football fans took as a good omen for their team. "Today we give thanks to the Lord for our new #Saints. They walked by faith and now we invoke their intercession," the Pope tweeted after canonizing five new saints at a mass at Vatican City. The hashtag and capitalization of Saints added the Fleur de Lis, the emblem associated with the Saints and worn on the team's helmets.

World

XI WARNS OF 'CRUSHED BODIES AND SHATTERED BONES': As street battles between protesters and police continue to escalate in Hong Kong, China's authoritarian leader warned Sunday any further attempt to divide the country will literally be crushed ([Fox News](#)). Chinese President Xi Jinping made the comments during a visit to Nepal, where he became the first Chinese president in more than two decades to visit the country. "Anyone attempting to split China in any part of the country will end in crushed bodies and shattered bones," he told Nepalese Prime Minister K.P. Sharma Oli, China's state broadcaster CCTV reported. "And any external forces backing such attempts dividing China will be deemed by the Chinese people as pipe-dreaming!"

Local

RICHMOND: MOTHER CHARGES IN SCHOOL SHOOTING - The mother of a teenager who killed himself at a Richmond school in 2018 has been charged. Mary York faces charges in Wayne County. On December 13, 2018, 14-year-old Brandon Clegg, brought a gun to Dennis Intermediate School, shot at police, then shot and killed himself. At the time, York was credited with calling 911 before the shooting, allowing officers to respond more quickly. York is now facing charges of dangerous control of a child, two counts of neglect of a dependent, and three counts of neglect of a dependent ([WIBC](#)). According to court documents, Clegg had made statements to the staff at Fayette Regional Hospital in Connersville on May 30, 2018, about wanting to go into a school and kill people who had bullied him. That same month, court documents state Clegg expressed suicidal thoughts to a counselor at Centerstone in Richmond. Clegg was prescribed medication while at Fayette Regional. He told York the medication made him feel weird, and she said she didn't make him take it. York also took him out of the inpatient mental health treatment program because her insurance wouldn't pay the costs and she couldn't afford it, court documents say.

FORT WAYNE: TEACHERS GET 2.5% PAY RAISE - The Fort Wayne Community Schools board approved a contract Monday that includes raises for teachers (LeBlanc, [Fort Wayne Journal Gazette](#)). The two-year agreement with the Fort Wayne Education Association – the union representing teachers – covers July 1, 2019, through June 30, 2021. Base salaries this year increased 2.5%, which brings the salary range for teachers to \$40,078 to \$70,891. The raises are retroactive. Next year, a 1.5% bump increases the range to \$40,679 to \$71,496. Board members also approved a 2.5% raise for non-union employees, which includes central office staff and district administrators. Superintendent Wendy Robinson lauded teachers, who she said have the best interests of the district at heart. "Which is why we're able to get things done," she said.

FORT WAYNE: COLISEUM TO HOST WOMEN'S NCAA TOURNEY - Collegiate women's basketball will bring a bit more March Madness to Fort Wayne's Memorial Coliseum. And Coliseum officials couldn't be happier ([Fort Wayne Journal Gazette](#)). Public-admission tickets to the first-ever Division I NCAA women's regional championship games in Fort Wayne go on sale at 10 a.m. today. The games will take place March 28 to 30, with regional winners moving on to the Sweet 16. "It's the highest-level college basketball tournament that Fort Wayne has ever hosted," said Nathan Dennison, the venue's vice president of sales. "It's a big deal."

INDIANAPOLIS: COUNCIL PASSES BUDGET 22-2 - The Indianapolis City-County Council passed Mayor Joe Hogsett's 2020 budget Monday night, but not without some discussion on a big topic on some councilors' minds ([WRTV](#)). The \$1.2 billion budget passed with a vote of 22-2. Michael McQuillen, R-District 4, and Brian Mowery, R-District 25, voted against it. Democrat Christine Scales was absent from the meeting due to an illness. A year ago, the 2019 budget passed unanimously among both Republican and Democratic councilors, a fact the mayor's office frequently touts. But frequent unbudgeted financial requests throughout the year frustrated some Republicans on the council, leading to the two "no" votes. "We want this to be honest," Councilor Jefferson Shreve, R-District 16, said before the vote. "We can say we have an honestly balanced budget. We just want an honestly balanced budget. We want the budget we pass tonight to be the one we live with from Jan. 1." Shreve, who voted in favor of the budget, said councilors looked at the budget with more skepticism this year. One unbudgeted request came in March, when the Indianapolis Department of Business and Neighborhood Services requested \$822,000 for 28 new vehicles. BNS requested buying the new cars because the department had \$900,000 more than what

was initially budgeted for 2018. BNS budgeted for \$20.4 million, but actually made \$21.3 million. BNS, unlike other city agencies, gets its self-funded budget through fees and permits.

INDIANAPOLIS: OSILI COMMENTS AS COUNCIL PASSES BUDGET - Following this evening's passage of the 2020 Indianapolis-Marion County Budget, Council President Osili has released the following statement (Howey Politics Indiana): "I'm pleased with the outcome of the Council's vote this evening on the 2020 budget for the City of Indianapolis and Marion County. Four years in a row, Mayor Hogsett has presented a fiscally responsible budget that invests strategically in our city's infrastructure, public safety, and criminal justice reform. The 2020 budget adopted tonight by the Council includes significant increases in funding for IMPD, IFD, community crime prevention grants, and the arts. It does so without raising taxes."

EVANSVILLE: COUNCIL PASSES \$431M BUDGET - Evansville City Council approved the 2020 city budget Monday night. The \$431 million budget passed 8-1. The one abstaining vote came from Republican Justin Elpers ([WFIE-TV](#)). Elpers voted no, saying he was in favor of an amendment concerning upping insurance premiums for non-bargaining city employees, which did not pass. "Our city employees are not paid well. That issue with the city health insurance for non-bargaining employees was an issue for those employees that barely make minimum wage working for the city. We can look at that maybe in the future. It's not cheap to run your city. 431 million dollars, for example, 35 million dollars to run the police department so none of this stuff is cheap." The budget also included funding for an aerial ladder fire truck, new police vehicles, the penguin exhibit at the zoo, and a number of street projects as well as construction funding for the Deaconess Aquatic Center.

WANNATAH: FIRE KILLS 2,000 RACING PIGEONS - A structure housing nearly 2,000 racing pigeons from around the world burned to the ground late Saturday night or early Sunday morning, incinerating all the birds and prematurely ending the 2019 Hoosier Classic Million Dollar One Loft Race ([NWI Times](#)). Hoosier Loft owners and race organizers Jim and Kelly Ward, of Wanatah, said their family is "completely devastated" by the fire that also killed four of their dogs, according to friends of the family. "Our family has spent hundreds of hours working in this loft and it has become our life," the Wards said on the race website. "We are thankful that our children are safe, but we are devastated at the loss of something that we lived to do on a daily basis."

FULTON COUNTY: TRIAL FOR BUS STOP HOMICIDES STARTS TODAY - The jury trial for a woman accused of killing three kids and injuring a fourth when she disregarded the stop arm and lights on a school bus last year is set to begin on Tuesday ([WRTV](#)). Alyssa Shepherd is charged with three counts of reckless homicide and one count of disregarding the stop arms on a school bus causing injury. Police say she was driving a Toyota Tacoma on State Road 25 sometime after 7 a.m. when she allegedly "disregarded" the stop arm and lights on a stopped school bus in front of a mobile home park, striking four kids who were crossing the street to board the bus. Shepherd told police she saw the lights flashing, but she didn't realize it was a school bus until the kids were in front of her, according to court documents.

ALLEN COUNTY: RTL TO HONOR SWAYZE - A longtime policy advocate for Indiana Right to Life will receive the prestigious Daniel Award at tonight's Allen County Right to Life dinner in Fort Wayne ([Fort Wayne Journal Gazette](#)). Sue Swayze Liebel is from Indianapolis, where she has worked for more than 25 years in policy development, program design and implementation, lobbying and political strategy. Swayze currently serves as the state policy director for the Susan B. Anthony List in Washington, D.C. She is responsible for implementing the program's mission of advancing women lawmakers who are dedicated to ending abortion by passing laws that save lives.

High-tech mobility company plans lab, 50 high-paying jobs in Westfield

October 15, 2019 | [IBJ Staff](#)

KEYWORDS [AUTOMOTIVE](#) / [ECONOMIC DEVELOPMENT](#) / [HAMILTON COUNTY](#) / [JOB CREATION](#) / [REGIONAL NEWS](#) / [TAX ABATEMENTS](#) / [TECHNOLOGY](#) / [WESTFIELD](#)

Aptive Plc, a mobility tech company formerly known as Delphi Automotive, plans to open an engineering lab in Westfield that will create 50 high-paying jobs, the city announced Monday night.

The company plans to lease 53,000 square feet inside the Westfield Business Centre and invest more than \$9 million in property and equipment.

The building, 17001-17075 Oak Ridge Road, is southwest of the intersection of U.S. 31 and State Road 32.

The jobs created will pay an average wage of almost \$80,000 annually, the city said. Work in the lab will include environmental testing, product/material analysis and on-vehicle development.

“The team at Aptiv will be working on future-focused technology, and I could not be more excited to welcome them to Westfield,” Westfield Mayor Andy Cook said in written remarks. “These are exactly the types of high-tech investments we have been working to attract. This is a statement that our community can attract a diverse workforce to support this kind of innovation.”

The Westfield City Council on Monday approved a 5-year personal property tax abatement for the company phased in at 20% a year.

Westfield Business Centre, [a 133,000-square-foot spec building](#) that opened a year ago, is now fully leased. Other tenants are Grinds LLC, ETI Fab and 3rd Dimension Industrial Printing.

Aptiv, headquartered in Dublin, Ireland, was formed in May 2017 when Delphi Automotive Plc spun off its Powertrain Systems segment, which included its engine management systems and aftermarket operations, into Delphi Technologies Plc.

The remaining company was renamed Aptiv. It focuses on electrical/electronic architecture (vehicle electrical systems) and electronics and safety (software and sensing systems, computing platforms, advanced safety systems and automated driving).

The company reported full-year 2018 revenue of \$14.4 billion, an increase of 12% from the prior year.

Editor's note: IBJ is now using a new comment system. Your Disqus account will no longer work on the IBJ site. Instead, you can leave a comment on stories by [signing in to your IBJ account](#). If you have not registered, please [sign up for a free account now](#). Past comments are not currently showing up on stories, but they will be added in the coming weeks. Please note our [updated comment policy](#) that will govern how comments are moderated.

State funds fuel local road work

 thestatehousefile.com/state-funds-fuel-local-road-work/40102/

By Janet Williams

Staff Report

TheStatehouseFile.com

INDIANAPOLIS—Communities across Indiana will be on the receiving end of \$99.2 million in state matching funds for local road projects.

Gov. Eric Holcomb and Commissioner Joe McGuiness of the Indiana Department of Transportation announced the funding in the Ohio River town of Madison, where Jefferson County Roads: Community Crossings Initiative.

“High-quality local roads and bridges are an important part of our formula for attracting jobs, growing our economy, and building strong communities,” Holcomb said in a news release. In all, 229 towns, cities and counties across Indiana are receiving the money.

The Community Crossings Initiative has provided more than \$612 million in state matching funds for construction projects.

In response to local requests to help manage project flow, INDOT now accepts applications in both January and July, with a \$1 million cap annually per community. An estimated \$100 million will be available for communities opting to apply during the January 2020 call for projects.

“INDOT is excited to partner with communities through this matching grant program to make infrastructure investments that contribute to the success of all Hoosier cities, towns, and counties,” McGuiness said.

To receive a grant, local governments must provide local matching funds, 50 percent for larger communities or 25 percent for smaller communities, from a funding source approved for road and bridge construction.

Local governments must also submit an INDOT-approved asset management plan for maintaining existing roads and bridges. State law requires annually that 50 percent of the available matching funds be awarded to communities within counties with a population of 50,000 or fewer people.

The list of all communities receiving matching funds is online at www.in.gov/indot/communitycrossings.

TheStatehouseFile.com is a news website powered by Franklin College journalism students.

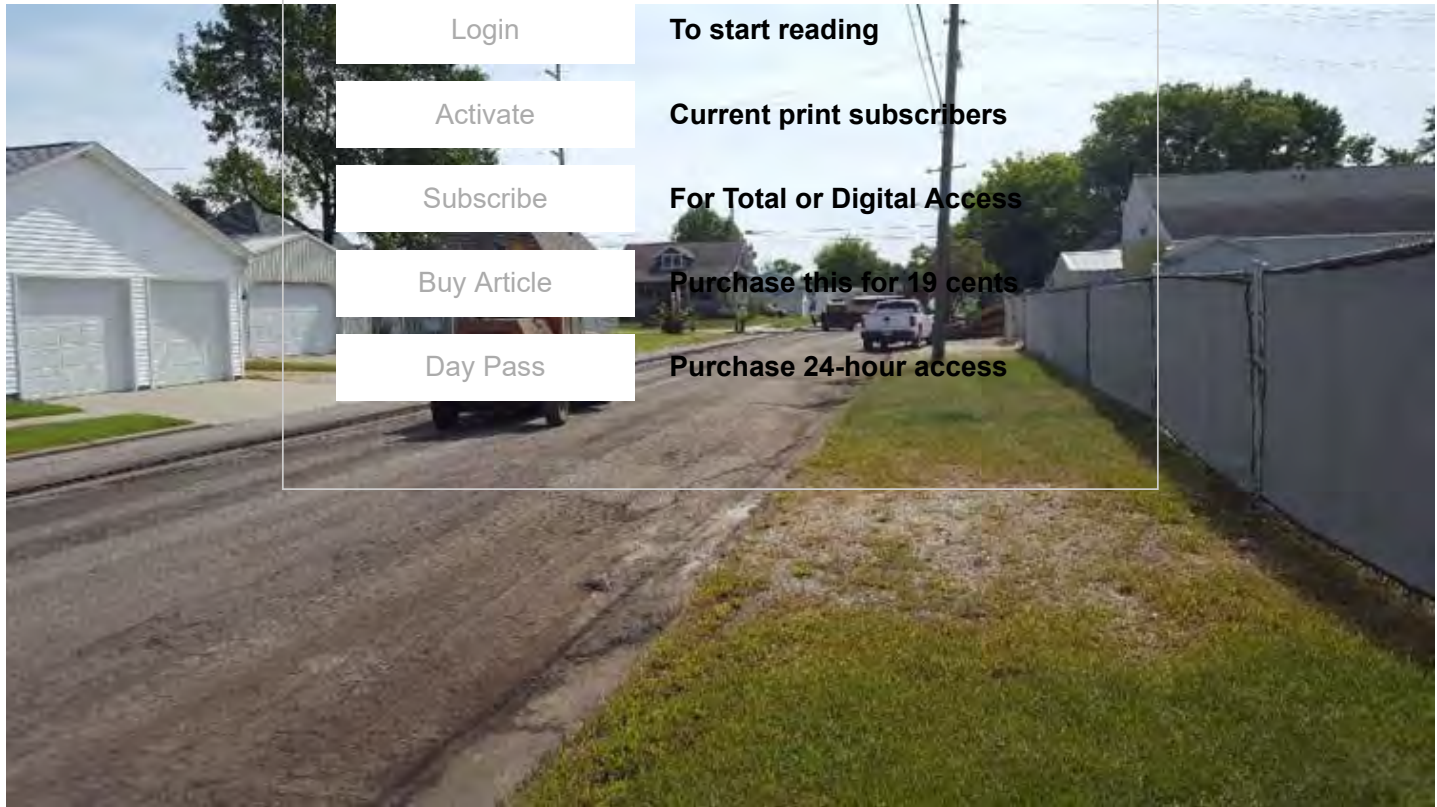
EDITOR'S PICK

Millions in road grants headed to the area

Mike Grant Times Herald Oct 11, 2019

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Mike Grant | Times Herald Construction crews work on a street in Washington as part of the Community Crossings program. Milestone Contractors are expected to wrap up work in Washington next week. A new round of projects was just announced by INDOT.

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The State of Indiana will be sending millions of dollars to area cities, towns and counties as part of the Community Crossings grant funding. This is the second round for funding this year that state wide will provide nearly \$100 million dollar for projects in 229 Indiana cities, towns and counties.

Two of the grants are headed to a couple of the smaller communities in Daviess County. Elnora landed a grant of \$92,208. “We will utilize the grant money for town road improvement,” said Elnora Town Board member Jed Jerrels. “This is funding for phase two of road improvements, and we are looking forward to getting started hopefully early next spring.”

The small town of Cannelburg received a grant for \$95,464.20. “We are tickled to death to get this,” said Cannelburg Town Board President Dale DeLong. “Our streets had not been paved for 15 years. This is the third grant we have received and when this is completed, we will have repaved all of our streets.”

The plan in Cannelburg is to repave CR 900E from U.S. 50 to CR 100N. "CR 900E is our last street in town to pave," said DeLong. "Because so much of the traffic goes out into the county, the county has agreed to pick up half of the tab for the matching funds. It is fantastic that we can work together on this. We'll probably try to get it done in the spring. It needs work, right now we are just patching the patches."

"That is really great news for Elnora and Cannelburg," said Daviess County Highway Supervisor Phil Cornelius. "It will be good to work with Cannelburg to get that piece of CR 900E improved."

Sharing in match funding for the communities in the county is not unusual. When CR 650E in Montgomery was repaved under a Community Crossings grant the county was involved in putting in the matching funds.

This time around neither Daviess County or Washington received grants. For the county, they had tapped out their eligibility. "You are capped at \$1 million," said Cornelius. "We received that amount in the spring."

The money is going toward the repaving and improvement of CR 1000N from SR 57 in Plainville east to the Daviess-Martin County line. That \$1.2 million project is being done by Milestone Contractors and is expected to start Wednesday. Officials expect the road to be closed for 1.5 miles each day as the work moves across one of most rural parts of the county right in the middle of harvest.

"We are going to ask people to be patient with them," said Cornelius. "If they have a part of the road closed off it will only be for one day and then people can use it the following day. They will have flaggers to help with traffic."

That project should take about nine days to complete the paving, depending on the weather, and then the contractor will come back and work on the approaches and shoulders.

Loogootee will be receiving one of the larger grants in the area. INDOT approved \$763,531.50 for the Martin County community. "We are ecstatic with this news," said Loogootee Mayor Noel Harty. "We had been turned down the last couple of times, so we couldn't feel more blessed."

Loogootee intends to work on two problems at once with its grant. One element will be the paving and the other will include fixing some surface drainage issues. "This will be in a number of locations in the city," said Harty. "This will fix some very old problems."

All of the projects approved in the area will require a 25% match. Loogootee will use some money from its storm water fund and motor vehicle highway fund to cover that cost. "Two or three more grants like this and we might be able to clear up all of those drainage problems," said Harty.

Besides Loogootee, Martin County landed a Community Crossings grant for \$574,429. That is the second Community Crossings grant approved for Martin County this year. "We're really happy with that," said Martin County Commissioner Paul George. "That's about \$800,000 this year."

Martin County plans to replace a couple of bridges and fix a couple of roads with the latest funding. "This is a good way to spend our road dollars," said George. "We have road projects planned out for the next couple of years. We just have to keep the financing coming."

Neither Washington or Daviess County received Community Crossings money during this round of funding, but both are working on plans for applications next year.

"We are definitely going back in the spring," said Cornelius. "I have a project in mind, but I need to run it by the commissioners first. It will probably be in the million-dollar range. I try to get as much money as possible to put on our roads. I hate to leave money on the table."

"We did not apply this fall, but we probably will in the spring," said Washington Mayor Joe Wellman. "We are working on a plan with our project engineers on the Business 50 project to try and leverage some Community Crossings grants. It would be good to be able to get the state to pick up even more on the cost of that project."

In announcing the latest rounds of grants state officials pointed out that since its inception Community Crossings has provided \$612 million for road projects around Indiana.

"High-quality local roads and bridges are an important part of our formula for attracting jobs, growing our economy, and building strong communities," said Indiana Governor Eric Holcomb.

"Efficiently and safely moving people and commerce is vital to the quality of life and vitality of our communities," added INDOT Commissioner Joe McGuinness. "INDOT is excited to partner with communities through this matching grant program to make infrastructure investments that contribute to the success of all Hoosier cities towns and counties."

Other grant recipients in the area.

Bicknell \$411,375

Bloomfield \$189,236.25

Greene Co. \$1,000,000

Huntingburg \$134,899.50

Knox Co. \$384,900

Linton \$479,355.63

Petersburg \$197,287.87

Pike Co. \$434,356.74

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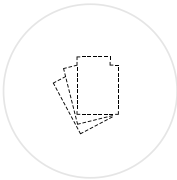


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Mike Grant



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ROAD TO IMPROVEMENT

Local communities receive \$2.2 million from state

Ken de la Bastide
The Herald Bulletin Oct 12, 2019

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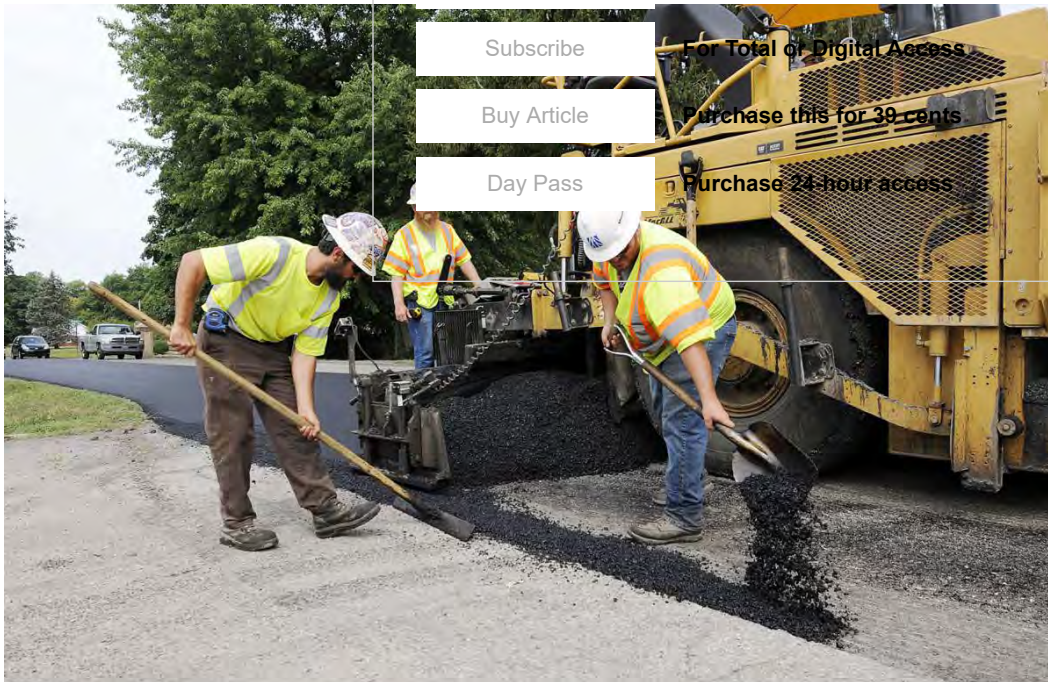
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1 of 4



A crew from Milestone paves the eastbound lane of Indiana 32 through Edgewood. The work is part of a \$2.6 million project to repave the highway from Layton Road on the west side of Anderson to Scatterfield Road on the east.

Don Knight | THB file photos



ANDERSON – Madison County and four area cities and towns have been awarded \$2.2 million through the Community Crossing grant program to upgrade local roads.

Indiana Gov. Eric Holcomb announced Thursday the second distribution of funds for road improvements managed by the Indiana Department of Transportation.

Since the program was started, the state has provided more than \$612 million to local communities for construction projects through the Next Level Roads plan.

INDOT will distribute an estimated \$100 million during the January 2020 application process.

In addition to Madison County, the city of Alexandria and the towns of Lapel, Edgewood and Daleville were approved for funding.

Local communities with a population of less than 50,000 people are required to provide 25% in matching funds, and Madison County was required to provide a 50% match.

Anderson received \$1 million in the first round of awards this year.

Daleville Town Council President Bill Walters said that, with the additional \$211,488 that was awarded, the town will complete work on Main Street and Daleville Road. Daleville has received about \$700,000 through the Community Crossings grant program over the past four years, according to Walters.

“Every street in Daleville will be repaved by the spring or summer of 2020,” he said.

The town of Lapel received a grant of \$315,000. Dennis Molina, Lapel clerk/treasurer, said the funds would be used on Main Street north of Indiana 13. The work will include the replacement of curbs and sidewalks where necessary.

Some of the funds will be used on Ninth Street between Main and Ford streets and south on Ford Street to Brookside Cemetery, according to Molina.

“This is a great program,” he said. “Last year we used the matching funds on 950 West and 750 South.”

Matching funds came from the town's Local Road & Street fund and from the Cascadden family's donation to the community, Molina said.

Katherine Tanner, Edgewood clerk/treasurer, said the town would use the \$300,000 to repave Winding Way and several other streets. The town's matching funds of \$100,000 came from the Local Road & Street and Motor Vehicle Highway funds, Tanner said.

Joe Copeland, Madison County engineer, previously said that the county's \$1 million state grant would be used, along with \$1.2 million in matching funds from the county, for four road projects:

- 200 North from 200 West to 600 West, estimated \$799,195 cost
- 300 East from Ind. 236 to County Road 67, estimated \$399,677 cost
- 700 West from Ind. 128 to Ind. 37, \$795,474 cost
- 600 North from 350 East to 500 East, \$245,504 cost

Alexandria received \$426,067 through the grant program. Mayor Ron Richardson said the funds will be used to address storm water issues in the city.

Richardson noted that his city is working on an application, due in August, for a \$600,000 Community Crossings grant. He said the city would provide \$200,000 in matching grant funds for storm water work in Alexandria.

Anderson is using the \$1 million state grant to repave 38th Street from Scatterfield Road to Columbus Avenue and from Madison Avenue to the railroad tracks at Raible Avenue. The funds will also enable the repaving of Broadway from School Street north to the intersection with Indiana 9.

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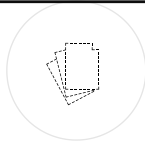


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Ken de la Bastide

Senior Reporter covering Anderson and Madison County government, politics and auto racing for The Herald Bulletin. Has been working as a journalist in central Indiana since 1977.



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TOP STORY

If IDEM and EPA won't, they will

Notice of intent to sue ArcelorMittal filed over Clean Water Act violations

By JEFF MAYES - Staff Writer Oct 11, 2019

1 of 3



AP file photoPhoto shows dead fish in the East Branch of the Little Calumet River in Portage following a spill of toxic chemical into the stream from the ArcelorMittal steel mill on Aug. 11. Two environmental groups have filed notice of intent to sue the steelmaker over violations of the Clean Water Act, the second such notice filed in the wake of the incident.

PORTAGE – Claiming state and federal regulators have not taken proper action in response to repeated violations of the Clean Water Act, two environmental organizations plan to bring a lawsuit against ArcelorMittal for "repeated violations" of its federal discharge permit.

"ArcelorMittal has a record of 100 violations of the Clean Water Act since 2015, including their spill of ammonia and cyanide into the Little Calumet River in August," according to Indra Frank, environmental health and water policy director of the Hoosier Environmental Council.

"In that time neither the U.S. Environmental Protection Agency, nor the Indiana Department of Environmental Management has taken any formal enforcement action. This suit is intended to ensure there are consequences for this long record of violations."

The HEC filed notice with ArcelorMittal on Oct. 4 of its intent to sue, in conjunction with the Environmental Law & Policy Center.

ArcelorMittal's steel mill in Burns Harbor is located near the Indiana Dunes National Park, and discharges water into the East Branch of the Little Calumet River, which flows directly into Lake Michigan, the groups said in a joint statement.

"ArcelorMittal's violations include exceeding its permit limits for total cyanide, free cyanide and ammonia. In August 2019, ArcelorMittal's excessive pollution, including significant amounts of cyanide, killed 3,000 fish and closed a beach on Lake Michigan at the National Park," the statement said.

Despite requirements in its permits, "ArcelorMittal did not even report that incident until two days after citizens reported the fish kill" to IDEM and the Indiana Department of Natural Resources, the statement said. "Neither IDEM, nor the U.S. EPA has taken any formal enforcement action against ArcelorMittal for the August 2019 incident or any of the other 100 alleged violations."

Frank said that has to change.

"Without consequences, the pattern of violations and the damage to Lake Michigan may continue. Meaningful consequences will create a strong incentive for ArcelorMittal to prevent future violations."

And federal law makes that possible, according to Jeffrey Hammons, staff attorney for the ELPC.

"The Clean Water Act authorizes citizens to sue when the government lets us down," he said.

"ArcelorMittal needs to be held accountable, and IDEM and EPA need to do a better job of protecting Lake Michigan, Indiana Dunes National Park, and the people who enjoy them."

The suit would be the second threatened against ArcelorMittal in the wake of the August spill.

Portage attorney Thomas Dogan filed a notice in late August of intent to sue, with plaintiffs including the Portage Port Authority, Marquette Yacht Club, VI Marina, Dunes Harbor LLC and KLM Dunes, along with nearly 70 people who claim they were affected by the spill.

Dogan said at the time the plaintiffs "consist of persons and businesses who recreate, enjoy the natural resources, engage in healthy exercise, instill proper morals, raise their families, enjoy hunting, fishing and other outdoor activities; and conduct legal businesses within the area of the Burns Waterway and nearby Lake Michigan and its environs near Portage."

All are "adversely affected by pollution from the ArcelorMittal Burns Harbor Plant" and intend to sue "for violations of the Clean Water Act resulting from the facility's operation in violation of the law," he said.

In the latest notice of intent, the "total cyanide load" discharged from one just outfall at the ArcelorMittal was 548% higher than the legal limit on Aug. 12; 795% higher on Aug. 13; 557% higher on Aug 14; and 419% higher on Aug. 15, according to Hammons. The amount of ammonia discharged also far exceeded the legal limit, he said.

"The EPA and IDEM have said they will file inspection reports about the Aug. 11 spill, but neither agency has taken formal enforcement action over any of the steel mill spills over the past four years," Hammons said.

"In the face of this repeated, illegal damage to Lake Michigan, we can no longer just stand by and wait for the state and federal government to act," Frank said. "The damage has to stop for the sake of everyone who gets their drinking water from the Lake; everyone who swims, fishes, or boats in the lake; and the wildlife that make their home in the lake."

She believes state funding cuts have hampered IDEM's ability to properly act.

"The HEC is concerned that chronic underfunding of IDEM is contributing to its lack of action," she said. "The Indiana legislature and Governor's office have repeatedly cut IDEM's budget over more than a decade, so that they are now operating with 100 fewer staff than they had in 2005.

"Indiana needs IDEM's funding fully restored so that polluters can be held accountable and our environmental problems can be addressed."

ArcelorMittal said in a statement it is unable to comment on the notice of intent to sue, but it continues to focus on compliance and reassuring community stakeholders that they hear and take their concerns "very seriously."

The company continues to monitor the Little Calumet River and has been in compliance since Aug. 17, the statement said. And it is working with federal and state authorities to address issues and concerns from the August release.

Save the Dunes, which is not a party to the pending suit, applauded the news.

"Accountability in situations such as the recent cyanide and ammonia exceedances from ArcelorMittal takes a multitiered, strategic approach," a statement from the group said. "We're pleased to share that our colleagues at the Environmental Law and Policy Center and Hoosier Environmental Council are pursuing a lawsuit. We will continue to work closely with them as we move forward together to change Indiana's toxic reputation."

Michigan City-based outdoor guide Todd Hatfield, who found and reported a smaller diesel fuel spill on Trail Creek earlier in the summer, says IDEM "dropped the ball" on both spills.

He said when he reported the Trail Creek spill, an IDNR representative responded immediately, but no one from IDEM showed up until the following morning, which "allowed the fuel to continue spilling into the stream and into Lake Michigan for another 12-14 hours."

He said he tried to contact IDEM about the Trail Creek spill, and later the Little Calumet spill because the latter affected his business. "A lot of people thought that spill was affecting water all along the lakefront," he said.

"IDEM was completely incompetent on handling that. I called them about that – it was bad for business – and while I had someone on the phone I asked about the spill on Trail and why nothing was ever said – and they tried to deny that it happened.

"I said I was the one who called it in and have video proof. I said that I wanted a full detailed report about what happened, how [it happened], how bad, is it cleaned up ... I have yet to receive that info."

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Indy Star- [AG Curtis Hill denies groping women: 'I can't help what someone perceives'](#)

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WDRB- [Indiana attorney general testifies he didn't grope women](#)

Fox59- [Indiana A.G. Curtis Hill disciplinary hearing concludes](#)

WIBC- [Disciplinary Commission Rests Case Against Hill](#)

Journal Gazette- [AG Hill testifies, denies allegations](#)

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Republic- [USS Indianapolis commissioning set for Saturday at port](#)

Inside IN Business- [USS Indianapolis to be Commissioned in Indiana](#)

Military.com- [USS Indianapolis Commissioning Set for Saturday at Indiana Port](#)

ABC7- [New Navy ship USS Indianapolis to be commissioned at Indiana port this weekend](#)

NWI Times- [More than 11,000 set to witness commissioning of USS Indianapolis Navy ship](#)

Misc.

Inside IN Business- [Business Icon, Philanthropist P.E. MacAllister Passes Away](#)

CBS4- [Indianapolis philanthropist, businessman P.E. MacAllister dies at 101](#)

NWI Times- [Teleprompter operator at loss for words when governor presents top state honor](#)

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Sincerely,

Tyler Warman

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Oct. 25, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

Friday, October 25, 2019 7:41 AM

USS INDIANAPOLIS TO BE COMMISSIONED ON SATURDAY: The Navy says it will commission its new USS Indianapolis combat vessel at a northwestern Indiana port Saturday ([AP](#)). The ceremony marking the ship's entry into the Navy's active fleet is set to begin at 10 a.m. CDT at Burns Harbor along Lake Michigan. It's the fourth military vessel carrying the Indianapolis name. The second USS Indianapolis was sunk by a Japanese submarine in July 1945 while returning from a Pacific island where it delivered key components for the Hiroshima atomic bomb. Only 317 of its nearly 1,200 crewmen survived the sinking and days in shark-infested waters. The new ship was built at a Wisconsin shipyard and will be based near Jacksonville, Florida. It's a Freedom-class littoral ship designed to be highly maneuverable for missions such as mine-clearing and anti-submarine warfare. Planned by about 25 to 30 volunteers from Indiana, the commissioning will feature many traditional ceremonies that include assuming command of the USS Indianapolis, setting the first watch, and the breaking of the flag of the under secretary of the Navy ([NWI Times](#)). Jill Donnelly, the wife of former U.S. Senator Joe Donnelly, serves as the ship's sponsor and will give the ceremonial first order to "man our ship and bring her to life." After arriving at the Port of Indiana-Burns Harbor, the crew of the USS Indianapolis went on a whirlwind tour of the state, visiting war memorials in Indianapolis, the Bankers Life Fieldhouse where the Indiana Pacers play, the Notre Dame campus in South Bend, and the ArcelorMittal Burns Harbor steel mill.

HILL DENIES GROPING ALLEGATIONS: A relaxed, conversational Attorney General Curtis Hill took the stand Thursday to deny he touched anyone in a sensual or intimate manner at a legislative party in March 2018. Instead, he described touching people throughout the evening as leaning in to hear or guiding someone to a spot by the bar with his hand on their backs (Kelly, [Fort Wayne Journal Gazette](#)). Hill admitted nursing a vodka martini and sipping on a Fireball shot, saying he wasn't intoxicated but alcohol played a part in his relaxed attitude that night. "I was shocked. I was troubled. Apparently, there were...women out there who believed or perceived that I had done something inappropriate," Hill said when he learned of the allegations. But he also framed himself as a victim of sorts – saying no one in the legislative branch ever apologized for leaking a confidential report to the public that ultimately spurred this week's disciplinary hearing. "I was concerned this was now becoming a political attack," Hill said. Hill said he remembers seeing Rep. Mara Candelaria Reardon at the event and leaning in to hear her. He placed his hand on her back and was surprised to feel skin. He was unaware she was wearing a backless dress. But he denied moving his hand down to her butt and said he didn't hear her yell at him to back off. Hill similarly denied touching Gabrielle Brock, Samantha Lozano and Niki DaSilva inappropriately.

HILL RECOUNTS MEETING WITH BOSMA, LONG: on June 29, 2018, Attorney General Curtis Hill got a call about an emergency conference call with legislative leaders. That is when he found out that a probe had been started and that the Indianapolis Star was working on a story ([Fort Wayne Journal Gazette](#)). He didn't know much about the allegations and no names of the women were used. At the end of the call Hill told House Speaker Brian Bosma to tell the women involved if he did or said anything that made them feel uncomfortable he apologized. A few days later, on July 2, he met in person with Bosma and then-Senate President Pro Tem David Long. Bosma told Hill then that "the situation has gone from bad to worse" and said the confidential memo prepared by the Taft law firm to assess legislative liability had been leaked. They then refused to show Hill the memo because it was confidential. "My attitude in the meeting started to change," Hill said. "I was unable to see the report and I was getting agitated." He said once something gets in the public it can't be taken back. He noted he wasn't interviewed for the report, which was one-sided with no context. He said it was a "heart-sinking moment" when he read the report because he knew the public would assume it was true even though it was void of form and substance. Hill noted some inaccuracies in that report. Reardon also noted inaccuracies during testimony earlier this week.

BRAUN, COONS FORM BIPARTISAN CLIMATE CHANGE CAUCUS: Democratic Sen. Chris Coons (Del.) and Republican Sen. Mike Braun (Ind.) are launching the Senate Climate Solutions Caucus aimed at fostering bipartisan cooperation on climate change ([Axios](#)). Coons, in remarks to NBC News, laid out some areas of potential cooperation. "Bipartisan ideas already exist — from improving energy efficiency and investing in R&D to supporting energy security and workforce development," he said. The Washington Examiner writes that Republican Sen. Lisa Murkowski (Alaska), who chairs the Energy and Natural Resources Committee, will join the effort.

P.E. MacALLISTER DIES AT AGE 101: Philanthropist and prominent Indianapolis businessman Pershing Edwin MacAllister —better known as P.E. MacAllister—has died at the age of 101. MacAllister was named after General John Joseph "Black Jack" Pershing ([CBS4](#)). He was born in 1918 and grew up in Wisconsin. After graduating from Carroll College in Waukesha, Wisconsin, he joined the U.S. Army Air Corps. He served in World War II in the European and African theaters between May 1942 and August 1944. He was discharged from the Army in 1945 and married Violet Rebecca Cochran. They had four children together, three girls and a boy. In May 1945, he began working for his father at MacAllister Machinery. He made his way up through the ranks, serving as a mechanic, salesman and warehouse worker. He became president of the company in 1952. He and his brother, Dave, ran the company for 30 years as it continued to grow and thrive. He was known for his work ethic and often went to the office on Saturdays. A longtime resident of Indianapolis, MacAllister and his family were regulars

at Northminster Presbyterian Church. A supporter of the arts, he served as president of the Indianapolis Opera Company and as a board member of the Indiana State Symphony Society. He was vice chair of the Edyvean Repertory Theatre Board and a member of the President's Advisory Committee on the Arts. He served as president of the Capital Improvement Board, overseeing construction of the Indiana Convention Center and the Hoosier Dome, two projects that transformed the city.

PENCE TAKES SWIPE AT NBA IN CHINA CRITICISM: Vice President Mike Pence took a swipe at Nike and the NBA on Thursday in a speech criticizing communist China's record on trade and human rights, saying American corporations have been too willing to ignore censorship and repression in pursuit of profits ([AP](#)). Pence singled out the shoe company for removing Houston Rockets merchandise from stores in China after the team's general manager angered the Chinese government with a tweet supporting anti-government protesters in Hong Kong. The NBA was acting like a "wholly owned subsidiary" of China's "authoritarian regime" for failing to stand up to the government's criticism of Rockets General Manager Daryl Morey, he said. "Nike promotes itself as a so-called 'social-justice champion,' but when it comes to Hong Kong, it prefers checking its social conscience at the door," the vice president said in a speech laying out the Trump administration's approach to China. The speech was delivered as President Donald Trump seeks to close a new trade deal with China, with Pence cast in a hard-line role. China fired back at Vice President Mike Pence's criticism on human rights, calling his speech 'lies' and chiding him for ignoring U.S. problems like racism and wealth disparity ([Politico Playbook](#)).

REPUBLICANS STRUGGLE TO DEFEND TRUMP; ATTACK THE PROCESS: Republicans in Congress struggled for a second consecutive day Thursday to defend President Trump against Democrats' impeachment inquiry amid a steady stream of damaging revelations about his conduct, leveling another symbolic objection to a process they said was fundamentally unfair ([New York Times](#)). One day after House lawmakers tried to block an impeachment witness by sowing chaos with a protest in the Capitol's secure meeting rooms, Senate Republicans joined the fray by offering a resolution condemning the House investigation and demanding that Democrats hold a formal vote authorizing the inquiry. But the move left the president's allies in the same awkward place they have been for more than two weeks: unable or unwilling to mount a vigorous defense on the substance of the allegations and focused instead on trying to shake the public's faith in the House's impeachment process. Senator Lindsey Graham of South Carolina, a fierce defender of the president and a lead sponsor of the Senate resolution, dodged questions on Thursday about the president's dealings with Ukraine. He called the impeachment investigation "a star-chamber type inquiry" and accused Democrats of pursuing an investigation that is "out of bounds, is inconsistent with due process as we know it."

REP. PENCE SEES NO CONFLICT OF INTEREST: Rep. Greg Pence, R-Indiana, does not believe his role on one of the committees in charge of the impeachment inquiry against President Donald J. Trump constitutes a conflict of interest due to his relationship to the vice president and will not recuse himself from the investigation, said Kyle Robertson, Pence's chief of staff (East, [Columbus Republic](#)). Pence, who is the older brother of Columbus native and Vice President Mike Pence, is one of 21 Republican and 26 Democratic House members who sit on the House Foreign Affairs Committee, one of three committees leading the impeachment inquiry. The other two committees include the House Intelligence Committee and the House Oversight and Reform Committee. If Trump is impeached and removed from office, Pence's brother would be sworn in as president. As part of the House Foreign Affairs Committee, Rep. Pence has had access to closed-door depositions from U.S. officials speaking about Trump's and other officials' actions in Ukraine and the phone call between Trump and Ukraine President Volodymyr Zelenskyy in which Trump said he would like the Ukraine president to investigate Democratic presidential candidate Joe Biden and his son.

REP. BAIRD TOOK PART IN GOP INQUIRY PIZZA PROTEST: About three dozen Republican lawmakers — including U.S. Rep. Jim Baird from Indiana's 4th District — protested how House Democrats are conducting the impeachment inquiry of President Donald Trump and temporarily halted the testimony of Defense Department official Laura Cooper Wednesday ([Lafayette Journal & Courier](#)). Cooper, who serves as the deputy assistant secretary of defense for Russia, Ukraine, and Eurasia, was subpoenaed for a closed-door session with the House Intelligence, Foreign Affairs, and Oversight and Reform committees. She was expected to answer questions about how military aid was withheld from Ukraine as Trump sought the investigation of his political rival.

HATE GROUP PAID FOR BARTHOLOMEW SHERIFF'S WHITE HOUSE TRIP: Bartholomew County Sheriff Matt Myers was one of 200 sheriffs from across the country to attend a White House conference and briefing on "Secure Borders and Safe Communities" from Sept. 24-26 in Washington ([Columbus Republic](#)). Myers said his main purpose for attending was to talk about drug enforcement — an important issue in Bartholomew County and communities nationwide — and how proper border and port security is needed in that regard. It's understandable why Myers and other sheriffs would want to attend the conference. However, the organization that paid for Myers' trip and the trips of six other Indiana sheriffs has been the source of concern. The Federation for American Immigration Reform (FAIR) paid about \$1,100 for Myers' trip. FAIR is considered to be a hate group by the Southern Poverty Law Center, whose definition of a hate group mirrors the Federal Bureau of Investigation's definition of a hate crime. FAIR also has been criticized by the Anti-Defamation League for its views considered to be pro-white and anti-immigrant.

HPI DAILY ANALYSIS: The best story of the day is how the crew of the new USS Indianapolis traveled the state to learn all things Hoosier. Some 11,000 people are expected to attend Saturday's commissioning at Burns Harbor. The crew shares an important American legacy with those who died and survived the 1945 sinking of the third ship bearing this name. We emphatically welcome the new USS Indianapolis. May she serve our great nation with pride and dedication. - *Brian A. Howey*

Campaigns

RIDENOUR HAS BIG MUNCIE MAYORAL MONEY LEAD: Republican mayoral candidate Dan Ridenour has out-fundraised Democrat opponent Terry Whitt Bailey nearly two to one so far this campaign season, according to campaign finance records (Ohlenkamp, [Muncie Star Press](#)). The reporting period was from April 13, 2019 until October 11, 2019 showing a majority of the funds raised from shortly before the primary election to now. Funding totals for candidates are the year-to-date totals, which include this period's filings as well as those raised prior to April 13. Ridenour came off as the largest fundraiser by far, raising \$177,418. Multiple individual donors gave more than \$1,000 to his campaign throughout the primary and general election period. The biggest funding sources for Ridenour came from individual fundraising events. Four of those, like golf outings, netted Ridenour more than \$10,000 apiece. As for political action committees, Ridenour had three large donors, including the Muncie Police PAC (\$5,000), Muncie Firefighters PAC (\$6,000) and the Indiana State Republican Committee (in-kind advertising donation of \$9,906).

HOLCOMB TO BARNSTORM FOR MAYORAL CANDIDATES: Gov. Holcomb will campaign for Republican candidates for mayor as next month's election draws closer ([WIBC](#)). State Republican Chairman Kyle Hupfer, who also chairs Holcomb's reelection campaign, says Holcomb plans a three-day barnstorming tour through at least 10 cities on the weekend before the election to try to push Republican candidates across the goal line. He says the party hasn't finalized the specific stops. Republicans announced this month they already have the 4,500 signatures required to get Holcomb on next year's ballot. Hupfer says the party set a goal of gathering the signatures by October 1 so it can reassign party staffers to serve as reinforcements in local races, helping with phone banks and door-knocking.

HUPFER STUMPS FOR MILLER IN ELKHART: Indiana Republican Party chairman Kyle Hupfer came to Elkhart on Thursday morning to support his party's candidate for mayor ([Elkhart Truth](#)). "We are just excited with mayor's races across the state, but especially with Dave's," Hupfer said, following a campaign rally with about 100 people at Lex 530.

HOGSETT CAMPAIGN RESPONDS TO MERRIT 'SMEARS': In response to the launch of a smear website by Senator Jim Merritt, which includes completely false accusations targeting Mayor Hogsett's family, the Hogsett for Indianapolis campaign released the following statement attributed to Heather K. Sager (*Howey Politics Indiana*): "For ten months, Senator Jim Merritt has failed to articulate clear policies he would pursue if elected or how he would pay for those ideas. Rather than spend these last two weeks engaging in substantive debate, it's clear that he's chosen to embrace the worst of partisan politics. Let's be blunt: Jim Merritt is knowingly making false, harmful claims about Mayor Hogsett and his family. Jim Merritt's personal attacks are small-minded, desperate, and beneath both the office he currently holds and the one he seeks to gain. We expect this kind of disgusting behavior from Washington, but it is disappointing to see Jim Merritt bring those same despicable tactics to Indianapolis. We call on local Republican officials to disavow these false statements and disingenuous personal attacks in the strongest terms possible."

Presidential 2020

NBC POLL SHOWS 49% SUPPORT/OPPOSE IMPEACHMENT: Americans are evenly divided on whether President Donald Trump should be impeached. Forty-nine percent think he should be impeached and removed from office and 49 percent are against it, according to results from a new [NBC News|SurveyMonkey](#) poll.

BUTTIGIEG CRITICAL OF FACEBOOK: Democratic presidential candidate Pete Buttigieg told CBS News on Thursday that he believes Facebook's advertisement policy is "a mistake" and that the breakup of big technology companies is a "remedy that should be on the table" ([CBS News](#)). The mayor of South Bend, Indiana, called for greater accountability on the part of the social media giant, which has come under scrutiny in recent weeks. "[Facebook] has a responsibility to pull false advertising," Buttigieg said. "And yes, they also have a responsibility to intervene when there is advertising that will contribute to voter suppression."

SANDERS BACKS LEGAL MARIJUANA: Sen. Bernie Sanders (I-Vt.) on Thursday introduced a plan to legalize marijuana and also expunge the records of people with marijuana-related convictions ([The Hill](#)). "We're going to legalize marijuana and end the horrifically destructive war on drugs," Sanders said in a statement. "It has disproportionately targeted people of color

and ruined the lives of millions of Americans.” “When we’re in the White House, we’re going to end the greed and corruption of the big corporations and make sure that Americans hit hardest by the war on drugs will be the first to benefit from legalization,” he added.

REP. RYAN DROPS OUT: Rep. Tim Ryan dropped out of the 2020 Democratic presidential primary race on Thursday, after his campaign failed to gain any significant traction ([Politico](#)). “While it didn’t work out quite the way we planned, this voice will not be stifled. I will continue to advocate and fight for the working people of this country — white, black, brown, men, women,” Ryan said in a statement from his campaign announcing his withdrawal from the race. “There’s people who get up every day, take a shower after work sometimes, that are working really hard. And we’re going to continue to fight for making sure that those workers are treated fairly, and that they have access to good health care, that they have a solid pension to retire on.”

GABBARD WON'T SEEK REELECTION: Congresswoman Tulsi Gabbard said in a video message late Thursday that she won't seek re-election in her district in Hawaii so she can focus on her bid for the 2020 Democratic presidential nomination ([CBS News](#)). “Throughout my life, I’ve been motivated by a desire to serve the people of Hawaii and our country, and have made my decisions based upon where I felt I could do the most good,” Gabbard said in a statement. Gabbard was facing a primary challenge from State Senator Kai Kahele, who criticized Gabbard for spending too much time on her presidential race. Although Gabbard brought in more than \$3 million for her presidential campaign between June and September of 2019, she raised no money for a re-election campaign in that same period, according to Open Secrets. Kahele, meanwhile, raised more than \$300,000 between June and September, according to Open Secrets.

Congress

WHISTLEBLOWER MAY NOT TESTIFY: The whistleblower who initially unmasked President Trump’s effort to pressure Ukraine for political favors has moved steadily toward the periphery of the House impeachment inquiry as several Democrats said Thursday they have ample testimony from senior Trump administration officials to back his claims ([Washington Post](#)). Democrats were once prepared to take extraordinary steps to preserve the whistleblower’s identity under questioning, considering him central to their investigation. But over the past month, they have grown cold to the idea of exposing him to additional scrutiny after several witnesses described how Trump leveraged access and military aid to secure a promise from Ukraine to launch investigations that could help his 2020 reelection bid.

HOUSE DEFENDS CLOSED INQUIRY SESSIONS: House Democrats plan to move ahead with more closed-door interviews in their impeachment inquiry, scheduling current and former White House officials for private depositions despite stepped-up demands from Republicans to conduct the investigation in public ([Wall Street Journal](#)). The plans come at the close of a week in which a witness tied President Trump to an alleged quid pro quo regarding Ukraine aid and Republicans staged a protest over the secretive nature of the proceedings. Rep. David Cicilline (D., R.I.) said Democrats would move the investigation into a public setting “as soon as we have completed the gathering of evidence and that we are ready to make a presentation.” He said he expected that within weeks, not months—and before the introduction of any articles of impeachment—already given testimony would be made public or that witnesses would openly testify. Nearly all of the witnesses in the impeachment inquiry that started last month have testified in front of three House committees behind closed doors in the basement of the U.S. Capitol building.

IMPEACHMENT INQUIRY TESTIMONY SCHEDULE: Saturday: Philip Reeker, acting assistant secretary of State for European and Eurasian affairs; Monday: Charlie Kupperman, former deputy national security adviser; Tuesday: Lt. Col. Alexander Vindman, NSC Europe chief; Wednesday: Kathryn Wheelbarger, acting assistant secretary of Defense for international security affairs; Thursday: Morrison.

GRAHAM SPONSORS IMPEACH RESOLUTION IN SENATE; YOUNG CO-SPONSORS: Senate Republicans are stepping up their attacks on the House’s impeachment inquiry, as the prospect of a trial in the upper chamber grows more likely by the day and President Donald Trump has demanded that his Capitol Hill allies form a firewall of support around him ([Politico](#)). Sen. Lindsey Graham, a close Trump ally, introduced a resolution on Thursday that condemns the Democrat-led impeachment probe. The South Carolina Republican has attacked Democrats for their handling of the impeachment process. His resolution — backed by Senate Majority Leader Mitch McConnell — calls on the House to hold a vote to formalize the impeachment inquiry and to give Republicans the same authority as Democrats to issue subpoenas. U.S. Sen. Todd Young is one of the co-sponsors (*Howey Politics Indiana*).

REP. HILL DEMANDS NUDE PHOTOS BE REMOVED: Attorneys for U.S. Rep. Katie Hill on Thursday threatened to bring legal action against a British tabloid for posting what it claims are nude photos of the freshman California Democrat (Politico Playbook. Hill's legal team — Marc Elias and Rachael Jacobs of the firm Perkins Coie — also suggested Hill was defamed over allegations by the [Daily Mail](#) that she has a Nazi-inspired tattoo on her body. "In a cease-and-desist letter to Candace Trunzo, executive editor of the Daily Mail, Elias and Jacobs demanded that 'you remove these photos from publication at once.' The newspaper ran a series of intimate photos of Hill and a former campaign staffer whom it said she had an affair with before Hill won her seat in Congress. Hill, who is going through an acrimonious divorce, has admitted to an 'inappropriate' relationship with a female campaign staffer and apologized to her constituents over the matter.

General Assembly

BOSMA STATEMENT ON MacALLISTER: House Speaker Brian C. Bosma on the passing of Indianapolis businessman and philanthropist P.E. MacAllister at age 101 (*Howey Politics Indiana*): "P.E. MacAllister was a cherished friend, and inspirational mentor to so many young leaders. He was one of the principal architects of the renaissance of our capital city. He also left a giant mark in both industry and philanthropy – a legend of his time. I will miss him tremendously, and offer my deepest sympathy to his family and friends."

HOLDMAN RESPONDS TO TAX CLIMATE: State Sen. Travis Holdman (R-Markle) offered the following statement today regarding Indiana's tax climate ranking (*Howey Politics Indiana*): "Once again, the Tax Foundation ranked Indiana No. 10 in the nation and No. 1 in the Midwest for best tax climate. I'm pleased to see this recognition, as the ranking demonstrates the result of pro-growth, conservative tax policy by the General Assembly. Over the last decade, we've reduced personal and corporate tax rates, provided an exemption for small businesses on the business equipment tax, and capped property tax rates with the support of Hoosier voters, making it easier to own a home. As the chair of the Tax and Fiscal Policy committee, I'm proud of our work to make Indiana a better place to live, work, and own a business, and I look forward to our state's continued success in the years to come."

KOCH APPOINTED TO COMMERCIAL COURTS COMMITTEE: State Sen. Eric Koch (R-Bedford) has been named to the committee created by the Indiana Supreme Court to provide guidance to the state's six Commercial Courts (*Howey Politics Indiana*). In 2016, the Indiana Supreme Court established a three-year Commercial Courts Pilot Project to begin June 1, 2016, and end June 1, 2019. The purpose of the pilot project was to: Establish judicial practices that will help all court users by improving court efficiency; Allow commercial disputes to be resolved efficiently with expertise and technology; Enhance the accuracy, consistency, and predictability of judicial decisions in commercial cases; Enhance economic development in Indiana by furthering the efficient resolution of commercial law disputes; and Employ and encourage electronic information technologies, such as e-filing, e-discovery, and telephone/video conferencing, and employ early alternative dispute resolution interventions, as consistent with Indiana law.

State

GOVERNOR: HOLCOMB TRIBUTE TO MacALLISTER - Gov. Eric J. Holcomb offered the following statement on the death of P.E. MacAllister (*Howey Politics Indiana*). "Even though P.E. lived until the incredible age of 101, Janet and I were crushed to hear of his passing. I'm thankful for the impact this veteran, educator, corporate titan and all around Renaissance man left on Hoosiers and the world. He was a man of deep faith and compassion with a heart for Indiana. I ask that all Hoosiers join me in offering prayers and condolences to P.E's family and friends." MacAllister received the state's highest honor, the Sachem, in 2014.

GOVERNOR: CROUCH STATEMENT ON MacALLISTER - Lt. Governor Crouch offered the following statement on the death of P.E. MacAllister. "Today, I join Hoosiers across the state in mourning the loss of P.E. MacAllister. He has rightly been called a 'Founding Father' of Indianapolis, and his impact on our capital, state and country is immeasurable. He lived a full and remarkable 101 years as a World War II veteran, prodigious businessman, cherished father and extraordinary public servant. He set an example for the next generation of public servants and community leaders, and I feel so blessed for the moments I shared with him over the years. My heart aches for this loss, and I send my prayers and thoughts to the entire MacAllister family, as well as the many Hoosiers who admired him."

GOVERNOR: HUPFER TRIBUTE TO MacALLISTER - Indiana Republican Party Chairman Kyle Hupfer released this statement following the passing of P.E. MacAllister. "Indiana lost a legend. P.E. MacAllister was a veteran, business pioneer, humanitarian, great patron of the arts, philanthropist and so much more over his 101 years. In fact, you almost run out of superlatives when trying to describe his monumental life of achievement and service to Indiana. A long life lived well, P.E."

will be missed but his contributions to our state ensure his life and legacy will never be forgotten. My thoughts and prayers will be with his family in the days ahead."

AUTOS: UAW PUSHBACK ON GM DEAL - Some local workers at the Kokomo General Motors Components Holding plant say they're not happy with the tentative contract between the company and the United Auto Workers union and plan to vote against it (Gerber, [CNHI](#)). Members of UAW Local 292 are set to vote Friday to ratify or reject the 2019 tentative contract after striking against the company for nearly six weeks. Around 300 workers at the Kokomo GM Components Holding plant will cast their ballots from 7 a.m. to 2 p.m. at the UAW Local 685 hall at 929 E. Hoffer St. Union representatives will be on hand to review the tentative contract and answer any questions. But hourly worker Butch Bowlin said Thursday he's already made up his mind on the contract. "It sucks," he said while standing on the picket line on Goyer Road. "There's nothing for us here. Just vote no."

EDUCATION: VU OPENS UP FRENCH QUARTER DORM - Vincennes University has officially broken ground on the site of its French Quarter property. The French Quarter is a French-Creole-inspired apartment-style living complex that aims to honor to the French heritage of the area and increase community engagement on campus ([Inside Indiana Business](#)). The apartments feature three-bedroom units, each with a private full bathroom, a shared living space and a full kitchen. Other property amenities will include bike storage rooms, second-floor balconies, a parking space for each bedroom, a fountain and open outdoor space. When completed, the complex will house nearly 200 students.

Nation

WHITE HOUSE: PENCE TRIBUTE TO P.E. MacALLISTER - Vice President Pence pays tribute to P.E. MacAllister ([Howey Politics Indiana](#)): "P.E. MacAllister was a titanic figure in Indiana Republican politics and was one of my first political supporters and a lifelong friend and mentor. He wasn't just a mentor to me but was a mentor to an entire generation of great conservative leaders. P.E.'s true memorial is a strong and vibrant city of Indianapolis."

WHITE HOUSE: TRUMP CONFRONTED BY LIMITS IN DEFENSE STRATEGY - President Donald Trump is confronting the limits of his main impeachment defense ([AP](#)). As the probe hits the one-month mark, Trump and his aides have largely ignored the details of the Ukraine allegations against him. Instead, they're loudly objecting to the House Democrats' investigation process, using that as justification for ordering administration officials not to cooperate and complaining about what they deem prejudicial, even unconstitutional, secrecy. But as a near-daily drip of derogatory evidence emerges from closed-door testimony on Capitol Hill, the White House assertion that the proceedings are unfair is proving to be a less-than-compelling counter to the mounting threat to Trump's presidency. Some senior officials have complied with congressional subpoenas to assist House Democratic investigators, defying White House orders. Asked about criticism that the White House lacks a coordinated pushback effort and could do a better job delivering its message, spokeswoman Stephanie Grisham said, "It's hard to message anything that's going on behind closed doors and in secret." "It's like you're fighting a ghost, you're fighting against the air. So we're doing the best we can," she said on Fox News Channel.

WHITE HOUSE: BANNON RETURNS TO DEFEND TRUMP - Former White House chief strategist Stephen Bannon has returned from exile to defend President Trump, believing the presidency is imperiled and that Trump is in urgent need of a more robust defense against the House impeachment inquiry ([The Hill](#)). Bannon spent the past two years on a journey to spark populist movements at hotspots around the world after he was banished from Trump's inner circle and cut off from Breitbart News, where he was executive chairman, for trash-talking members of the president's family to author Michael Wolff in the book "Fire and Fury." Now the impeachment fight has called him back to Washington. Bannon is underwriting a new media venture from the basement of his Capitol Hill home, known affectionately among allies as "the Breitbart Embassy," where he'll broadcast live, seven days a week, from now until the Senate votes on impeachment.

WHITE HOUSE: SEX ASSAULT ALLEGATION MADE V. TRUMP - President Donald Trump's own records "strongly corroborate" the sexual assault accusations of Summer Zervos and belie the president's denials, the former contestant on "The Apprentice" said in a court filing Thursday ([ABC News](#)). Zervos has alleged Trump "repeatedly touched her, groped her, and kissed her" on multiple occasions in late 2007 and early 2008, but he has denied it and called her a liar.

WHITE HOUSE: FED SUBSCRIPTIONS TO NYT, WAPO MAY END - The White House plans to tell federal agencies to discontinue subscriptions to the Washington Post and the New York Times,, ABC News confirmed Thursday, just days after President Donald Trump said he wanted to "terminate" the subscriptions in another move against the news media ([ABC News](#)). In an Oct. 21 interview on Fox News' "The Sean Hannity Show," Trump said the administration doesn't "even want it in the White House anymore," referring to the New York Times.

WHITE HOUSE: STAFFERS FACE \$15K LEGAL BILLS TO TESTIFY - As a parade of State Department officials began trooping to Capitol Hill this month to testify in the impeachment inquiry imperiling President Trump, officials from the department's union dispatched an appeal to its nearly 17,000 members ([New York Times](#)). Send money, they pleaded. For the second time since Mr. Trump took office, an investigation into his conduct has set off a scramble across Washington for

lawyers to represent witnesses — and for the money to pay them. This time, instead of high-rolling players in Mr. Trump's 2016 campaign, many of the witnesses are career government workers who helped shape or carry out policy toward Ukraine. On civil-servant salaries, they have racked up bills of \$15,000 or more for lawyers who can guide them through the morning-to-dusk sessions before congressional inquisitors. Already caught in a struggle between two branches of government, many are now worried about how to pay for legal advice that can cost \$750 to \$1,500 an hour. "We have never faced a comparable situation," said Eric Rubin, a senior American diplomat who runs the union, the American Foreign Service Association. "Our colleagues are facing unprecedented legal bills."

WHITE HOUSE: TRUMP SCHEDULE - President Trump will depart the White House at 11:40 a.m. en route to Benedict College in South Carolina. He will give a speech on judicial reform at 2:15 p.m. Afterward, Trump will head to Camp David. President Trump says he will go to Nats Park for Game 5 of the World Series between the Washington Nationals and the Houston Astros -- if the series gets that far. The Nats have to win tonight and Saturday to avoid a Game 5 on Sunday night.

PENTAGON: TROOPS COULD BE LEFT IN SYRIA - The White House is considering options for leaving about 500 U.S. troops in northeast Syria and for sending dozens of battle tanks and other equipment, officials said Thursday, the latest in an array of scenarios following President Trump's decision this month to remove all troops there ([Wall Street Journal](#)). The options, presented by military officials, would represent a reversal from the American withdrawal Mr. Trump wanted. It also would modify U.S. objectives—from countering Islamic State extremists to also safeguarding oil fields in eastern Syria with additional troops and new military capability.

JUSTICE: BARR'S RUSSIA PROBE TURNS CRIMINAL - Attorney General William Barr's expanding review of the Russia probe has evolved into a criminal investigation, according to a person familiar with the matter, giving a federal prosecutor who is leading the inquiry the ability to subpoena witnesses and use a grand jury ([Wall Street Journal](#)). It couldn't immediately be determined what prompted the change nor what evidence of a crime Mr. Barr and the federal prosecutor leading the probe, John Durham, may have found. When the inquiry was announced in May, Justice Department officials described it as a review that could prompt changes to counterintelligence investigations of political campaigns.

JUSTICE: SUIT FILED OVER BARR NOTRE DAME SPEECH - A large online Christian group has filed a complaint against U.S. Attorney General William Barr over his recent speech at the University of Notre Dame Law School ([Indiana Public Media](#)). Barr spoke to a closed group of Notre Dame law students on October 11th. The non-profit group, Faithful America, filed a complaint with the U.S. Department of Justice saying Barr's speech violated his oath to uphold the constitution. Barr's speech was reportedly on 'religious liberty.' In it, he blamed secularism for societal problems. Faithful America says the speech is a clear violation of the first amendment's ban on an establishment of religion. The group also filed a petition with more than 13-thousand of its member's signatures.

DOE: JUDGE HOLDS SEC. DeVOS IN CONTEMPT - A federal judge on Thursday held Education Secretary Betsy DeVos in contempt of court and imposed a \$100,000 fine for violating an order to stop collecting on the student loans owed by students of a defunct for-profit college ([Politico](#)). The exceedingly rare judicial rebuke of a Cabinet secretary came after the Trump administration was forced to admit to the court earlier this year that it erroneously collected on the loans of some 16,000 borrowers who attended Corinthian Colleges despite being ordered to stop doing so. U.S. Magistrate Judge Sallie Kim wrote that 'the evidence shows only minimal efforts to comply with the preliminary injunction' she issued in May 2018 ordering the Education Department to halt its collection of the loans.

AUTOS: SUBARU ISSUES 2 RECALLS - Subaru of America is issuing two recalls for more than 400,000 vehicles. The recalls cover as many as 466,205 late-model Imprezas and Crosstreks, Subaru said in a statement to the National Highway Traffic and Safety Information Administration ([CNN](#)). The first recall impacts 2017-2019 Imprezas and 2018-2019 Crosstreks, and relates to the engine. Power may continue to the ignition after the engine is shut off, which could result in a short circuit and blown fuse, Subaru said. This defect can result in a higher risk of crash if the short circuit happens while the car is in use. The second recall pertains to 2017-2019 Imprezas but only 2018 Crosstrek vehicles, Subaru said. These vehicles are equipped with Positive Crankcase Ventilation valves that may come apart and cause debris to fall into the engine. This can result in loss of power while the vehicle is in operation, which can increase the risk of an accident.

AUTOS: FORD PROFITS DOWN 57% - Ford profits fell 57% to \$425 million in the third quarter, down from \$991 million a year ago. The Dearborn, Michigan-based automaker, one of the largest industrial employers in the Calumet Region, earned just 11 cents per share as compared to 25 cents per share a year earlier (Pete, [NWI Times](#)). Ford said it now expects to make an annual profit of \$6.5 billion to \$7 billion, as compared to \$7 billion last year. The automaker, which operates the Chicago Assembly Plant in Hegewisch and the Chicago Stamping Plant in Chicago Heights, had previously forecast it would bring in a net income of \$7 billion to \$7.5 billion this year.

MEDIA: SUNDAY TALK - NBC "Meet the Press": Panel: Lanhee Chen, Jeh Johnson, Andrea Mitchell and Amy Walter.
"Fox News Sunday": Rep. Eric Swalwell (D-Calif.). Panel: Ben Domenech, Jonathan Swan, Gillian Turner and Mo Elleithe.
ABC "This Week": House Intelligence Chairman Adam Schiff (D-Calif.). Panel: Chris Christie, Matthew Dowd, Susan Glasser

and Yvette Simpson. **CBS "Face the Nation"**: Sen. Amy Klobuchar (D-Minn.) ... Trey Gowdy ... Susan Rice. Panel: Jamelle Bouie, Nancy Cordes, Jonah Goldberg and Olivia Nuzzi. **CNN "State of the Union"**: Panel: Rep. Karen Bass (D-Calif.), Rick Santorum, Jennifer Psaki and Mike Rogers. **CNN "Inside Politics"**: Heather Caygle, Toluse Olorunnipa, Catherine Lucey and Lisa Lerer.

NEW YORK: DeBLASIO SAYS TRUMP WOULD BE ARRESTED IF HE SHOT SOMEONE - President Donald Trump will get arrested if he shoots someone in the middle of Fifth Avenue — despite his lawyer's claims to the contrary, Mayor Bill de Blasio and the NYPD said Thursday ([Politico](#)). "If anybody shoots someone, they get arrested. I don't care if they're the president of the United States or anybody else," de Blasio told reporters during an unrelated press conference in Manhattan. "If you shoot someone, you should get arrested, and we would arrest him."

SPORTS: CUBS HIRE ROSS AS MANAGER - The Chicago Cubs hired former catcher David Ross to replace Joe Maddon as their manager Thursday, hoping he can help them get back to the playoffs after missing out for the first since 2014 ([AP](#)). The Cubs announced a three-year deal with Ross with a club option for the 2023 season. He becomes the 55th manager in club history. The 42-year-old Ross played the final two of his 15 major league seasons with the Cubs and was a revered leader on the 2016 team that won the World Series, ending a championship drought dating to 1908. "I'm honored by this opportunity to be the next manager of the Chicago Cubs," Ross said in a statement. "My time with this organization has been special since the day I joined, so to continue with the club in this role is a blessing for which I'm so very thankful."

SPORTS: ASTROS FIRE ASSISTANT GM FOR COMMENTS - The Houston Astros on Thursday fired the team official who directed offensive, vulgar comments toward female reporters during the celebration of the team's American League Championship Series victory five days earlier. In both a statement and a news conference at Nationals Park, on the travel day between Games 2 and 3 of the World Series, the team apologized to the reporters and acknowledged it mishandled the incident ([Washington Post](#)). Assistant general manager Brandon Taubman was terminated for his actions after Saturday night's win over the Yankees, when he yelled in the direction of the female reporters who were covering the Astros' celebration, "Thank God we got Osuna! I'm so [expletive] glad we got Osuna!" — references to Astros closer Roberto Osuna, who was acquired in a trade in 2018 after being suspended for violating baseball's domestic violence policy.

Local

HAMMOND: COUNCIL CANDIDACY CHALLENGED - Republican Hammond City Council candidate Charles Kallas is making a last-ditch effort to bounce from the ballot one of the three Democrats running for three at-large council seats, which would ensure Kallas is elected regardless of what voters decide (Carden, [NWI Times](#)). On Thursday, Kallas asked Lake Superior Judge Bruce Parent to order the Lake County Board of Elections and Voter Registration to disqualify Democrat Katrina Alexander as a candidate and to reject all votes cast for her at the Nov. 5 general election. Kallas, who is the sole Republican council candidate, claimed Alexander should be removed from the ballot because she submitted an invalid financial disclosure form with her Feb. 7 declaration of candidacy that omitted Alexander's ownership of a photography business she started in 2009.

FORT WAYNE: CIB EXTENDS ELECTRIC WORKS DEADLINE - The Allen County-Fort Wayne Capital Improvement board this morning voted unanimously to again extend the timeline for the Electric Works project (Rodriguez, [Fort Wayne Journal Gazette](#)). The board is a major contributor of public funds for the approximately \$250 million redevelopment of the former General Electric campus south of downtown. However, one member, long-time Fort Wayne developer Don Steininger, abstained from the vote because of what he called a "lack of transparency" by the developers. "I cannot vote to support the project at the expense of other worthy projects that will take place in the next 25 years," Steininger said in a statement.

FORT WAYNE: HENRY COMMENTS ON ELECTRIC WORKS EXTENSION - Statement from Mayor Tom Henry on Electric Works project (*Howey Politics Indiana*): "I was encouraged by today's vote by the Allen County Fort Wayne Capital Improvement Board of Managers (CIB) to approve an extension to the economic development agreement for the Electric Works project. I appreciate the CIB's partnership. This follows the Fort Wayne Redevelopment Commission's recent action to approve the extension. This will allow for additional time for RTM Ventures to finalize private financing and secure tenants. Successful public-private partnerships are complex and take time, but they're critical to advancing our community and region as a point of destination for job and business growth, strong neighborhoods and attractive quality of life amenities. I want to see Electric Works succeed and positive progress is being made. The public financing bodies involved in this project are committed and engaged partners with the Electric Works development team as the process continues to move forward. The local public financing entities have worked collaboratively to secure the necessary public funding of \$65 million for the project. That funding is in place and will be released when all conditions of the economic development agreement are met and closing occurs."

SOUTH BEND: COUNCIL TO CONTINUE TO PURSUE PD TAPES - The Common Council, at least for the near future, will stay the course in its seven-year legal pursuit to have the South Bend police tapes released, the council's attorney said Thursday ([South Bend Tribune](#)). "I don't think there will be any attempt to stop the litigation," said attorney Robert Palmer.

In recent weeks, council members had privately debated the idea of dropping the lawsuit if they could verify from other sources what exactly is on the tapes. In executive session meetings, including one on Wednesday, Palmer presented council members with an alternative to continuing the court case: use their city government subpoena power to see whether a former police department employee would verify the accuracy of a website's reporting that it had obtained her written description of recordings of officers making racial slurs and talking about illegal activities.

KNIGHTSTOWN: PD CHIEF ON LEAVE; PICKING UP TRASH - Why is the Knightstown Police Chief picking up trash on the side of the road wearing a baseball cap and jeans? "Because they are paying me to be off work and I don't think that's right, so I am earning the taxpayers' money," said Chief Chris Newkirk ([CBS4](#)). The town council decided to put Newkirk on paid administrative leave last Thursday night. He said he didn't know it was happening until he showed up to the station and they were changing the locks. "I honestly have no idea where they got their information, what their information is, or what their concerns are, it was never expressed to me," said Newkirk. He said the council told him it had to do with his medical condition, and he will need to pass a fitness test to return.

INDIANAPOLIS: INDY RED LINE CLAIMS 230K RIDERS - Riders along the Red Line boarded the route 230,651 times in the month of September, and total system ridership was up thirty percent over last month (*Howey Politics Indiana*). In an effort to continuously improve Red Line reliability, schedule adjustments and additional layover time at both ends of the rapid portion of the route are being incorporated to improve on-time performance. With the new route changes in effect Sunday, October 27, Red Line buses will continue service north of the 66th Street Station to 96th Street and south of the University Station to Greenwood Park Mall. These north and south extensions will travel on a 20-minute frequency, and passengers are encouraged to look at the destination signs on the front of the bus when traveling beyond 66th Street and University stations. Last month, the Board of Directors approved an extension of free fares through Sunday, November 10 due to delays in full functionality of MyKey fare vending machines. Fare collection is still expected to begin on Monday, November 11.

NOBLESVILLE: BASKETBALL HALL OF FAME DIES IN FARM ACCIDENT - A former basketball standout, and a member of the Indiana Basketball Hall of Fame, was killed in an accident on a Hamilton County farm, according to the Hamilton County Sheriff's Office ([WIBC](#)). Just after 7:30 p.m. on Wednesday, deputies responded to a field in the area of 274th Street and Ott Road for a report of a fatal accident. After arriving on the scene, deputies learned that a farmer was working in his soybean field and slowed down in order to turn a corner as Tony Etchison of Arcadia attempted to climb aboard the combine. However, Etchison fell and was run over by the farming equipment. Etchison was pronounced dead on the scene. Etchison was a Noblesville High School basketball standout, leading the Millers to three straight sectional titles in 1989, 1990 and 1991. He was also inducted into the Indiana Basketball Hall of Fame in 2016.

LAKE STATION: WATER SYSTEM SOLD TO AMERICAN WATER - The City of Lake Station in northwest Indiana sold its drinking water system to Indiana American Water for more than \$20 million. It's one of more than a dozen water and wastewater systems the company has acquired around the state in the past decade (Thiele, *Indiana Public Media*). City attorney Michael Deppe says the sale will allow Lake Station to pay off millions of dollars of debt and help the city pay for costly repairs to its aging infrastructure — like fixing water main breaks. "Every time we have something that's dramatic, naturally it's the water customers that have to pay for it," he says. "Well, this way if something does happen, you know, it would be spread out throughout all of American Water's customers."

HOWARD COUNTY: 10 OVERDOSE DEATHS IN 3RD QUARTER - Howard County experienced 10 overdose deaths in the year's third quarter, Coroner Steven Seele announced Thursday (Myers, [Kokomo Tribune](#)). That means the county had 28 overdose deaths through the first nine months of the year, putting it on a higher pace than last year but below the pace of 2017, the deadliest year on record for overdoses in Howard County. Seele, who publicly announces death totals after each quarter, said that of the 10 overdoses cases, eight were the result of opiate abuse between July 1 and Sept. 30. Two of the opiate cases involved heroin, while five involved Fentanyl.

PORTER COUNTY: EMPLOYEES TO GET 3% RAISE - Porter County government workers will receive a 3% increase in pay under the newly adopted 2020 budget. The \$41.7 million budget was unanimously approved recently by the Porter County Council ([NWI Times](#)). The pay increase for county government's 550 full-time employees follows a 4% wage hike awarded last year. Council President Dan Whitten said the increases make up for previous years when employees saw little, if any, increase on their paychecks due to county financial difficulties. "Now, the county is solvent," he said. "We're strong. We've been playing a little catch up the past few years."

P.E. MacAllister, businessman and civic leader, dies at 101

October 24, 2019 | [Samm Quinn](#)

KEYWORDS **CITY GOVERNMENT**



P.E. MacAllister (IBJ file photo)

Pershing Edwin MacAllister, an Indianapolis businessman and vastly influential civic leader and figure in local Republican politics, died Wednesday.

He was 101 years old.

Preferring to be known by the initials P.E., MacAllister helped build Indianapolis-based family business MacAllister Machinery Co. into a regional powerhouse. He also worked behind the scenes in a wide variety of capacities during the

city's resurgence that began in the 1960s.

He served in top positions on the election campaigns of Mayor Richard Lugar and Mayor Bill Hudnut, as well as on a myriad of corporate, civic and government boards. He played a key role in developing the Hoosier Dome as a member of the Marion County Capital Improvement Board, and founded the Indianapolis Parks Foundation.

"The greatness of P.E. is that he was not one thing, he was many things," Mayor Joe Hogsett said Thursday in a media statement. "A veteran, a businessman, a civic leader, and a philanthropist—his impact on our community cannot be overstated. Over the course of P.E.'s life, our city rapidly evolved and much of the vibrancy we enjoy today is a direct reflection of P.E.'s generosity and vision."

Vice President and former Indiana Gov. Mike Pence called him a "titanic figure" in Indiana politics.

"He wasn't just a mentor to me but was a mentor to an entire generation of great conservative leaders," Pence said in a prepared statement. "P.E.'s true memorial is a strong and vibrant city of Indianapolis."

MacAllister, who served as chairman of MacAllister Machinery Co., was born Aug. 30, 1918, in Oconto, Wisconsin, to Edwin W. and Hilda MacAllister. He grew up during the Great Depression and graduated from Carroll College in 1940 with intentions of becoming a teacher. He then enlisted in the U.S. Army Air Force.

He "washed out" of flight school and became an armament officer, responsible for arming a squadron of P-38 fighters. He was stationed in England, North Africa and Italy, where

he finished his service with the rank of captain.

In June 1945, he began working for his father at MacAllister Tractor Co., the Allis Chalmers Caterpillar dealer for much of the state at that time, according to the Indiana Historical Society. He worked his way up in the company, beginning his career packing parts and moving on to working as a mechanic and later a salesman.

When his father became ill in 1951, P.E. and his brother, Dave, took over MacAllister Machinery, according to his obituary.

The brothers ran the business for 30 years before P.E.'s son, Chris, assumed control in 1991. P.E. remained chairman, and the business grew to employ 2,500 people.

"P.E. continued to report for work every day, keeping in touch with customers, employees, Caterpillar, and the financial results," his obituary states. "Not many can brag about 74 years of service to their employer."

In 1967, he ventured into politics when former U.S. Sen. Richard Lugar ran for Indianapolis mayor. MacAllister served as his campaign treasurer for both his first campaign and his re-election campaign in 1971. He also was campaign chairman for former Mayor Bill Hudnut four times.

"Usually behind the scenes and with little interest in holding office himself, P.E. set about improving the process, structure, candidates, and quality of local government," his obituary states.

He founded the Greater Indianapolis Republican Finance Committee and The Chairman's Club—the fundraising arms for city/county races.

One of his proudest accomplishments was staging the Conference on Cities, an international symposium on urban problems in collaboration with NATO, which was held in Indianapolis in May 1971.

He served on Capital Improvement Board for 17 years, including time as its president, and helped to construct the Indiana Convention Center and the Hoosier Dome.

"P.E. MacAllister was a cherished friend, and inspirational mentor to so many young leaders," Indiana House Speaker Brian Bosma said in a prepared statement. "He was one of the principal architects of the renaissance of our capital city. He also left a giant mark in both industry and philanthropy—a legend of his time."

He donated to hundreds of charitable and civic institutions, to politicians, to Little League teams, his alma mater and his church, Northminster Presbyterian Church.

Never one for fancy cars, expensive hobbies or flashy jewelry, he lived modestly in the same house for 58 years, according to his obituary.

He also was an ardent patron of the arts, including serving as president of the Indianapolis Opera Company and as a board member of the Indiana State Symphony

Society. He also was vice chair of the Edyvean Repertory Theatre Board and a member of the President's Advisory Committee on the Arts.

He earned countless awards and honors over his career, including the state's highest honor, the Sachem, in 2014, and the Sagamore of the Wabash, which he was given by five different Indiana governors, including current Gov. Eric Holcomb.

"Even though P.E. lived until the incredible age of 101, Janet and I were crushed to hear of his passing," Holcomb said in a prepared statement Thursday. "I'm thankful for the impact this veteran, educator, corporate titan and all-around Renaissance man left on Hoosiers and the world. He was a man of deep faith and compassion with a heart for Indiana."

He is survived by daughters Laurie and Sandy and son Chris, plus his grandchildren. Two wives, Rebecca Cochran and Fran Downing, who he married on his 85th birthday in 2003, preceded him in death.

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John McDonald: Let's change our frame of mind about college degrees

October 25, 2019 | [John McDonald](#)

KEYWORDS



I'd like to invite you to look at the world slightly differently.

You've been told that, if your children don't attend a four-year college and get a degree, indebting them by \$29,000 or more (the average in Indiana), you or they are somehow a "loser."

That's a lie.

Bill Gates from Microsoft, Michael Dell from Dell Computer and Steve Jobs from Apple. None of them earned a college degree.

They are not alone. Famous founders Jan Koum (WhatsApp), Travis Kalanick (Uber), both Dustin Moskovitz and Mark Zuckerberg (Facebook), both Evan Williams and Jack Dorsey (Twitter), and even Hiroshi Yamauchi—who transformed Nintendo from a card-making company into a video game giant—don't have college degrees, either. A college degree never was and still isn't required to be a technologist.

There are many professions where a college degree is really needed (doctors, lawyers, etc.). And, I can't think of a single profession that isn't enhanced by a college degree. But to require it? Not in my line of work. Software development, cybersecurity—indeed a whole range of job roles in technology—are now more like technical trades than they are degree programs, something like the plumbers and electricians of the digital economy.

As parents, we need to demand of our high schools that all the pathways to success are arrayed in front of our children, especially technical trades.

Look to Eleven Fifty Academy, driven by technology pioneer Scott Jones, as a fast and low-cost way to a paying job in coding or cybersecurity. Look to Kenzie Academy, led by repatriated Hoosier Chok Ooi, as a way into the tech industry by financing your skills through a rebate to the academy after you've landed a job at a high salary through the program that helped you get there.

Look to innovators like Kevin Berkopes at Crossroads Education, innovators who are changing how companies get access to skills like machine learning through employing students to tackle the meatiest analytics problems of our age. Look to Don Wettrick at the StartEdUp Foundation, who has taught many waves of students how to survive and thrive in the economy of personal initiative, where everyone is an entrepreneur. Look to Mike

Langellier and the team at TechPoint, who are recruiting and placing high school students in important internship roles across our state to drive technology forward.

Change has come even to our traditional universities. Look to fantastic programs like the Cybersecurity Academy offered by Ivy Tech Community College Columbus at the Muscatatuck Urban Warfare Center. Look to Bryan Ritchie at the IDEA Center at the University of Notre Dame for how Hoosier students can be enabled to take their ideas to market. Look to Purdue Polytechnic, enabled by Head of School Scott Bess, Dean Gary Bertoline and President Mitch Daniels, who are renovating the idea of a technology education by opening their program to self-direction—to involvement with companies like mine, ClearObject, to directly hire and engage students.

These efforts not only are the future of technology education, but also will ensure that Indiana businesses survive and thrive in the digital economy. These people “get it.”

I realize these words are challenging and threatening to the status quo. But our children know already that the skills they are being taught are no longer relevant for the digital economy. Skills of the future are learned on demand, in the context of students’ daily lives, and applied directly to “moving the needle” at organizations that can connect their abilities to customer needs without delay.

We can become a “brain engine” that fuels the future of our state, the Midwest and our country. But we must shed the idea that the only way to succeed is a four-year degree and return to placing value on technical trade education as a valid, parallel, even preferred career path. •

McDonald is the CEO of Fishers-based ClearObject and chairman of the Indiana Technology and Innovation Policy Committee. Send comments to ibjedit@ibj.com.

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Claire Fiddian-Green: Don't forget about the significant dangers of cigarettes

October 25, 2019 | [Claire Fiddian-Green](#)

KEYWORDS



Recent headlines about a mysterious vaping-related lung illness that has resulted in the deaths of at least 26 people in 21 states—including three in Indiana—have riveted the nation. To date, 1,299 cases have been reported of lung injury associated with the use of e-cigarette products.

The CDC has still not determined the cause(s) of this illness, which appears to be associated with both THC- and nicotine-containing products; the agency's current guidance is to avoid e-cigarette use. Adults who have switched from combustible (i.e., traditional) cigarettes to vaping in an effort to make a healthier choice are encouraged to try evidence-based treatments, such as nicotine replacement therapy, in order to quit altogether.

Especially worrisome is the rapidly rising rate of youth vaping. A recent survey shows e-cigarette use among Indiana high schoolers increased more than 380% from 2012 to 2018. What's particularly troubling is that many students inaccurately believe vaping is not harmful. And in yet another sign of the enormous power of social media to influence people's beliefs, Congress is currently investigating whether millions of bot-generated social media posts have been misleading young people about the safety of nicotine and e-cigarettes.

While we must continue our efforts to address youth vaping, we can't forget about the far more deadly consequences of smoking. This is especially critical given strong evidence showing children and adolescents who vape are significantly more likely to go on to use traditional cigarettes.

Nearly 22% of Hoosier adults smoke, and every year more than 12,500 Hoosiers die from smoking-related diseases. A key point is that nearly nine out of 10 adult smokers started smoking by the age of 18—that's why the spike in youth vaping, and the link between vaping and combustible cigarettes, is so alarming.

And the bad news surrounding tobacco use continues. America's Health Rankings just released a report showing Indiana ranks 35th out of 50 states for the health of Hoosier women and children. The data tell a troubling story: Indiana ranks 48th in the country for maternal mortality and 43rd for infant mortality. Perhaps to no surprise, smoking is a key contributor to both maternal and infant mortality. In fact, Indiana ranks 42nd nationwide for

tobacco use during pregnancy and 43rd for the percentage of children who live in households where smoking occurs.

Tobacco use also costs taxpayers. For example, a recent study examining Hoosiers on Medicaid found smokers have 51% higher monthly Medicaid expenditures than non-smokers, which translates into \$540 million in smoking-attributable health expenditures annually. Just imagine what wish-list items the state budget could fund if we didn't incur the state-level portion of these annual smoking-related expenses.

The solutions to Indiana's high adult smoking rate and youth e-cigarette crisis are clear and backed by strong evidence.

First, years of data from across the United States show that when the price of nicotine-containing products increases, consumption decreases. This is particularly true for the most price-sensitive individuals, including young people.

Second, raising the minimum legal age to purchase tobacco and e-cigarette devices to 21 would make it harder for young people to buy vaping products and cigarettes. Younger students who vape or smoke explain how easy it is to access vaping products or cigarettes from students who are 18 and older.

As we focus on the youth vaping crisis, let's not forget about the significant dangers of smoking. A comprehensive approach to ending nicotine use in Indiana must address both e-cigarette and traditional cigarette use. •

Fiddian-Green is president and CEO of the Richard M. Fairbanks Foundation and a former adviser to then-Gov. Mike Pence on education issues.

Send comments to ibjedit@ibj.com.

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Una Osili: U.S. should focus more resources on maternal health

October 25, 2019 | [Una Osili](#)

KEYWORDS



I grew up in Nigeria. As a young child, I witnessed firsthand the tragic effects of maternal mortality.

Nigeria has one of the highest maternal mortality rates in the world. When I was 6 years old, our healthy neighbor went to the hospital to deliver a baby. She never returned home. We were shocked to learn that she died tragically while giving birth in a hospital.

The death of any human being is a tragedy. But when that person is also a mother, the far-reaching loss imposes enormous costs and intergenerational impacts on families and communities.

Given advances in health care, deaths related to pregnancy are unacceptable. I was alarmed to learn from America's Health Rankings that Indiana ranks third in the nation for maternal mortality.

Indiana's maternal mortality rate is 50.2 of 100,000 live births. The rate of life-threatening complications for new mothers in the United States has more than doubled in two decades. This increase can be explained by several complex factors, including unequal access to care.

Looking more closely at the data, maternal mortality rates for black women are consistently three to four times higher than for white women. This racial disparity in maternal mortality affects women of all income groups. Serena Williams and Beyonce made this clear by sharing their frightening childbirth stories.

The hard truth is that more American women—of all races—are dying of pregnancy-related complications than in any other developed country. The United States is one of the few countries where the rate of women who die during childbirth is higher than in any other developed country. According to professor Neel Shah of Harvard Medical School, African American women are 50% more likely to die in childbirth than were their mothers.

Reports emphasize that maternal deaths are often preventable since they are often the result of gaps in health care provision and systems, social support and information.

Here in Indiana, health care practitioners are raising alarms as they point to the lack of maternity health wards and a shortage of obstetricians.

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medical practitioners. Improving maternal mortality rates here in Indiana will require updating facilities to include the appropriate technology, equipment and experienced personnel.

Currently, federal and state funding data show only 6% of block grants for “maternal and child health” are directed toward the health of mothers. Policymakers in Indiana can do more by tracking maternal mortality so that delays in lifesaving care and maternity ward deserts can be addressed.

In addition to grants, there is much we can do to expand the support for pregnant women and new mothers. An emphasis on maternal health will require addressing women’s health before pregnancy.

To date, far too few philanthropic dollars have been focused on maternal health. A new report—the Women & Girls Index: Measuring Giving to Women’s and Girls’ Causes—quantifies charitable donations to organizations in the United States dedicated to women and girls.

The report finds that organizations focusing on women and girls received only 1.6% of all donations made that year.

Although women’s and girls’ organizations that focus on women’s health receive the largest share of philanthropic support (\$1.2 billion in 2016), maternal health has not yet attracted funding.

It comes down to this: We all must expand efforts to address maternal health. We must close the gaps in health care access. Such a goal will require the commitment of government, health care professionals, policymakers, parents, friends, neighbors and colleagues—in other words, all of us. •

Osili is professor of economics and associate dean for research and international programs at Indiana University Lilly Family School of Philanthropy.
Send comments to ibjedit@ibj.com.

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Ed DeLaney: Time to check on the turkey

October 25, 2019 | [Ed DeLaney](#) / Special to IBJ

KEYWORDS



I am very much an observer when it comes to holiday cooking. But I do get asked to check on the turkey from time to time. Even the best bird is ruined if overcooked because of neglect. Well, it is time to look into the oven and see what the state's property tax caps have done to public education funding and what can be done to compensate for any shortfall.

The bad news is that the tax caps have hurt the 93% of our kids in traditional public schools. The good news is that state government is in a position to help.

The General Assembly rightly responded to the firestorm over escalating property tax rates that festered for years and reached a crescendo about 15 years ago. The solution promised a grand bargain: The state would cap property taxes at 1% of assessed value for homeowners but would take on the full cost of operating schools. Buses and buildings would still be paid out of local property taxes. The sales tax rate went up in turn.

A number of legislators warned that this bargain needed to be watched, that adjustments would be needed. Just like the family holiday turkey might need to be turned.

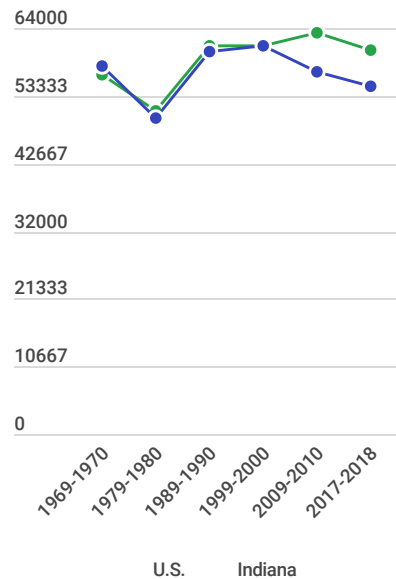
What has been the result? School districts do not have enough money to support our teachers. Indiana teaching professionals are in the bottom ranks when it comes to increases in teacher pay since 1999. As the chart shows, we were average in teacher pay for decades, but the Great Recession and the complete Republican takeover of state government in 2010 have ended that. Teacher pay is falling off a

So what is the Republican supermajority doing to help? The answer is looking through the glass door of the oven, rather than using a thermometer to check the temperature of the turkey.

It has tried two old-time techniques: fiddle around the edges and locals.

Average teacher salaries

in constant 2017-2018 dollars



Source: NCES 2018 Digest of Education Statistics

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PETER DUNN
PETE THE PLANNER

PETE THE PLANNER:
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First, lawmakers came up with a complex plan that would let some 290 school districts decide whether to share a modest pension saving with teachers. It will be hard to measure the impact, if any.

How are lawmakers passing the buck? We have fostered a growing last resort that lets districts hold referendums to raise tax money to boost teacher pay as well as buy buses, hire administrators and pay for school safety. Again, it will be hard to measure the impact. The citizens will often, but not always, respond positively. Districts with less in the way of property can choose to pay higher taxes or short-change their students. Meanwhile, legislators watch with arms folded across their chests.

By the way, the Legislature's fiddling isn't limited to the tiny help that came with the pension cost shift. Lawmakers have also gone negative by cutting the added support directed toward poorer students while raising the basic support given to all kids. Everyone is given a "choice," Republicans say. Move to a richer neighborhood if you can, or just live with shrinking support for your kids.

As a young man, I read the "Conscience of a Conservative," by Barry Goldwater. Years later, I got to cross-examine him in court. I remember one thing he said in his fight against a federal role in education. He asserted, correctly, that every state had enough money to support public education. What he didn't know was that Indiana would walk away from the responsibility that comes with having the means to act. •

DeLaney, an Indianapolis attorney, is a Democrat representing the 86th District in the Indiana House of Representatives. Send comments to ibjedit@ibj.com.

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Hill denies wrongdoing as his disciplinary hearing ends

 thestatehousefile.com/hill-denies-wrongdoing-disciplinary-hearing-ends/40175/

By Janet Williams

By Brandon Barger

TheStatehouseFile.com

INDIANAPOLIS—Attorney General Curtis Hill firmly denied charges Thursday that he groped and grabbed a lawmaker and three legislative staff members at a March 2018 party marking the end of the legislative session.

In calm, measured tones Hill testified that while he had a few drinks, he wasn't inebriated at the gathering at AJ's Lounge in Downtown Indianapolis and that his actions, while friendly, were not "rude, insolent or angry."

"I touched no one in a rude manner," Hill said.



Attorney General Curtis Hill at his disciplinary hearing earlier in the week. He testified Thursday and denied the allegations against him.

Photo by Brynna Sentel, TheStatehouseFile.com

Hill was the sole witness Thursday, the fourth and final day of his disciplinary hearing before retired Supreme Court Justice Myra Selby. Since Monday, she has presided in the paneled and ornate courtroom of the state Supreme Court over testimony – sometimes graphic, sometimes emotional – about what happened at that party.

The disciplinary commission has accused Hill of touching the women in a rude, insolent or angry manner. For three of the women, the touching constitutes misdemeanor battery for unwanted contact. He is accused of grabbing the hand of the fourth woman when she tried to push his hand away and then forcing it toward her buttocks, which amounts to a Level 6 felony.

Thursday was the first time that Hill publicly gave his account of night. He was briefly called to testify on Wednesday morning by the disciplinary commissions legal team to spell out the duties of the attorney general, but did not return to the witness table that afternoon.

So when the sun filtered through the Supreme Court's stained glass windows the next day, Hill strolled into the chamber and took his seat, ready to testify in his own defense.

Under questioning by Donald Lundberg, one of his three attorneys, Hill calmly denied each of the charges leveled against him.

No, he said, he didn't grab the buttocks of Rep. Mara Candelaria Reardon, D- Munster. Yes, he might have touched her bare back—she was wearing a backless dress—but he touched a lot of backs that night as he moved through the crowd.

No, he didn't touch the rear end of Republican legislative aide Niki DaSilva but believes she was one of the women he attempted to guide through the crowd to the bar.

No, he didn't tell Democrat legislative aide Samantha Lozano that "yes, you're hot," but instead agreed with her that it was hot in the bar, which was packed with more than 100 people.

And no, he didn't rub Democrat Senate staffer Gabrielle McLemore Brock's back and doesn't even remember meeting her.

During the questioning by Lundberg, Hill sat in the chair with his legs crossed, glasses in one hand, his voice never changing pitch or wavering.



Donald Lundberg, lawyer for Attorney General Curtis Hill in the disciplinary hearing. Photo by Brynna Sentel, TheStatehouseFile.com

Hill said he hadn't planned to go to the party until he met a friend, lobbyist and GOP political activist Tony Samuel, at the Capital Grille. He went with Samuel to a bar at St. Elmo's and then to the party at AJ's Lounge.

Through the night, Hill said, he had a glass of wine at the restaurant and bar, and at the party had a vodka martini that he "nursed" through the night plus a shot of Fireball whisky that he "sipped on."

However, Hill maintained that at no point during the night was he impaired.

Disciplinary commission attorney Seth Pruden focused much of his attention on email chains that included Hill, Samuel and others as they talked about how to rebut the allegations as they became public.

Hill said that just because he was on the email chain, doesn't mean that he read them.

However, he did respond "thank you, very enlightening" to one email chain with the subject line "Re: Background on disciplinary committee members."

In that email, Danny Diaz, a political consultant wrote: "Any objection to pitching story to conservative media that (Gov. Eric) Holcomb cronies and liberals are driving this?"

Though the hearing is concluded, a lengthy process ensues before Hill knows his fate. First, the court reporter will prepare a record of the hearing. Then both sides will prepare their own findings, a last chance to argue their sides to Selby. Selby will reach her conclusion but the final decision is made by the Indiana Supreme Court.

If they decide Hill was at fault, the justices could issue a punishment ranging from a public reprimand to stripping him of his license to practice law – a step that would preclude Hill from remaining as attorney general.

Brandon Barger is a reporter for TheStatehouseFile.com, a news website powered by Franklin College journalists.



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INDIANA EDUCATION INSIGHT

HS grades: Enroll, employ, enlist

Panel paints path to new A-F accountability model – sans grad rate

The School Accountability Panel voted 12-3 to approve recommendations for modifying the high school accountability matrix. The proposed changes will be considered by the General Assembly next year.

Just as graduation pathways affords students multiple avenues to obtaining a high school diploma, the proposed accountability model recognizes an array of postsecondary outcomes that allow schools to earn maximum points whether their students are enrolled, employed, or enlisted.

Schools would be judged on whether their students earn workforce certificates or industry-recognized credentials, enroll in higher education without needing remediation, are employed in an apprenticeship or comparable on-the-job training program, or enlist in the military.

The revised framework would also grade high schools based on their students' SAT or ACT scores, and schools would be penalized if a student completes fewer than three graduation pathways.

The panel also recommended the implementation of a performance dashboard for each high school that would display a minimum of seven indicators.

Schools, in conjunction with local stakeholders, would select four of the indicators – one each from the following four categories: (1) achievement and lifelong learning; (2) school climate, culture, resources, professional inputs, and working conditions; (3) career navigation and exploration; and (4) work, learn, and earn opportunities.

The other three indicators, as recommended by the panel, would apply to all high school: (1) the number of students earning the college-ready benchmark score on the high school statewide assessment; (2) the number of students employed at a competitive wage or participating in a work and learn experience; and (3) the number of students who serve in the military.

The panel, which by statute doesn't sunset until 2021, outlined several areas for further study. Those include the feasibility of integrating the dashboard elements into school accountability grades in the future; elementary and middle school accountability; flexibility in high school diploma course requirements; whether school dashboards should replace school improvement plans; and the feasibility of replacing the eighth grade ILEARN exam with an eighth grade exam provided by the same vendor as the statewide high school assessment.

Conspicuously absent from the proposed high school accountability framework: graduation rate and student growth.

Student proficiency on the SAT or ACT would be determined in a single test administration in the 11th grade. "We are saying a single administration," emphasized House Committee on Education Chair Bob Behning (R) of Indianapolis.

The high school test has in the past accounted for 30% of the letter grade – 15% via proficiency and 15% for growth. The new proposal maintains proficiency at 15% of the letter grade but drops the growth component.

For more, please see the following page . . .

Butler presses play on esports

New arena to mix competition, academics

Butler University announces that a state-of-the-art esports arena is currently under development on campus featuring 50 gaming PCs, an array of popular gaming consoles, and broadcasting production equipment for hosting and streaming live esports competitions and tournaments.

In addition to the Butler esports team that competes in the Big East occupying the new space, Butler officials plan to incorporate gaming into the wider university curriculum.

Future possibilities include scholarships, majors, and even degree programs.

"While competitive and recreational esports is a key driver of this new space, our vision is larger," touts Butler Vice President for Strategy and Innovation Melissa Beckwith. "Our goal is to create a space that will ultimately support curricular innovation, serve the K-12 community, and align with two of the city's economic engines – sports and technology."

The 7,500 square-foot esports hub is slated to open in Fall 2020. Partnerships with K-12, other universities, and professional sports teams are all in the works.

Cont. under "IN Higher Education," p. 8 ...

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"We said 'no growth' because we want to make sure we are not encouraging schools to become remediation factories," says Rep. Behning, who has served in the legislature since 1992.

A key objective for Byron Ernest, chair of the accountability panel, was reducing the emphasis on testing. He also chaired the graduation pathways panel, which you'll recall, precipitated the demise of the graduation qualifying exam so that rather than being stuck in an demoralizing cycle of remediation, students now have an array of opportunities to participate in more fulfilling pursuits, such as career-technical education, that lead to a high school diploma.

At the accountability panel's final meeting October 22, Dr. Ernest (the 2010 Indiana teacher of the year) professed that he would be "uncomfortable with putting growth back in if that means the test becomes 30% of the grade again."

State Board of Education Chair B.J. Watts (a teacher, coach, and administrator in the Evansville Vanderburgh School Corporation), contended that education is all about moving students "from A to B," but he agreed: "I don't want to get back to 30%."

Anyway, using a college entrance exam to measure growth during high school isn't technically possible, at least not today, conceded Indiana Higher Education Commissioner Teresa Lubbers. But she supposed that for most if not all schools, "the growth they make is important to them." Perry Township Schools Superintendent Pat Mapes (a former teacher and basketball coach) affirmed that "growth is very important to us," and asserted that "we don't have a growth factor for any of these tests at this time, but I want to have flexibility later on if the decision is made to look at growth from an eighth grade test to an 11th grade test."

As to grading high schools on whether students complete at least three graduation pathways, Senate Committee on Education and Career Development Chair Jeff Raatz (R) of Richmond posited that multiple pathways are essential in today's economy given the growing number of occupations that are or could be rendered obsolete by automation and artificial intelligence. B.J. Watts conveyed the concern that the three-or-more target could incentivize schools "to push students to take pathways that they have no interest in."

For full credit on the SAT/ACT indicator, a school would have to match the state average for the percentage of students who achieve the college- and career-ready (CCR) benchmark, but Commissioner Lubbers advocated for setting the bar higher.

With about 60-65% of students going on to higher education, Indiana would be sending a mixed signal by awarding maximum points to a school where the percentage of students that achieved the CCR benchmark only equaled the state average, warned Commissioner Lubbers, a former chair of the Senate Committee on Education and Career Development. The state average pass rate on the tenth grade ISTEP is a measly 30 percent.

As for removing the high school graduation rate from the accountability formula, Rep. Behning lamented that the grad rate calculation is highly susceptible to being gamed and that he has lost faith in its value.

He decried the large numbers of students who exit high school during the second semester of their senior year purportedly to enroll in homeschool (or virtual school). "These students are hugely deficient in terms of the number of credits they need for a high school diploma. I'm trying to do what's best for kids," said Rep. Behning.

Several others advocated for restoring the graduation rate as an accountability indicator, including Watts, who said he agreed that the homeschool loophole is a problem, but "I don't think the accountability rule is the place to address that." Rep. Behning replied, "The accountability rule *is* the reason they are doing that." The credibility of high school graduation rates has also suffered from credit recovery scandals.

The three panel votes against the final report: Superintendent Mapes (appointed to the panel by the Senate), Watts (appointed to the panel by the Governor), and Southport High School Principal Brian Knight.

Rep. Behning described the final recommendations as an aspirational system to push and motivate our schools.

IN Elementary & Secondary Ed

IN General . . .

- Crawfordville-based Equitable Education Solutions registers a federal trademark for K12BOOST.
- The Indiana State Police sends a memo to schools addressing the nationwide recall of more than 50,000 Thomas Built school buses. The memo reassures officials that, "The affected buses are still safe to use." ISP adds that "Kerlin Bus Sales will contact the owners of the affected buses directly once they have established a repair procedure." The National Highway Traffic Safety Administration found that the SynTec seat backs on certain models may have been built with styrene blocks that do not comply with federal safety standards due to a lack of sufficient impact absorption.
- Indiana State School Bus Drivers Association President Ron Chew and his wife, Linda Chew, spend \$101,000 of their own money to purchase a new school bus with special safety equipment - LED lighting, seat belts and a stop arm camera - during National School Bus Safety Week to benefit Henry County schools for which they drive contracted routes. Ron Chew is in his 40th year of driving; Linda is in year 37.
- Indiana Grown sets a Halloween release date for the updated version of its comprehensive buyer's guide and directory targeted to food service directors to help schools find and source school-ready products for the lunchroom grown or raised by local farmers.

IN Administration . . .

- A special investigation report of the Greenfield-Central Community School Corporation conducted by the State Board of Accounts requests that former business manager Anthony Zurwell, former associate superintendent Ann Vail, and former human resources director Christina Hilton reimburse the district a total of \$651,833 for contract overpayments and under-withheld insurance premiums spanning 2010 to 2018.

□ Zurwell was responsible for computing employee salaries as part of his official duties, but the district exercised no effective oversight or review of the calculations to ensure that the correct amounts were paid and withheld, according to the State Board of Accounts.

□ Greenfield-Central has since simplified the language of all district level administrator contracts so that salary and wages are clearly stated. The district has also instituted a series of internal controls to ensure that no single person can manipulate contract compensation.

● District consolidation talks between the Northeastern Wayne School Corporation and Western Wayne Schools are “apparently now dead,” reports the *Richmond Palladium-Item*.

● Culver Community Schools Corporation earns an energy efficiency rebate of \$43,403.35 from NIPSCO, Lockheed, and Trane from a \$500,000 investment in new LED panel lighting at Culver Senior/Middle School this Summer.

● A member of the Evansville Vanderburgh School Corporation Board of Trustees asked the Indiana Public Access Counselor whether the EVSC board properly complied with the Open Door Law when it met in executive sessions on August 12 and August 26 to discuss changing the board’s approach to accepting public comment. In Informal Inquiry 19-INF-17, Public Access Counselor Luke Britt responds that the public comment policy and procedure is not an allowable topic for an executive session.

□ EVSC Board member Ann Ennis also noted that trustees meet in executive session for two hours before every regular meeting, resulting in more time spent in Executive Session per year than in the public Regular Meeting. “This office consistently advises governing bodies to use executive sessions sparingly,” responded Britt, who wrote that an executive session “likely should not be held before every meeting of the board or exist as a standing meeting on the board’s schedule unless extraordinary circumstances apply.”

IN Contracts & Compensation . . .

● Teachers in the Noblesville Schools will see an average 9.75% salary boost for 2019-2020 and a 4.15% average increase for the 2020-2021 school year – the most generous teacher pay hike here in more than 40 years. The passage of the November 2018 referendum established funds specifically earmarked for teacher compensation, and the district also spent 100% of the estimated savings from the recently reduced state pension obligation.

● Teachers in the Northeast Dubois County School Corporation will have \$2,000 added to their base salary in each year of the two-year collective bargaining agreement.

● The Fort Wayne Community Schools Board of School Trustees approves a two-year agreement with the Fort Wayne Education Association to increase teacher salaries by 2.5% in the 2019-2020 school year and 1.5% in the 2020-2021 school year. In addition, teachers rated effective or highly effective will advance one row on the salary schedule, which provides a \$1,175 increase.

□ The new contract includes a two-year pilot to pay teachers for classroom coverage to help manage the substitute teacher shortage. Beginning October 1, teachers will receive \$50 for four hours of classroom coverage when they cover another classroom during a planning period or when principals place additional students in their classes due to the absence of another teacher.

● The Plymouth Community School Corporation adopts a collective bargaining agreement that increases the beginning teacher salary to \$37,000 and provides eligible teachers with a minimum salary increase of \$1,400.

● Richmond Community Schools teachers will see a base salary increase of \$3,000 for the 2019-20 school year, reportedly the largest raise for teachers in RCS history. The new two-year contract provides a \$500 base salary bump in the second year.

● The two-year contract between the Jasper Classroom Teachers Association and the Greater Jasper Consolidated School District increases the minimum teacher salary to \$40,000 and the maximum teacher salary to \$77,238.

● The Duneland School Corporation agrees to give teachers a \$3,000 salary increase in 2019-2020 and a \$2,500 increase in 2020-2021. Returning teachers will also receive a \$1,500 stipend in year one and a \$2,000 stipend in year two. Mentor teachers will again be paid \$200 per mentee per school year. The starting salary for bachelor’s degree holders with zero years of experience jumps to \$44,000.

● Administrators, teachers, and staff in the Middlebury Community Schools will receive a 2.0% base increase this year and next.

● The North Spencer County School Corporation agrees to provide a \$1,860 raise to teachers with a bachelor’s degree and a \$2,490 raise to teachers with a master’s degree.

● The new master contract in the Center Grove Community School Corporation provides a 2.35% across-the-board increase to the teacher salary schedule. However, teachers will see their health insurance premiums rise by nine percent.

● Hamilton Southeastern Schools Superintendent Allen Bourff sees his contract extended through June 30, 2021 on a 6-1 school board vote, with a 2.0% raise that will pay him an annual salary of \$189,702, retroactive to July 1, 2019. His 2018-19 incentive compensation was calculated at \$14,872.



IN Charter Schools . . .

- After Marian University was unable to begin serving as a charter school authorizer on the timeline that the turnaround schools needed, ReThink Forward resubmits its applications to the Indiana Charter School Board to convert Emma Donnan, Emmerich Manual, and Thomas Carr Howe into charter schools. The schools expect to continue to use the same facilities by taking advantage of the \$1 building law. Ownership of the facilities would remain with IPS.

- IPS has expressed concern that use of the facilities by a charter school might meet the federal tax law definition of “private business use,” which could violate the tax-exempt nature of existing IPS bond agreements.

- A new audit report by outside auditors submitted to the State Board of Accounts says that the shaky state of finances at the East Chicago Urban Enterprise Academy “could threaten the school’s ability to continue as a going concern.”

- The audit report through June 30 noted liabilities of \$665,335 – including \$308,000 to cover teacher payroll during the current academic year, but only \$128,531 in current assets – much of which was unavailable for disbursement – and only \$13,829 in cash on hand at the end of the 2019 fiscal year. The school has a history of struggling academically as well.

IN Non-Public Schools . . .

- Scecina Memorial High School in Indianapolis announces a \$6 million capital campaign for teacher salaries, 1:1 student technology, artificial turf football field, student activities field, weight room, chapel inside the school building, and a more vibrant, engaging, and hospitable front entrance.

- Big Shoulders, a Chicago-based organization that provides support and assistance to schools that primarily serve students from low-income backgrounds, expands into Northwest Indiana after receiving a \$16 million gift from the Bruce and Beth White Family Foundation. Big Shoulders will focus on the elementary schools and high schools in the Catholic Diocese of Gary by providing technology and curricular resources, instructional and data coaching, and student enrichment and summer programs.

- The organization will also seek to improve the long-term viability of the Catholic schools through student recruitment activities and expanded access to financial aid.

- Tim Scully, founder of the Alliance for Catholic Education, plans to retire in January from his role as director of the Institute for Educational Initiatives at the University of Notre Dame, a position he has held since 1997. The Institute for Educational Initiatives comprises more than two dozen initiatives focusing primarily on Catholic education.

IN Programs & Curriculum . . .

- The Vigo County School Corporation launches a new Agricultural Career Pathways program.

- The Healthcare Foundation of LaPorte awards \$2.8 million to eleven schools to implement substance use prevention programs that will equip more than 13,000 LaPorte County students with strategies to avoid drugs and alcohol.

- Planning and Implementation grants are awarded to La Lumiere, La Porte Community School Corporation, Michigan City Area Schools, MSD of New Durham, New Prairie United School Corporation, Notre Dame Catholic School, Queen of All Saints, Renaissance Academy, Saint John’s Lutheran School, South Central Community School Corporation, and Tri-Township Community School Corporation.

- Washington High School in the Washington Community Schools is moving forward with a College & Career Academy that will be organized into three schools – School of Applied Science & Technology; School of Health, Human & Social Services; and School of Arts, Business & Social Science. WHS invited all local and regional business and community leaders to attend a symposium at mid-month to learn about the concept and how they can become actively involved.

- The South Bend Community School Corporation explores the establishment of an Innovation Network in partnership with three existing charter schools – Success Academy Primary School, Career Academy Middle School, and Career Academy High School – and one new charter school – a Purdue Polytechnic High School, which has applied to the Indiana Charter School Board seeking to open in August 2020.

- As members of the Innovation Network, state tuition support for the charter schools would flow through the SBCSC. District leadership sees this as an opportunity to reverse their enrollment declines, which have accelerated this year.

- Purdue Polytechnic has been looking to expand its model outside the state capital (it operates two high schools in Indianapolis), and we recently told you that conversations were underway with the Hamilton Southeastern Schools. Hallmarks of the Purdue Polytechnic curriculum include project-based and design-thinking challenges with business and industry partners, paid internships, college and career pathways, competencies, and job shadowing. In lieu of a master schedule, each student’s schedule varies weekly depending on the design challenge underway at that point in time and the academic skills that student needs.

IN Referenda . . .

- Thirteen school referenda are on the ballot for November 5. That includes six for construction, six for educational and operational expenses, and one for safety and security. Three districts are seeking both a construction and education/operation referenda.

- Thirteen school referenda represents the highest number in any November election since 2010. Six construction referenda marks the most in any election since May 2015, while six education/operational referenda represents the fewest on the ballot in any election since November 2017.

IN Facilities & Construction . . .

- The Goshen Community Schools moves forward with phase six of a guaranteed energy savings construction plan. The mostly costly piece of this phase is replacement of the chiller at the high school, which will be paid for with General Obligation bond proceeds.

- The Middlebury Community Schools receives local zoning approval for construction of an equine therapy facility designed as an outlet for students who are struggling with social-emotional issues. The *Goshen News* reports, "Serving as the new facility's equine therapist will be current MCS guidance counselor **Kori Cripe**, who for the past several years has been operating a similar equine therapy operation out of her home. 'I've had my certification for almost eight years with equine therapy, and I've been working with kids on my own farm. So this is branching out, working with our schools hand-in-hand with families,' Cripe told the (Elkhart County Plan Commission). 'The animals will be taken care of by myself, of course using assistance from students for brushing, grooming, etc. And we're also hoping to work with our high school kids to give them some leadership positions in caring for watering, cleaning out stalls, all that good stuff. I already have all the animals, and they're already all certified nationally to be able to do the therapy work.' MCS received a \$500,000 donation toward construction of the facility."

- The Center Grove Community School Corporation Board of Trustees approves two General Obligation bond issues totaling \$8.2 million to finance traffic improvements, land for a new elementary school, and miscellaneous maintenance and technology needs.

- The North Spencer County School Corporation engages Stifel Public Finance of Fort Wayne as underwriter for a renovation project to be developed over the coming year and potentially undertaken in 2022 once existing bond debt is paid off.

- Carmel Clay Schools is seeking November bids for Carmel High School interior renovations and Woodbrook Elementary School security and access upgrades, with The Skillman Corporation overseeing the work as construction manager.

- The Northeast Dubois County School Corporation awards a \$3.87 million contract to Seufert Construction for an addition and renovations to Northeast Dubois High School to ready the building to accommodate grades seven through 12. The project will include a middle school wing, storm-safe middle school corridor, Project Lead The Way addition, renovation of agriculture space, relocation of the weight room, new locker rooms, and renovation of lab space.

- A facilities assessment for the Duneland School Corporation conducted by Tria Architecture identified 1,500 items to be addressed over the next decade at a cost of \$62 million. A consultant told the school board that finding 1,500 items is normal for a district of Duneland's size, reports the *Chesterton Tribune*. "There's no expectation that Duneland address all the items in the report, but the document is a budgeting tool that easily identifies groups of similar items that need repair, which can improve efficiency and identify opportunities to save on costs by bundling work, according to **Tom Szurgot** of Tria."

- The DeKalb County Central United School District School Board approves an additional \$4.95 million tranche for building improvements at J.R. Watson Elementary School.

- The *Auburn Star* reports "The project includes a new, larger cafeteria and kitchen and renovations of an enclosed courtyard educational space. According to figures presented to the board in September, based on spring 2020 bidding, the estimated cost of the cafeteria work will be \$3.46 million, courtyard renovations will be an estimated \$575,000 and soft costs will be \$787,875. With the costs of issuing a bond at \$122,125, the total project cost will be \$4.95 million, the board heard. It will be financed by a general obligation bond. The project had been part of a larger, proposed \$37.6 million school facilities upgrade that voters in the school district rejected in May. That proposal had included improvements to three school buildings, upgrades to outdoor athletic fields and a new fieldhouse for activities. After the referendum defeat and a summer 'listening tour' seeking input from the public, the board identified the improvements at J.R. Watson as an immediate need."

- In a ruling released on Monday, the Department of Local Government Finance found in favor of the district in a complaint filed by a taxpayer who questioned whether DeKalb United was improperly splitting off a proposed project from a failed referendum into a separate project to avoid a new referendum. DLGF held that the proposed J.R. Watson project was "an independently desirable end without reference to another project of the district" and the district did not improperly seek to circumvent the remonstrance and referendum process. DLGF noted the estimated J.R. Watson project cost was less than the \$5.17 million threshold for voter approval.

IN Transition . . .

- The North West Hendricks School Corporation appoints **Scott Syverson** as interim superintendent. He's the former chief talent officer for the Indiana Department of Education during the Ritz Administration, during which he served as a member of the state superintendent's cabinet and oversaw seven departments, including educator effectiveness, licensing, and school safety. Syverson is also a former principal of Fishers High School.

- **Mike Springer**, the recently departed superintendent of the North West Hendricks School Corporation, accepted a buyout package worth \$116,631 after agreeing to step down early amid a difference of opinion on how to handle the sexual misconduct allegations against high school football coach **Tyler Bruce**.

- WRTV-TV *Call 6* investigative reporter **Kara Kenney** reveals to Indianapolis television viewers that Springer, whose contract was not set to expire until June 2020, "will receive \$89,480 in compensation in two distributions - one in October and another in January. The outgoing superintendent will receive a \$6,000 contribution into his health savings account, as well as \$11,576 for nine personal days and 17 vacation days. The board must also pay its annual contribution of \$9,575 for the superintendent's annuity for the 2019-2020 contractual year. Springer and his family are eligible for the school corporation's health, dental, vision, and life insurance benefits through August 30, 2020, as stipulated in the superintendent's contract."



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- **Maggie Lewis**, majority leader of the Indianapolis City-County Council and CEO and executive director of the Boys & Girls Clubs of Indianapolis, joins the Board of Directors of The Mind Trust.

- **Emily Richardson** has been promoted to vice president of assessment, research, and legal at Project Lead The Way.

- House Committee on Education Chair **Bob Behning** (R) is selected to serve as a member of two national education boards. As a member of the Hoover Education Success Initiative Practitioner Council at Stanford University and the National Institute For Excellence in Teaching Steering Committee, Rep. Behning will work with educators and other elected officials on how to advance the teaching profession and improve learning outcomes in K-12 schools.

□ The Hoover Education Success Initiative Practitioner Council is a group of elected and appointed education officials representing a dozen states, both sides of the political spectrum, and legislative and executive government branches.

□ The National Institute For Excellence in Teaching Steering Committee consists of 14 educators and elected officials from across the country, including three members from Indiana, who will develop innovations and advance policies that have a direct impact on the classroom.

- **Chiefs for Change**, a national entity that seeks to advance policies and practices that make a difference for students, tapped five school chiefs to join the bipartisan network of state and district education leaders, (32 of which are district superintendents) including new Indianapolis Public Schools Superintendent **Aleesia Johnson**.

□ Superintendent Johnson says, "The support I received through the Future Chiefs program was critical in my journey to become the first African-American woman to lead Indianapolis Public Schools. I have deep respect for the work that Chiefs for Change is doing to ensure equity throughout our nation's schools and look forward to serving as a member of the network."

IN Politics . . .

- While on the campaign trail at assorted Democratic Party county dinners, Sen. **Karen Tallian** (D) of Portage, the presumptive Democratic nominee for state attorney general, lambasts Attorney General **Curtis Hill** (R) for not aggressively pursuing the Indiana Virtual School for "bilking" the state out of \$47 million. Indiana Virtual closed in September.

- The re-election campaign of Indianapolis Mayor **Joe Hogsett** (D) releases a 30-second campaign ad spotlighting the Indy Achieves program and featuring a female student named **Tapiwa** who dropped out of college when her mother became sick and she fell behind on her tuition payments. She received an Indy Achieves completion grant to pay off her college debts so that she could return to school to complete her dental studies.

□ Another Hogsett ad features a school bus driver.

IN Government . . .

- House Speaker **Brian Bosma** (R) of Indianapolis and Senate President Pro Tem **Rodric Bray** (R) of Martinsville send a one-page letter October 23 to Superintendent of Public Instruction Dr. **Jennifer McCormick** (R) and the members of the Indiana State Board of Education describing their proposed solution for implementing a one-year hold harmless policy "in the most timely, least disruptive way possible" for 2019 school accountability grades and Teacher Appreciation Grant (TAG) determinations.

□ The legislative leaders' letter calls upon the Indiana Department of Education to release guidance, and for the State Board of Education to reinforce the guidance through a resolution, stating that schools may use 2018 school accountability grades and/or 2018 assessment results for this year's teacher evaluations to ensure that no teacher loses TAG eligibility as a result of the precipitous decline in state assessment scores on the ILEARN exam. This flexibility is necessary to ensure that TAG's are distributed to teachers before the statutory deadline in December. Sen. Bray and Speaker Bosma indicate that the General Assembly will codify this policy when the 2020 session gets underway in January. They also vow to fast-track legislation in January directing the State Board of Education to implement a similar hold harmless policy for 2019 school accountability grades. "In the meantime, policies dependent on school accountability grades can continue with the 2018 grades in effect until the State Board adopts new grades based on 2020 legislation," they assert.

□ Indiana State Teachers Association President **Keith Gambill** said in a statement that the actions outlined in the letter are a "step in the right direction." "Kids, teachers, schools and communities should not be penalized for low scores on the first year of a new test. While we appreciate considerations made for teachers who would qualify for a TAG, we also urge legislators to take steps toward adding to base salaries rather than relying on grants and stipends."

- The State Budget Committee was slated to consider release of \$1.4 million for the demolition of historic Simpson Hall at the Indiana School for the Deaf at its October 25 meeting.

IN Courts & Conduct . . .

- In *Madison Consol. Schools v. Thurston*, No. 19A-CT-797, the Indiana Court of Appeals affirms on interlocutory appeal the Floyd County Circuit Court's denial of a Madison Consolidated Schools motion for summary judgment in a lawsuit filed by a former student severely injured in a 2014 school bus crash on I-64 in Floyd County. The appellate panel determined that there were "genuine issues of material fact" as to whether MCS should be prevented from contending that the student's parent had failed to comply with Indiana Tort Claims Act notice requirements in a dispute related to insurance issues.

- The Dearborn County Superior Court rules in favor of the Lawrenceburg Community School Corporation in a lawsuit filed by a student challenging his lengthy suspension from the high school football team after being caught with a vape pen on school grounds. "The fact that the Lawrenceburg High School Student Handbook does not specifically provide for a specific suspension for a vapor pen, does not prohibit a suspension at all pursuant to the remainder of the Handbook," wrote the judge.

- Three families are suing the M.S.D. of Lawrence Township and Community Health after students were mistakenly administered insulin shots at the McKenzie Career Center instead of the tuberculosis test they were supposed to have received.

- A member of the North Grove Elementary School PTO in the Center Grove Community School Corporation has been charged with misdemeanor conversion in Johnson County Superior Court after admitting to improperly withdrawing \$1,400 in ATM transactions from the PTO checking account this Summer.

- A former Mitchell Community Schools nurse arrested in March 12 on Felony 6 charges of official misconduct and neglect of a dependent and five misdemeanor counts of neglect of a dependent pleaded guilty last week in Lawrence County Superior Court 2 under a plea agreement to theft and neglect of a dependent charge. *State v. Sanders*, No. 47D02-1903-F6-000468. The probable cause affidavit alleged that an elementary school nurse, Carol Sanders, substituted aspirin and other non-prescription medication for student prescription medication. Her nursing license has been suspended, and she faces sentencing in November.

- A 35-year-old former Rosedale Elementary School teacher in the Southwest Parke Community School Corporation is charged with two Felony 5 child seduction counts in Vigo County Superior Court 3 stemming from an alleged lengthy sexual relationship with a 17-year-old male Riverton Parke High School student that has also ensnared a now-dismissed teaching aide. *State v. Richey*, No. 84D03-1910-F5-004134.

□ Southwest Parke Superintendent Phil Harrison tells parents in a statement, "On Monday, September 30, 2019 the Southwest Parke Community School Corporation was informed of an inappropriate relationship between a former teacher and a student. Southwest Parke immediately notified the Indiana Department of Child Services, placed the former teacher on leave, and commenced its investigation. Upon learning additional information through the course of its investigation, Southwest Parke terminated the employment of a teaching assistant who failed to report the relationship, and Southwest Parke also started the dismissal process - which is set by Indiana law - for the former teacher. Southwest Parke further notified the parents. The teacher resigned on Wednesday, October 2, 2019.

□ Superintendent Harrison adds, Southwest Parke takes seriously its obligation to ensure the safety and security of its students. Accordingly, Southwest Parke takes allegations of misconduct extremely seriously and will move quickly to investigate them. Southwest Parke has cooperated fully with the law enforcement investigation and will continue to do so in this matter."

IN Higher Education

→ *Cont. from page one . . .*

The City of Indianapolis already has a strong association with sports and technology (and the Indiana Sports Corporation is on board with and excited about, the venture), making Butler a natural fit as a collegiate esports pioneer.

"Esports is an excellent example of the collision between sports and technology in Indianapolis," says tech visionary Scott Dorsey, according to a statement released by Butler. "We are a city that embraces our sports legacy and is well positioned to leverage our explosive growth in technology and innovation. Butler's planned esports and technology park will be an important asset in our city as we build on our unique strengths and further develop, recruit, and retain top tech talent to the state."

Butler also hopes that partnerships lead to potential internship opportunities for Butler students, summer camps for community members, and mentorship programs for the esports team.

The physical space will also provide opportunities to expose students to the business side of the esports industry and to learn about and prepare for the exploding number of career opportunities that are available in the fast-growing field.

Eric Kammeyer, Butler's new director of esports and gaming technology, says, "We want to provide an end-to-end solution for those that want to pursue anything that falls under the umbrella of esports and innovative technology, from music and production, to competition, to developing the games they are playing."

IN General . . .

- Indy Achieves accounted for nine percent of the total Marion County students who enrolled in the 21st Century Scholars Program last year. With a total enrollment of more than 4,100 Marion County eighth grade students, Indy Achieves drove a five percentage-point county-wide increase in the rate of eligible students enrolling in the college promise program versus the previous eighth grade cohort.

□ For 2019-2020, Indy Achieves is on pace to more than double the number of Marion County students it enrolls.

- The Plainfield Town Council is set to vote on MADE@Plainfield, a workforce training and certification center jointly proposed by the Plainfield Community School Corporation, Ivy Tech Community College, Vincennes University Logistics & Training Education Center, WorkOne Indy, and the Hendricks College Network. The center would provide access to classrooms and laboratories for high school, college, and adult education beginning in 2021 and would be located adjacent to Plainfield High School.

- IUPUI could be expanding the Summer Bridge program to all students beginning in 2021 as a strategy to lift Fall-to-Spring retention.

□ To alleviate the financial barriers of student participation and to scale the program within existing university resources, the Summer Bridge program would transition from an eight-day program over a two-week period to a five-day program over a one-week period.

IN Enrollments . . .

- The University of Southern Indiana student newspaper *The Shield* reports that USI enrollment sank for the eighth consecutive year this Fall . . . and has declined by nearly 20% since 2011.

IN Administration . . .

- The University of Notre Dame has cut its carbon footprint in half since 2005. Energy conservation measures that have generated combined annual savings of more than \$2 million include the largest green roof system in the state, minimum of LEED silver certification standards for all new construction, use of two natural-gas-fired combustion gas turbines with heat-recovery steam generators that are twice as efficient as a traditional electrical plant, geothermal energy sources, and solar energy arrays. Through a proposed partnership with Indiana Michigan Power that is pending approval by the Indiana Utility Regulatory Commission, Notre Dame will use 40% of the output of the South Bend Solar Project that is expected to be in operation by the end of 2020. By Summer 2021, a 2.5-megawatt hydroelectric generation facility located on the St. Joseph River in downtown South Bend will supply about seven percent of the University's electrical needs.

IN Budgets & Finance . . .

- The University of Notre Dame endowment pool returned 7.2% in Fiscal Year 2019, increasing the value of the endowment to \$13.8 billion, up from \$13.1 billion at the prior June 30.

IN Rankings . . .

- The Kelley Direct Online MBA program at Indiana University's Kelley School of Business has moved up to second in new 2020 rankings from Poets & Quants, a leading news site about business education. Poets & Quants' ranking of 35 online MBA programs is based on three equally weighted factors: the quality of incoming students, an assessment of the MBA experience by graduates and career outcomes of alumni.

IN Programs & Policy . . .

- Goshen College will offer two new bachelor's degrees beginning in Fall 2020 in public health, and criminal justice and restorative justice.
- Purdue University will collaborate with the International Olympic Committee (IOC) starting in 2020 on a bimonthly sports information report.
- Grace College is introducing the Intense Intervention Graduate Licensure Program to meet the growing demands for special education teachers across the nation. The new online program will allow students to add the knowledge and skills necessary to interact and educate those with significant disabilities. Completion of this 15-hour program will enable students to apply for an intense intervention licensure through the Indiana Department of Education.

□ Grace College Professor of Education and Chair of the Special Education Department Cheryl Bremer will serve as program director.

- Trine University prepares for the Fall 2020 launch of an online RN-to-BSN degree by hiring Nadeena Frye as program director. Frye most recently served as dean of nursing for Ivy Tech Community College Northeast in Fort Wayne.

- Manchester University will offer a Master of Science degree in Nutrition and Nutrigenomics, with students who complete the program eligible to take the Commission on Dietetic Registration national credentialing examination for certification as a registered dietitian nutritionist.

IN Fundraising & Gifts . . .

- Indiana University receives a \$60 million gift from billionaire Fred Luddy to establish a center for artificial intelligence and machine learning in the School of

Informatics, Computing and Engineering - which will be renamed in his honor as the Luddy School of Informatics, Computing and Engineering. This is the second-largest private gift in IU's history. The donation will also fund construction of a new building to house the AI initiative.

□ Luddy is a native of New Castle who attended but did not graduate from IU.



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- Danita Forgey and Robert Forgey, described as "longtime friends of the School of Informatics and Computing at IUPUI," have made a deferred gift in excess of \$1 million to further fund several existing student scholarships at the school and to support the IU Summer Theatre program in Bloomington. This represents the largest single philanthropic gift to the School of Informatics and Computing on the Indianapolis campus.

□ The Forgeys' contribution of more than \$700,000 will impact School of Informatics and Computing students through the Jan Ashton Health Information Management Scholarship, the Ruth Walker Health Informatics Graduate Scholarship and the Danita H. Forgey Scholarship in Health Information Management. Funds are also earmarked for the Alvin and Nadine Givens iDEW Scholarship and the school's general fund, with emphasis on diversity programs.

IN Facilities & Construction . . .

- Purdue University establishes The Ray Ewry Sports Engineering Center, named for the Boilermaker track and field athlete who won 10 gold medals in four Olympic Games from 1900 and 1908.

□ The Center will develop technology to reduce athletic injuries, improve athlete performance, advance rehabilitation techniques, enhance the fan experience, and promote fairness and integrity.

● Goshen College will begin construction this Winter on a new Center for Media Arts and Journalism that will serve as the new home of the award-winning student newspaper, student radio station, and television production studio.

IN Government . . .

● U.S. Rep. Susan Brooks (R) teams with Rep. Derek Kilmer (D-WA) to introduce the Pell Plus Act of 2019, new legislation to promote college completion through a Pell Grant bonus to low-income students in their third and fourth years on a path to on-time graduation. The Pell bonus would be matched dollar-for-dollar by participating colleges and universities. The net effect of the proposal would be to triple the amount of Pell Grant assistance during the final two years of study for students who are on track to on-time completion. Using the 2019-2020 academic year as a baseline, the nation's lowest income students would receive an annual grant of \$18,585 to attend the college of their choice.

● U.S. Rep. Jim Banks (R) and Rep. Susie Lee (D-NV) join forces to introduce the Student Veteran Protection Act making schools, not student veterans, responsible for reimbursing the Department of Veterans Affairs for GI Bill overpayments. "Veterans have already sacrificed so much for our country – they shouldn't be forced to deal with the bureaucratic process of repayment," says Rep. Banks.

□ A 2015 Government Accountability Office report found that the VA made \$416 million in overpayments under educational assistance programs during fiscal year 2014, affecting approximately one in four veteran beneficiaries and about 6,000 schools. By making overpayments the responsibility of schools instead of students, schools would return overpayments directly to the VA, instead of sending the payments to students who would then be responsible for reimbursing the VA. According to the Congressional Budget Office (CBO), schools return 97.7% of overpayments when a student's enrollment status changes, while students only return 87% of overpayments to the VA. By simplifying the overpayment process, CBO estimates the bill will save the VA about \$120 million over 10 years.

IN Transition . . .

● The Franklin College presidential search committee is co-chaired by Robert B. Brown and Christine S. Fields with assistance from the executive search firm Isaacson, Miller.

□ Outgoing President Thomas Minar, who joined Franklin in 2015, intends to step down June 30, 2020.

● The University of Notre Dame Board of Trustees elects Rev. John I. Jenkins, C.S.C., to a fourth five-year term as president of the University, effective at the conclusion of his third term June 30. Jenkins' vision for Notre Dame is to become "one of the preeminent research institutions in the world, a center for learning whose intellectual and religious traditions converge to make it a healing, unifying, enlightening force for a world deeply in need."

● The Butler University Board of Trustees unanimously votes to extend the contract of President James M. Danko through August 2024. He was inaugurated in 2011.

● The Vincennes University Board of Trustees votes to extend the contract of President Chuck Johnson. Dr. Johnson took over as president in December 2015 after three years as provost.

● The Vincennes University Board of Trustees reappoints John Stachura for another year as board chair.

● Marissa Rowe is the new executive director of the Indiana Education Savings Authority.

● Trine University welcomes Whitney Bandemer as its first vice president for health sciences, effective November 13, the university announced in a news release. The new cabinet-level position will have total oversight for the university's Health Sciences Education Center, located on the Parkview Randallia campus in Fort Wayne.

□ Bandemer most recently served as vice president for human resources and strategic initiatives at Manchester University, where she was critical in the development, launch, and accreditation of MU's College of Pharmacy and in the construction of its Fort Wayne campus. She also served in a similar capacity at the Appalachian College of Pharmacy in Oakwood, Virginia before moving to Indiana.

● Vincennes University taps Tony Hahn for the post of vice president of government relations, effective November 1, succeeding the late Phil Rath. Hahn comes to VU from Purdue University where he has served as director of state relations and policy analysis for the past seven years. Before joining Purdue, Hahn was deputy director and chief of staff for the Indiana State Department of Agriculture. Hahn earned his bachelor's degree in agribusiness management from Purdue in 1999, before receiving his law degree from the Indiana University School of Law.

● Marc Levy will retire as executive director of the Questa Education Foundation on June 30 after eight years leading the Fort Wayne-based scholarship-granting organization.

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INDIANA LEGISLATIVE INSIGHT

Cities of Dreams nightmare for Rs?

Republican mayors could become victims of their own success in 2023

Westfield Mayor Andy Cook (R) only faces a little-known Libertarian challenger, but he still airs a spot in regular rotation on cable television that largely resembles the TV spot used by Carmel Mayor Jim Brainard (R) in his own primary challenge . . . and the back story here may be one that explains the next generation of politics in Hamilton County, perhaps the county most important statewide to Hoosier Republicans.

And lest you stop reading now, we'll serve up a spoiler alert of sorts: local Republican candidates in Hamilton County may be a "Patient Zero" for other GOP hopefuls going forward (read: legislative candidates), but, more importantly, may portend similar changes for other evolving Republican cities and counties (or parts). Yes, we're looking at you, Boone, Hendricks, and Johnson counties . . . and south Lake County.

The Cook ad highlights what he portrays as Westfield's strong finances (low taxes, low debt, and a healthy rainy day fund) while he's brought in more jobs, improved community quality of life with amenities, and added more police to keep students safe in schools. A similar strategy was employed by Brainard to counter Carmel primary polling that pointed to constituent concerns about overspending, high debt, and misplaced priorities.

While Mayor Cook does not face a Democratic or independent challenger, he is still running an aggressive campaign after GOP city council compadres were surprisingly defeated in the primary litigated over similar scenarios, including big spending for the mayor's Grand Park vision, proposed physical and cultural changes for downtown, and alleged overly sweet development deals.

A shadow group of arguably establishment Republicans are now running for the council as independents, further roiling the local scene, which started to show some fractures when some Westfield Republicans went after then-Sen. Luke Kenley (R) in the 2016 SD 20 primary.

The Westfield mayoral contest is a race to watch as so-called "RINO" mayors (as well as others; don't be surprised to see Democrats launch a strong challenge next year to Rep. Todd Huston (R) in a demographically changing district) in Hamilton County find themselves defending "quality of life" initiatives - so-called "downtown Disneylands" - major projects like the Carmel Performing Arts Center and attendant Arts and Design District and Monon Center; Grand Park and an outdoor venue/park in Westfield; Federal Hill and the riverwalk in Noblesville; and The Yard culinary district in Fishers.

These GOP officials are facing an increasingly diverse electorate - moving "up" from Indianapolis or simply choosing one of the HamCo communities as they move to Indiana for new professional and high tech jobs - potentially rendering some of these officials victims of their own success from attracting jobs and development by emphasizing quality of life and unique amenities.

In just one or two elections, each of the big four municipalities in Hamilton County will no longer be reliably Republican in strictly local races that turn on things from roundabouts to development deals, or mega-million-dollar amenities that don't pay for themselves as promised to a change in pace for convenient old-school downtowns. Change (and paying for it) in Carmel, Fishers, and Westfield may be *the* nonpartisan issue going forward . . . while stability and lack of change in Noblesville could be just as intriguing a counter force four or eight years from now under their new incoming mayor.

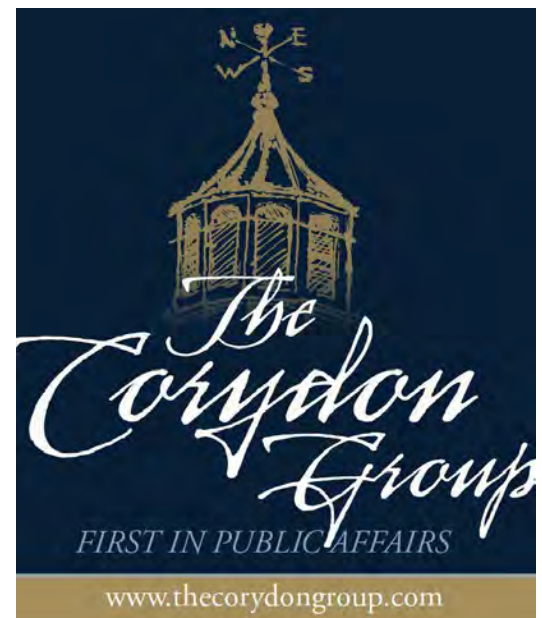
Big Hill for Selby to climb

Tension-wracked AG disciplinary hearing

A dramatic week of testimony - and lots of fancy lawyering - gives Supreme Court Disciplinary Commission Hearing Officer Myra Selby lots of food for thought in the disciplinary matter involving Attorney General Curtis Hill (R).

While Hill's attorneys sought to portray their client's actions as being mischaracterized, a stream of witnesses to his behavior at the 2018 *Sine Die* party seemed largely confirming and damning, and testimony by the GOP legislative leaders at the time (did anyone consider how this might set a precedent for future inquiries into internal procedures of the General Assembly?) certainly didn't help the attorney general.

After all this, we expect former justice Selby to engage in a two-step analysis: (1) Assessing the nature of his conduct at the party and in response to the accusations; and, (2) Determining whether this was "offensive behavior" that is subject to discipline, or even more improper conduct not subject to vagaries in discipline. If she decides his actions were inappropriate, she will have to consider whether the conduct is appropriate for discipline, and, if so, what, form of discipline is appropriate. Team Hill raised critical vagueness and fairness issues she must address in potentially breaking new ground.



IN Politics

Federal Office Races . . .

● The third quarter 2019 federal campaign finance numbers are out. We've run some quick and dirty calculations to see how things shook out in key categories, beginning with where incumbents fared compared to each other. Some of the numbers are skewed by the mid-cycle decision by U.S. Rep. Susan Brooks (R) not to seek re-election (the averages do not include her totals), and the bifurcated fundraising by U.S. Rep. Greg Pence (R) that sees him spending lots of money on raising money, but splitting it between his campaign committee, the National Republican Congressional Committee, his personal political action committee, and the PAC supporting his brother, the Vice President. In CD 04, Joe Mackey (D) seems to have confused the cycle and quarter, so we took the liberty of trying to straighten it out (no guarantees that we're any more accurate than he was!)

Incumbent Rank by Category

	Q3 Raised	Cycle Raised	Cycle Spent	Debt Owed	Cash on Hand 09/30/19
01 Visclosky (D)	5	4	5	X	4
02 Walorski (R)	4	2	2	X	3
03 Banks (R)	3	5	6	3	8
04 Baird (R)	8	9	9	2	9
05 Brooks (R)	9	8	3	X	2
06 Pence (R)	1	1	1	X	6
07 Carson (D)	2	6	4	X	1
08 Bucshon (R)	7	7	7	X	7
09 Hollingsworth (R)	6	3	8	1	5

Third Quarter Performance

	Total Raised Q3	Total Spent Q3	Q3 Net Raised
01 Visclosky (D)	\$ 149,249	\$ 89,188	\$ 60,060
02 Walorski (R)	\$ 181,513	\$ 158,250	\$ 23,263
Hackett (D)	\$ 110,666	\$ 30,621	\$ 80,045
Marks (D)	\$ 81,175	\$ 36,289	\$ 44,886
03 Banks (R)	\$ 224,087	\$ 80,790	\$ 143,298
Magiera (R)	\$ 45,170	\$ 30,797	\$ 14,373
04 Baird (R)	\$ 69,232	\$ 41,278	\$ 27,954
Mackey (D)*	\$ 2,415	\$ 1,204	\$ 1,211
05 Brooks (R)	\$ 2,132	\$ 119,480	\$ (117,349)
Abernathy (R)	NO REPORT ON FILE		
Beckwith (R)	\$ 76,164	\$ 32,577	\$ 43,587
SBraun (R)	\$ 46,600	\$ 30,721	\$ 15,879
Dietzen (R)	NO REPORT ON FILE		
Henderson (R)	NO REPORT ON FILE		
Mitchell (R)	\$ 102,651	\$ 5,771	\$ 96,880
Niederberger (R)	NO REPORT ON FILE		
Kizik (W/I)	NO REPORT ON FILE		
Christie (D)	\$ 6,246	\$ 5,708	\$ 538
Hale (D)	\$ 326,368	\$ 73,691	\$ 252,677
Jacobs (D)	\$ 3,716	\$ 216	\$ 3,500
Thornton (D)	\$ 33,733	\$ 25,565	\$ 8,168
06 Pence (R)	\$ 294,980	\$ 344,242	\$ (49,262)
Lake (D)	NO REPORT ON FILE		
07 Carson (D)	\$ 233,853	\$ 186,948	\$ 46,905
08 Bucshon (R)	\$ 98,285	\$ 88,771	\$ 9,515
09 Hollingsworth (R)	\$ 134,552	\$ 36,241	\$ 98,311
Young (R)	\$ 244,275	\$ 92,100	\$ 152,175
MBraun (R)	\$ 71,737	\$ 51,360	\$ 20,377

2020 Cycle-to-Date Performance

	Cycle Raised	Cycle Spent	Net Cycle Raised
01 Visclosky (D)	\$ 539,418	\$ 339,529	\$ 199,889
02 Walorski (R)	\$ 819,336	\$ 431,408	\$ 387,928
Hackett (D)	\$ 110,666	\$ 30,621	\$ 80,045
Marks (D)	\$ 81,175	\$ 36,289	\$ 44,886
03 Banks (R)	\$ 518,511	\$ 314,535	\$ 203,976
Magiera (R)	\$ 45,170	\$ 30,797	\$ 14,373
04 Baird (R)	\$ 175,206	\$ 81,287	\$ 93,920
Mackey (D)*	\$ 2,475	\$ 1,874	\$ 601
05 Brooks (R)	\$ 230,703	\$ 424,055	\$ (193,352)
Abernathy (R)	NO REPORT ON FILE		
Beckwith (R)	\$ 76,164	\$ 32,577	\$ 43,587
SBraun (R)	\$ 46,600	\$ 30,721	\$ 15,879
Dietzen (R)	NO REPORT ON FILE		
Henderson (R)	NO REPORT ON FILE		
Mitchell (R)	\$ 102,651	\$ 5,771	\$ 96,880
Niederberger (R)	NO REPORT ON FILE		
Kizik (W/I)	NO REPORT ON FILE		
Christie (D)	\$ 8,841	\$ 5,804	\$ 3,037
Hale (D)	\$ 326,368	\$ 73,691	\$ 252,677
Jacobs (D)	\$ 3,716	\$ 216	\$ 3,500
Thornton (D)	\$ 49,415	\$ 53,322	\$ (3,907)
06 Pence (R)	\$ 2,722,263	\$ 2,413,466	\$ 308,797
Lake (D)	NO REPORT ON FILE		
07 Carson (D)	\$ 393,920	\$ 389,896	\$ 4,024
08 Bucshon (R)	\$ 356,610	\$ 284,516	\$ 72,094
09 Hollingsworth (R)	\$ 583,346	\$ 247,433	\$ 335,913
Young (R)	\$ 1,947,652	\$ 1,519,076	\$ 428,576
MBraun (R)	\$ 6,917,297	\$ 7,238,246	\$ (320,949)

Cash on Hand and Debt

	Cash on Hand – 09/30/19	Loans Owed
01 Visclosky (D)	\$ 514,851	– 0 –
02 Walorski (R)	\$ 604,186	– 0 –
Hackett (D)	\$ 81,332	– 0 –
Marks (D)	\$ 44,886	\$ 34,250
03 Banks (R)	\$ 254,159	\$ 29,421
Magiera (R)	\$ 14,373	\$ 45,000
04 Baird (R)	\$ 161,277	\$ 205,500
Mackey (D)	\$ 424	– 0 –
05 Brooks (R)	\$ 741,616	– 0 –
Abernathy (R)	NO REPORT ON FILE	
Beckwith (R)	\$ 50,088	\$ 384
SBraun (R)	\$ 15,879	\$ 40,000
Dietzen (R)	NO REPORT ON FILE	
Henderson (R)	NO REPORT ON FILE	
Mitchell (R)	\$ 96,880	– 0 –
Niederberger (R)	NO REPORT ON FILE	
Kizik (W/I)	NO REPORT ON FILE	
Christie (D)	\$ 5,253	– 0 –
Hale (D)	\$ 252,677	– 0 –
Jacobs (D)	\$ 3,500	– 0 –
Thornton (D)	\$ 50,577	– 0 –
06 Pence (R)	\$ 358,576	– 0 –
Lake (D)	NO REPORT ON FILE	
07 Carson (D)	\$ 910,056	– 0 –
08 Bucshon (R)	\$ 329,949	– 0 –
09 Hollingsworth (R)	\$ 424,368	\$ 630,522
Young (R)	\$ 832,253	– 0 –
MBraun (R)	\$ 120,282	\$ 341,069

□ The average incumbent Hoosier House member raised \$763,576 during the current 2020 election cycle (a number that would have likely been larger had Rep. Brooks not opted out of a re-election bid). Average spending per incumbent through September 30 was \$562,759, with the average net amount raised by incumbents ending the quarter at \$200,818. The cash-on-hand average for incumbents (minus Rep. Brooks): \$450,996. U.S. Rep. **André Carson** (D) leads the pack in cash on hand, and if you factor out Rep. Brooks, who hasn't had to spend as much without a 2020 race facing her, U.S. Reps. **Jackie Walorski** (R), **Pete Visclosky** (D), and **Trey Hollingsworth** (R) follow – in large part due to favorable committee assignments.

□ Lots of people pay attention to the burn rate, but because of the Brooks and Pence situations, you should probably toss that pair of outliers out in looking at the delegation as a whole. Rep. Pence actually posted a loss on the quarter, but that's not really an accurate picture of his finances given the octopus-like nature of his fundraising and distribution structure. U.S. Rep. **Trey Hollingsworth** (R) had the lowest burn rate, while U.S. Rep. **Jim Banks** (R) was next most efficient in terms of money raised per dollar spent. U.S. Rep. **Larry Bucshon** (R) just broke even in what he spent versus what he raised for the third quarter.

□ **Greg Pence Victory**, a joint fundraising committee behind a lot of the Pence campaign email fundraising missives (some of which went to his campaign committee, some to his brother's vice presidential PAC, and some to the National Republican Congressional Committee), raised \$93,218 during the third quarter, spent \$28,567, and opened October with \$121,352 in cash on hand . . . while Rep. Brooks decided not to seek re-election, she still spent \$10,329 on "fundraising consulting" with the Virginia-based **The Townsend Group** and another \$4,250 to **Laken Sisko Consulting** during the first two days of the quarter. . . . the **Baron Hill For Indiana** committee runs a balance of \$140,213 as of September 30 . . . just seven days before suspending his CD 05 campaign, **Steve Braun** (R) loaned his campaign \$40,000 and spent some \$8,000 on consultancy and more than \$21,000 on polling . . . unsuccessful 2018 CD 02 nominee **Mel Hall** (D) still has cash-on-hand of \$91,890 . . . the campaign committee of former U.S. Rep. **Todd Rokita** (R) maintains cash on hand of \$45,217 . . . the campaign committee for former U.S. Rep. **Dan Burton** (R) spent \$5,782 during Q3, leaving \$99,636 in the treasury after a \$3,000 donation to the **Ellis Island Honor Society**, and \$1,000 contributions each to the campaigns of U.S. Rep. **Jim Jordan** (R-OH) and U.S. Sen. **Jim Risch** (R-ID) . . . the campaign committee for former U.S. Sen. **Joe Donnelly** (D) boasts a September 30 cash balance of \$333,947 . . . the number that makes Hoosier Democrats wince: the campaign committee for former U.S. Sen. **Evan Bayh** (D) maintained a September 30 cash on hand balance of \$1,218,259.

● Seemingly concerned about a potential 2020 CD 01 primary challenge, the campaign of U.S. Rep. **Pete Visclosky** (D) hires a researcher from Maine (for ≈\$6,000) apparently to build a dossier on Hammond Mayor **Tom McDermott**, Jr. (D).

□ A request for assorted records dating back some 15 years was made to the Mayor's Office at mid-month, a request that the Visclosky campaign characterizes as routine and not special, but which Mayor McDermott says will take several days of employee time to compile, and rhetorically questions whether similar requests were directed to the mayors of Hobart and Crown Point. "It's gonna be a real pain in the butt, and he doesn't give a crap," the mayor said on his paid political show on WJOB 1230-AM in Hammond a few days after the request was received. "He's trying to shut me up it's totally intimidation," Mayor McDermott says of the records request. "It's obvious that he's trying to intimidate me. He looks like a bully. He looks like he's a jerk. [This is] dirty politics, East Chicago dirty old school politics." He also wonders why he had to hire a researcher from out East to handle the work. "He couldn't have hired anyone from the Region to do this?" "I just don't get it. You can't find one Region person to do your dirty work?!"



● In CD 05, former Rep. **Christina Hale** (D) is off to an impressive start in her open seat campaign, raising more than \$325,000 during the third quarter, more than any Democratic campaign has ever raised in a single quarter in this district, even in an election year, the most contributions raised by any Democratic congressional challenger in the State of Indiana in an "opening quarter" in more than a decade (since 2008), and not only tops the receipts of any of her potential Republican opponents – who must first win an increasingly crowded and caustic primary race – but also outpaces the entire Democratic and Republican field combined, and by a decent margin. She jump-started her effort with \$5,700 of her own funds, and the total includes \$45,500 from political committees out of the gate . . . will Hale's strong early financial performance convince any Republicans that while someone can win the GOPrimary by hewing to the right, a far more formidable than usual Democratic candidacy by Hale, with national post-primary financial support, could require a more moderate approach? And could some of the already announced candidates who have affirmatively opted to stake out a place on the philosophical spectrum concerned only about May may grow to regret some of their early public pronouncements come next Summer? . . . **Krieg DeVault LLP's Deborah Daniels** and former two-term Hamilton County sheriff **Mark Bowen** will be campaign co-chairs for State Treasurer **Kelly Mitchell** (R) in her bid.

State Office Races . . .

● The Governor's re-election campaign has "significantly surpassed" the number of petition signatures required to earn him access to the May 2020 Republican primary ballot. He has more than doubled the required 4,500 signatures (500 minimum per congressional district). While official records of when campaigns cross the required threshold aren't kept, Indiana Republican Party Chair **Kyle Hupfer**, also the Governor's campaign manager, commented that this threshold was reached faster than other Indiana presidential, gubernatorial, and senatorial campaigns in recent history.

□ Reminded about the difficulty of the task and asked about his chances for ballot access, prospective gubernatorial primary challenger **Brian Roth (R)** tells **Ed Breen** on **WBAT 1400-AM's Good Morning Grant County** in Marion, "We think we can get on (the ballot) in about two months. We have a lot of support; there's a lot of energy out there." He continued, "At this point I don't think they believe we'll get on the ballot, but we will. There's zero doubt in my mind. We will be on the ballot."

□ When the Westfield resident was asked why he felt he needed to run for governor, Roth's response began with "Well, I mean, um" He pledged that if elected he would not seek a second term, and that he would donate his state salary to not-for-profit organizations. During his mid-month interview, he claimed to have had "a very good three weeks" in the race, but bemoaned the uphill climb he faced running against a popular incumbent. "The Indianapolis press was very interested early; and now they won't touch me with a 10-foot pole. I think that's probably because the political system has probably gotten to them and said, 'Don't give this guy any free press if you don't have to.' So within Indianapolis, I'm getting virtually no support, and outside of Indianapolis, everybody wants to talk to me."

● The Governor's re-election campaign receives a \$10,000 contribution from the Indiana Credit Union PAC at mid-month, as well as a \$10,000 contribution a few days later from the Pokagon Band of Potawatomi Indians, with whom his office is now negotiating terms of a compact . . . on Thursday, his campaign accepted a \$50,000 contribution from Tulsa's Joe Craft, president and CEO of Alliance Resource Partners, L.P., the third-largest coal producer in the eastern United States. This was Craft's first-ever Indiana contribution.

□ James Holdings LLC in Auburn makes a \$25,000 mid-month contribution to the Lieutenant Governor's Friends of Suzanne Crouch campaign committee.

● New Marion County Prosecutor **Ryan Mears (D)** says that since he announced his decision at the end of September to no longer prosecute simple marijuana charges, 228 pending cases have been dismissed. To reflect this change, he adds MCPO "has allocated staff from drug prosecution to address expungements and driver's license suspension issues."

□ Look for Prosecutor Mears' action - which has not been followed by any of the state's other prosecuting attorneys - to become a catalyst for discussion of marijuana decriminalization in the 2020 race for attorney general. Sen. **Karen Tallian (D)**, the presumptive Democratic Party nominee, will use it to promote a reasoned discussion of her decriminalization proposal, pointing out how other prosecutorial priorities can be sustained and grown by diverting resources from simple weed whacking . . . while Attorney General **Curtis Hill (R)** will vehemently oppose any change (you got a great preview of the Tallian-Hill debate even before Hill took office as AG at The BGD Legislative Conference in December 2016). The wild (Get Out of Jail Free) card: The prospect of someone other than Hill becoming the GOP nominee for attorney general, and agreeing with Tallian as legislative opposition to assorted marijuana laws on both sides of the aisle starts to crumble under the weight of public opinion.

IN Legislative Races . . .

● The Vectren Corporation Employees Federal PAC makes a \$5,000 mid-September contribution to the Senate Majority Campaign Committee.

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● Facing her first election in just about seven months as Indiana's newest senator, Sen. **Stacey Donato (R)** wastes no time hitting the cash circuit, holding her first fundraiser in Indianapolis last week, just five weeks after being sworn in. Sponsor levels ranged from \$300 to \$1,500, with the individual ask set at \$300.

● **Belinda Drake (D)** is seeking the HD 89 Democratic nod to face Rep. **Cindy Kirchhofer (R)** – and she does so with a chip on her shoulder after being denied access to the ballot for the Indianapolis-Marion County City-County Council in District 13 in May. She is running on “LIFE* Platform: L - Legalization and decriminalization of marijuana throughout the state of Indiana. I - Improved common-sense gun regulation to protect our youth and communities from preventable deaths by gun violence. F - Fair and inclusive state policies to strengthen our democracy and ensure our government works for ALL Hoosiers. E - Equitable education and economic stability for all. None of this platform will be possible without environmental and climate Justice,” she explains.

IN Mayoral Races . . .

As Sen. **Jim Merritt (R)** launches a major personal negative attack on Indianapolis Mayor **Joe Hogsett (D)**, a new Mason Strategies poll for IndyPolitics.org (10/14-17; 350 LVs, margin of error \pm 5.2 percentage points) shows Mayor Joe with a comfortable 57% - 23% lead (15% unsure; four percent for the Libertarian), virtually static from August's 55% - 25% showing. Hogsett enjoys a 72% approval rating (to 19% disapproval).

● In Indianapolis, Mayor **Joe Hogsett (D)** raised \$1,652,956 during the penultimate (April 13 - October 11) pre-election reporting period and posts cash-on-hand of \$972,381. More than 70% of individual contributions were \$250 or less, with more than 57% at \$100 or less. He has spent some \$4.6 million during the course of the race, while Sen. **Jim Merritt (R)** raised only \$515,700 during the reporting period and has about \$152,000 left. The Eli Lilly and Company Political Action Committee gave \$10,000 to the Hogsett effort in mid-September . . . Fort Wayne has seen \$1.9 million spent in the mayor's race, although that includes dollars depleted in a competitive Republican primary race. More than \$1.4 million has been expended since the May primary, with Mayor **Tom Henry (D)** adding \$589,294 to his coffers during the period, leaving him with cash on hand of \$533,261, and challenger **Tim Smith (R)** generating \$900,462 since the primary to bring his cash stash to less than half of the Henry haul, \$240,728. Smith has spent \$1.4 million in 2019, vs. just \$686,528 for the incumbent . . . in the open seat Muncie race, **Dan Ridenour (R)** outpaces the finances of **Terry Whitt Bailey (D)** by a 2:1 ratio . . . Anderson Mayor **Tom Broderick (D)** raised 10 times more cash than his GOP challenger in the quadrennially competitive Anderson race . . . the open Kokomo mayor's office sees **Abbie Smith (D)** raise almost \$204,000 this year, vs. about \$135,000 for **Tyler Moore (R)**, and her cash on hand at the end of the reporting period doubles Moore's, in parts thanks to a \$55,000 boost from the outgoing mayor's surplus campaign cash . . . effectively running unopposed, Goshen Mayor **Jeremy Stutsman (D)** stockpiles some \$70,000, raising questions about how that might be spent in the future

IN the Presidential Race . . .

● Zionsville's **Jim Bopp** confirms for us that he has been retained as “special counsel for strategic and campaign finance law advice” for the Trump campaign, and his Terre Haute law firm was paid \$25,000 by the Trump campaign in August.

● The President's third quarter approval rating in Indiana took a dip from the prior quarter, according to Morning Consult. He earns 49% approval (down from 51% in Q2), while 47% disapproved of his work. His net Hoosier approval has now decreased by 19 percentage points since he took office.

● The first 2020 presidential general election debate will occur Tuesday, September 29, 2020, at the University of Notre Dame.

● South Bend Mayor **Pete Buttigieg (D)** continues to directly take on his top competition for the Democratic nomination, following up his more aggressive and passionate CNN Ohio debate performance (an affirmative new strategy you will see as his new normal going forward – aimed at knocking down U.S. Sen. **Elizabeth Warren (D-MA)** and presenting himself as the “moderate” or “establishment alternative to a faltering former vice president **Joe Biden (D)?**) with a digital ad castigating others for backing “Medicare for All.” The “Makes More Sense” spot highlights the Buttigieg “Medicare for All Who Want It” health care plan, which his campaign claims is a “bold approach to health care [that] would not kick millions of people off their private health care, and would give them the option to choose the plan that's right for their them.” This spot followed another ad in Iowa which promoted his climate plan. “Instead of beating up some Americans over this issue, I want to recruit them as part of a new, clean energy economy,” he explains to Iowans . . . echoing their candidate's work in South Bend, the Buttigieg campaign rolls out a new Iowa television spot. “This part of the country, the so-called ‘Rust Belt,’ was gutted by corporate decisions over the course of the last fifty years,” hizzoner narrates. “Right now, so many communities are being left behind. The solutions aren't going to come from Washington” . . . the day after the Ohio debate, the campaign sent out an email to supporters proclaiming the CNN debate as “one of the biggest moments of the campaign – and today, we're matching it with one of our biggest fundraising days yet. In the past 24 hours, we've grown from 580,000 donors to more than 600,000. We've raised more than \$1 million” . . . Bloomberg Government finds “Silicon Valley is donating to the 37-year-old mayor of South Bend, Indiana over the former vice president by a 5-to-1 margin” . . . while the Associated Press in Iowa queries whether Mayor Pete has the “warm fuzzies” to win hearts and minds of Democrats, *TIME* suggests his calm demeanor is converting 2016 Sanders voters who have matured . . . importantly, Gerald Seib writes in the *Wall Street Journal* the weekend after the Ohio debate that “the more-centrist candidates who had been getting less attention lately,” including Buttigieg, “found clearer voices as they challenged Mrs. Warren. Collectively, they now seem more willing to express the broader concern that has been running just beneath the surface among party leaders: that Sen. Warren is pulling the Democratic agenda



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and center of gravity too far left with her array of expansive policy proposals Mr. Buttigieg, though, may be the candidate who is best positioned to take advantage of this moment. President Trump's decision to pull back U.S. forces in Syria and allow Turkish troops to attack the U.S.'s longtime Kurdish allies opened the way for Mr. Buttigieg to speak out on national-security issues, where he has both strong feelings and standing because of his experience as a Naval officer who served in Afghanistan. Mr. Buttigieg said he, like the president, wants U.S. troops in the region to come home, but used his personal experience to criticize the way Mr. Trump is doing that: "When I was deployed," he said, Afghan forces "put their lives on the line just by working with U.S. forces. I would have a hard time today looking an Afghan civilian or soldier in the eye after what just happened over there. And it is undermining the honor of our soldiers." Mr. Buttigieg also has a healthy \$23 million in campaign funds on hand, according to new campaign-finance reports released this week, behind only Sen. Warren and Sen. Bernie Sanders. Those funds have bought him a fairly robust staff and ground operation in the important early states of Iowa and New Hampshire" . . . Mayor Buttigieg sought to alleviate a potential mid-month controversy (and reprise of his first campaign stumble, over police shootings and the African American community), removing a prominent Chicagoan from the host list for a local fundraiser after former State House reporter **Brian Slodysko** wrote about the attorney's involvement in backing Chicago's former mayor in seeking to prevent release of a video of the shooting of a black teenager by a Chicago Police officer - who was later convicted in connection with the incident. The campaign also quickly announced it would return the man's contributions and other he effectively bundled . . . as for that money race, hizzoner continues to impress, with his \$23,378,518 in cash on hand entering October trailing only U.S. Sen. **Bernie Sanders** (D-VT) and his \$33,734,560, and Sen. Warren's \$25,717,674. The Buttigieg booty more than doubled that of any other hopeful, and was some three times that of the former veep . . . the Buttigieg Iowa polling seems sufficient to win about 15% of the Hawkeye State's delegates . . . *The State* in Columbia, South Carolina, headlines that "Buttigieg focus groups found being gay 'a barrier' for some black South Carolina voters" . . . Bloomberg News reports that Facebook CEO **Mark Zuckerberg** and his wife, **Priscilla Chan**, have privately offered help to the Buttigieg campaign. The two attended Harvard together, and Mayor Pete was among the first 300 Facebook users. The couple reportedly suggested several potential hires to campaign manager **Mike Schmuhl**, two of whom later signed on to Team Pete - but Buttigieg criticized Facebook on Thursday over its no-filter policy on phony political ads . . . in an *ESSENCE* com exclusive op-ed, Mayor Buttigieg details a new comprehensive plan to build and secure "lasting power" for Black women in America . . . a 2019 Senate impeachment trial would keep five of Mayor Pete's top opponents from Iowa/New Hampshire.

□ "It's a new three-way race in Iowa," writes **Susan Page** in the lead Monday story in *USA TODAY*. She finds that Buttigieg, "who was initially seen as a long-shot presidential contender, has surged within striking distance of former vice president Joe Biden and Massachusetts Sen. Elizabeth Warren in the first-in-the-nation Iowa caucuses, a Suffolk University/*USA TODAY* Poll finds." At the end of June, this poll had Biden ahead of Sen. Warren by double-digits, with Mayor Buttigieg back in the pack with six percent. The new poll of 500 likely Democratic caucus-goers (margin of error, 4.4 percentage points): shows Biden with 18%, Warren at 17%, and Buttigieg more than doubling his support, up to 13%, more than the 11% combined for the rest of the field - and 1½ times

the Sanders support. He also leads the entire pack among only Ohio debate watchers, with 19%, followed by Biden and Warren in a 17% tie . . . Buttigieg jumps to second place in Iowa State University/Civiqs poll of likely Iowa Democratic caucusgoers released Thursday. He trails Sen. Warren's 28% with 20%, jumping from fourth place in September. Sen. Sanders' 18% places him third. The Iowa State University/Civiqs poll surveys the same pool of voters each month leading up to the caucuses to understand how voter preferences are shifting. **Dave Peterson**, a professor and faculty fellow in political science who organized the poll, says Buttigieg's ground game in Iowa is paying off. Mayor Pete ranks ninth among candidates Iowa Democratic voters do not want to see win the nomination, lower than any of the other major four contenders . . . a new CNN poll conducted by SSRS among Democratic-leaning registered voters Buttigieg and Sen. Harris are tied for fourth with six percent support (unchanged for Mayor Pete), however, only 27% would feel enthusiastic should Buttigieg become the party's nominee, well below the "about 4 in 10 saying they'd be enthusiastic about Biden (43%), Warren (41%) or Sanders (39%)." "Among debate watchers, 74% have a favorable view of Buttigieg, vs. 54% among those who followed news instead." CNN polling also finds Buttigieg lading the President 50% - 44% in a hypothetical 2020 matchup, despite 49% of those polled claiming never having heard of him (37%), or having no opinion (12%) about the Hoosier mayor . . . Buttigieg gains 4.5 points in the past month in the RealClearPolitics Iowa average, while a pre-debate (10/08-10) Firehouse-Optimus Iowa survey places him third at 17% trailing only Sen. Warren, at 25%, and former VP Biden, at 22%, effectively within the margin of error . . . in the CBS News/YouGov Battleground Tracker (10/03-11) among Democrats in Iowa, Biden and Warren are tied at 22%, Sen. Sanders is close behind at 21%, and Buttigieg is next at 14%, but with the 4.6 percentage-point margin of error, those positions could be reversed . . . the CBSNews/YouGov national numbers in the 18 earliest primary/caucus states show Buttigieg in fifth place with five percent. The *Washington Post* dives below the top lines and finds that Mayor Pete retains 73% of his backers from September to October in a highly fluid contest in which Sen. "Warren was the biggest beneficiary of those changes, slicing away one-eighth of supporters" from Sen. Sanders and Mayor Buttigieg "and more than a fifth of those who'd previously backed Sen. **Kamala D. Harris** (D-Calif.). At the same time, Warren held more of her support than did any other candidate" . . . a mid-October (10/13-16) Emerson poll of Iowa Democrats shows Biden and Warren locked at 23% and Buttigieg next at 16%, with Sanders at 13%, again meaning that with the 5.5 percentage-point MOE, the order could again be flip-flopped . . . he remains in fifth place (behind the usual suspects and billionaire impeachment advocate **Tom Steyer** (D)) with five percent, unchanged in rank and percentage of the vote - for a fourth consecutive week - in the latest Morning Consult poll of all Democratic primary and caucus voters nationally, with the youngest candidate accruing the highest share of voters over 45 years old and who are white. He is down two points, however, over the week among D primary and caucus voters in Iowa, New Hampshire, South Carolina, and Nevada. He drops to a fifth-place tie with Sen. Harris, with five percent . . . Mayor Pete dips to seventh place (down from sixth) in the latest Fox News poll conducted by Beacon Research (D) and Shaw & Company Research (R) among Democrats in South Carolina, continuing to post just two percent, the same as in this poll in July and lower than the margin of error . . . a Fox News baseline Democratic Poll in Wisconsin by Braun Research finds Mayor Pete fourth with seven percent in the Badger State . . . a

Quinnipiac national poll of Demo-leaning voters shows Mayor Pete staying in fourth place, but dropping from seven percent to just four percent (with a 4.7 percentage-point margin of error) from late September Quinnipiac polling, his lowest share in this poll since July . . . the Real Clear Politics moving average of several major polls finds Buttigieg fourth with 6.0% support . . . in the post-Ohio debate Morning Consult poll of all D primary and caucus voters in Iowa, New Hampshire, South Carolina, and Nevada, Mayor Pete holds on to sole possession of fourth with eight percent, a two-point gain over the week, and he is tied with Sen. Harris at six percent with one-point growth over the prior week among all Demo primary and caucus voters nationally. He sees a three-point increase in net favorability after the debate, an improvement only topped by the former veep and U.S. Rep. Tulsi Gabbard (D-HI) (and Mayor Pete assets that “there is no basis” on which to claim that Rep. Gabbard is a “Russian asset.”

□ Governor Eric Holcomb (R) holds steady in his Morning Consult third quarter approval ratings, at 51% approval, 23% disapproval, and 26% unsure. His net approval among all voters is +28, +18 among independents, and only (- 1) with Democrats. His net approval ranks midway (26th) in the national pack.

□ The Indiana Democratic Party reviews the numbers and concludes that “Nearly three years into Eric Holcomb’s term, Hoosiers still don’t know who their governor is,” as “More than a quarter of those polled have never heard of Eric Holcomb, the second highest rate in the country for a sitting governor.” He trails only Gov. Mike Parson (R-MO) in anonymity, and Gov. Parson took office at mid-term to fill a vacancy.

IN Brief

IN Other Political News . . .

● Attorney Stan Wruble is the new chair of the St. Joseph County Democratic Party, replacing County Councilmember Joe Canarecci (D) who resigned over job conflicts . . . and Bob Holbrook leaves his post as Noble County Democratic Party chair due to health issues.

● Hoosiers are heavily invested in Kentucky’s gubernatorial race, with about \$110,000 directed by Hoosiers to the re-election effort of Gov. Matt Bevin (R-KY) and \$83,000 by Hoosiers to his challenger, Attorney General Andy Beshear (D-KY). There is not as much ideological money flowing as you might expect, and there are a lot of contractor dollars in the mix. You could look at some of the usual suspects among Hoosier contributors and accurately predict toward which Kentucky candidate their money would flow, save for a maximum contribution to Gov. Bevin by Indianapolis developer Michael Browning and a five-figure passel of contributions from individuals associated with Indiana casinos to AG Beshear. The rough Indiana geographic breakdown (using zip codes):

	Northern IN	Southern IN	Total IN
Bevin (R)	\$ 47K	\$ 63K	\$ 110K
Beshear (D)	\$ 48K	\$ 35K	\$ 83K

□ Hoosier contributions come down much more lopsidedly on the side of the Republican nominees for attorney general and secretary of state than they do at the top of the Bluegrass State ticket.

● Hoosiers for Conservative Values, a single-candidate super PAC in support of former U.S. Rep. Luke Messer (R), made one expenditure during the third quarter, a \$15,000 mid-September contribution to the “Stand with Corey” committee established to draft former Trump 2016 campaign manager Corey Lewandowski (R-NH) for the New Hampshire U.S. Senate race. The HCV political action committee ends the quarter with \$11,535 in cash remaining.

● According to Morning Consult’s third quarter senator approval ratings, both of Indiana’s two U.S. senators improve marginally in approval from the second quarter.

	Approve		Disapprove		Don’t Know	
	3Q	2Q	3Q	2Q	3Q	2Q
Todd Young (R)	42%	40%	25%	25%	33%	35%
Mike Braun (R)	44%	42%	27%	27%	29%	31%

IN Federal Circles . . .

● Both of our U.S. senators are original cosponsors of S.2602, a bipartisan bill that would exclude vehicles to be used solely for competition from certain provisions of the Clean Air Act, and both cosponsor the Graham resolution condemning the House impeachment inquiry.

● U.S. Sen. Todd Young (R), a member of the Senate Committee on Foreign Relations, appears October 18 on the WBAT 1400-AM *Good Morning Grant County* show, and under questioning from Indiana Journalism Hall of Fame member Ed Breen, does what many of his colleagues did that same week: rebuked the President over the Syrian situation without naming him in the reprimand – though he does give some of the blame – by name – to the previous administration. Sen. Young said that the President “is absolutely right to examine our enduring presence in places where those threats have been defeated,” like Afghanistan. But he says that we also learned from the Obama Administration’s “premature disengagement” in Iraq that we don’t want to create vacuums where “nefarious actors can step in.” The President “deserves great credit for defeating ISIS,” he says, but should offer more explanation and “outline in greater detail how this withdrawal will contribute to a more peaceful and stable region,” and “They have not done that.” The withdrawal is, “frankly, tragic for that region” Sen. Young adds before concluding, “It is what it is. We need to be constructive and prospective.” Looking back, he suggested, the President should consult with leaders of military and Congress, but he also noted that it was “difficult to get information from [the Obama] Administration” when he served on the Senate Committee on Armed Services . . . Sen. Young discussed the importance of the House quickly passing the United States-Mexico-Canada Agreement (USMCA) for Hoosier farmers and manufacturers during the Tuesday Republican Senate leadership gaggle. “The one thing that remains unfinished business as we look forward, that is so important to our economy, is to pass this USMCA deal,” he said, noting that Indiana is “the most manufacturing intensive state in the country. One out four manufacturing businesses in my state directly export to Canada or Mexico, resulting in roughly 60,000 jobs. So it’s important to our manufacturing workers, it’s also very important to our ag economy 95% of our farms in the state of Indiana are family farms This is about saving our rural communities. President Trump has struck a good deal, a very good deal. Nancy Pelosi needs to move forward with it to sustain our economic health,” Sen. Young contends.

● U.S. Sen. Mike Braun (R) delivered a Senate floor speech October 17 on the Syrian situation, tweeting a summary of his remarks: “We cannot keep fighting everyone’s wars when we run trillion dollar deficits atop 22 trillion in debt back home. I’m glad President @realDonaldTrump is disentangling us from unwise conflicts in the Middle East.” WITZ 104.7-FM in Jasper caught up with Sen. Braun in his hometown after he spoke at the Jasper Chamber of Commerce annual luncheon early this month, and found him defending the President’s decision to pull American troops out of Syria. “In one way, I didn’t like the fact that the Kurds helped us out, but, that is their dispute long-term, not ours,” said Sen. Braun. “President Trump ran on, why should we be the world’s policemen when we’re running trillion-dollar deficits, when there is no mention of the United Nations, or of our European allies – why should we put our soldiers in the crossfire of something that’s not going to be solved anyway.” Braun added more Senators would voice their support for the president’s decision, if they were able to vote on it in secret.”

● U.S. Sen. Todd Young (R) led a letter signed by U.S. Sen. Mike Braun (R) and all the House members of Indiana’s Congressional delegation (save U.S. Rep. André Carson (D)) to the President and Vice President expressing concern with efforts by U.S. Sen. Lisa Murkowski (R-AK) – but not by name – to block production of bioengineered salmon via the FY 2020 Senate Agriculture Appropriations bill, an action that they contend would negatively impact the state of Indiana and the future of biotechnology. Bioengineered salmon was developed by AquaBounty Technologies, which has started production at a land-based contained facility in Albany. “If this provision is enacted, Hoosiers will see an immediate and detrimental impact. Dozens of jobs will be terminated, 160,000 healthy fish will be destroyed, and millions of dollars invested in transportation and infrastructure will be wasted. AquaBounty’s investment has spurred much-needed economic vitality in this rural and underserved region of our state,” the letter explains. During a Senate Committee on Commerce, Science, and Transportation hearing at mid-month, Sen. Young discussed how AquaBounty’s facility is benefiting Hoosiers, while other witnesses testified that wild catch cannot keep pace with the global growth and human population, and the demand for healthy seafood. The letter reminds the President and Vice President that the Food and Drug Administration approved bioengineered salmon in November 2015 after a rigorous and decades-long review process, determining that the salmon is as safe to eat as traditional farm-raised Atlantic salmon., and that after surmounting “several other regulatory hurdles, AquaBounty began production earlier this year.” They add that a pending Senate provision “unwinds these approvals, and would immediately ban the sale and distribution of AquaBounty salmon in the U.S. if enacted. This provision imposes a costly and duplicative consumer study requirement by a federally funded advisory committee – wasting taxpayer dollars and causing irreparable damage.” They add, “We firmly believe that this provision directly contravenes the letter and intent of the Executive Order on Modernizing the Regulatory Framework for Agricultural Biotechnology Products that was issued in June 2019. This provision is not based on science, sound policy, or law, and it imposes undue regulatory burdens rather than avoiding them. Further, it sends the wrong message to industries that are working to develop innovations in agricultural biotechnology. Indiana plays a key role in the agricultural industry and strongly values the possibilities that aquaculture and biotechnology bring to our economy. More fundamentally, should this provision become law, it would undermine your commitment to facilitating the kind of

innovation that undergirds our nation’s global leadership in agricultural advancements. Companies will almost certainly begin posturing to move operations overseas to commercialize their products.” The letter concludes by asking the President and Vice President “to oppose this ‘poison pill’ provision because of the numerous ways in which it will harm Hoosiers, damage U.S. innovation and agriculture, and create a dangerous precedent that will undermine confidence in our regulatory system.”

● The 354-60 House vote to oppose the President’s action on Syria had unanimous Democratic support and 129 Republican votes. Of the 60 House Republicans who voted against condemnation of the President’s actions with respect to Syria and America’s Kurdish allies, five percent were Hoosiers: U.S. Reps. Jim Baird (R), Trey Hollingsworth (R), and Greg Pence (R). Reps. Baird and Pence are the delegation’s only first-term members, and the President won CD 06 and CD 04 with his largest respective Indiana margins.

□ Both of Indiana’s Democrats and four of the seven Hoosier Republicans voted for the measure, and U.S. Sen. Todd Young (R) was slated to have cosponsored the condemnation motion in the Senate.

● U.S. Rep. Susan Brooks (R) early this month discusses the impeachment inquiry on WBAT 1400-AM’s *Good Morning Grant County*. “I don’t think that there is a fair process right now as to what’s happening when I was on the Benghazi Select Committee, we had a very fair process. The other side was allowed to ask questions, was allowed to participate in any way. That is not happening as I understand it. Now I am not on the committees that are involved in this, but I am reading and I am being told this by my colleagues who are on the committees. We certainly treated the entire process with respect and the somber occasion that is, and for Adam Schiff to have even made up and parodied what that telephone conversation was was completely inappropriate it wasn’t what was in the transcript. And that’s why people are that unhappy. The fact that he’s making fun of it. This should be a really very serious and somber undertaking whenever you take on something like impeachment, and that is not how it is being handled” ... as the Syria situation unfolded earlier this month, Rep. Brooks joined more than 90 of her colleagues to introduce legislation to impose sanctions against Turkey in response to Ankara’s military offensive against U.S.-allied Kurdish forces in Northern Syria. She urged the President to immediately reconsider his decision to remove troops from Northeastern Syria arguing that his move would threaten our national security and provide terrorists opportunities to plan and launch attacks. “Withdrawing our troops in Northeastern Syria is proving to be destructive for the region and has left our Kurdish allies unacceptably vulnerable to Turkey’s hostile invasion in Syria,” said Rep. Brooks. “Our Kurdish allies need our support now more than ever to stop the growing strength of terrorist organizations, specifically ISIS, because ISIS detainees are escaping and posing a major threat to our homeland and world. I’m proud to join this bipartisan, bicameral effort to recommit to protecting our allies, establishing peace in Syria and preserving our national security.”

● U.S. Rep. André Carson (D) sees the House unanimously pass his legislation to rename the U.S. Post Office Circle City Station at 456 North Meridian Street in Indianapolis after former U.S. Sen. Richard Lugar (R). Every member of Indiana’s congressional delegation sponsored this bipartisan bill.

● U.S. Rep. Larry Bucshon (R) introduces H.R. 4734 to designate the U.S. Post Office in Dana as the Ernest 'Ernie' T. Pyle Post Office. "The art of storytelling ensures that history is remembered. It ensures the good times are celebrated and the bad times are never repeated," says Navy vet Bucshon. Dana's own Pulitzer Prize-winning "Ernie Pyle answered the call to tell the stories of America's fighting men and women on the front lines during World War II. In an age when the average American had limited access to news, Ernie Pyle risked, and ultimately gave his own life to ensure that Americans knew the stories of sacrifice and hardships our fighting men and women endured. I am pleased to introduce this bill with the support of the entire Indiana House delegation. Dedication this U.S. Post Office in the memory of this American hero and Hoosier will help ensure his story and his legacy live on" . . . Rep. Bucshon is an original cosponsor of H.R. 4700, the "Pipeline Safety Act of 2019," introduced by U.S. Rep. Fred Upton (R-MI) that would reauthorize the nation's pipeline safety program for two years and provide the Pipeline and Hazardous Material Safety Administration and the states with resources and authorities to accelerate the hiring of pipeline inspectors and better protect 2.7 million miles of pipeline infrastructure. The pipeline safety program's 2016 authorization expired October 1 . . . Rep. Bucshon issued a statement after voting against the "SHIELD Act," which his office characterizes as "an attempt by House Democrats to federalize the election process and limit the free speech of Americans." The bill passed 227-181 on a virtual party-line vote. He says of H.R. 4617, the "House Democrats' latest attempt at government overreach is a federal takeover of the election process. Their legislation is a wolf in sheep's clothing - they claim that it merely includes provisions to stop foreign influence through reasonable protections. However, in reality it will have substantial consequences on American citizens by suppressing their First Amendment rights and vastly expanding the power and reach of the federal government." Rep. Bucshon continues, "We can and must secure our election process from foreign influence through a reasonable and informed approach that does not hinder the First Amendment rights of Americans. I support strengthening the Foreign Agents Restrictions Act that targets bad actors, codifying existing Federal Election Commission regulations on internet ad sponsorship, and expanding prohibitions on donations by foreign nations. These are real steps we can take to protect our democracy without hindering the free speech of Americans, as House Democrats are so eager to do."

● U.S. Rep. Trey Hollingsworth (R), in a nod to October as Breast Cancer Awareness Month, tells constituents "In Congress, I've supported increased funds for the National Institutes of Health (NIH) and the National Cancer Institute (NCI) for cancer research and cures," and he then poses his "Question of the Week: Do you support expanding public funding for cancer research? Yes, the government should fund cancer research. No, only private companies should fund cancer research. No, only universities should fund cancer research. A combined effort from the government, private companies, and universities is necessary" . . . last week Rep. Hollingsworth told constituents that "This month is National Cyber Security Awareness Month, a collaborative effort between the government and industry to raise awareness of the importance of cyber security not only in our military, but in our personal lives and businesses as well. In the last year, more than half of small businesses have suffered a breach and billions of people were affected by data breaches in 2018." His "Question of the Week: Do you support a strong partnership between the federal government and businesses to ensure our information is better protected against cyber-attacks?"

● U.S. Rep. Jim Banks (R) and 20 of his Republican House colleagues have co-sponsored legislation sanctioning Turkey for its aggression. "Turkey's ruthless assault on our Kurdish allies will leave them isolated by the international community," he tweets. "Turkey must understand actions have consequences. They've attacked a U.S. ally and will see swift bipartisan punishment just as President Trump promised in the red line he set" . . . as characterized by the *Washington Post*, Rep. Banks "railed against the idea of including Huawei in the (China trade) deal, tweeting that 'Our national security shouldn't be up for negotiation with #China. American companies shouldn't do business with #Huawei full stop. If we allow Huawei access to American data, that means the #CCP will have access to American data. That's unacceptable' " . . . in a *Fort Wayne Journal Gazette* op-ed, Rep. Banks blasts the concept floated by former U.S. Rep. Beto O'Rourke (D-TX) under which "religious institutions [would] lose their tax-exempt status if they disagree with him on same-sex marriage." He labels this "an outrageous assault on the First Amendment and our country's beautiful tradition of religious freedom. One of our foremost freedoms is freedom to believe," writes Rep. Banks. "We can have an internecine debate about it in the public square. That's fine. But when the government begins to choose who is 'orthodox' and who is 'unorthodox,' that is an affront to American tradition and a violation of our First Amendment." Under the Beto plan, "the federal government would hold effective control over the religious beliefs and traditions of all Americans. Churches that dissented to government doctrine on social issues such as marriage and sexual orientation would soon find themselves in a financially impossible situation. How could the Cathedral of the Immaculate Conception, the 160-year-old church downtown, hope to pay its property taxes? It simply would not be able to. O'Rourke's proposal, in addition to being unconstitutional, would pit churches with millions of American members against the U.S. government. If the federal government began officially discriminating against the Catholic Church, each of its 70 million American members would be forced to choose a side. And the devout would have their love for this country stolen from them" . . . Rep. Banks is named a co-chair of the Future of Defense Task Force by the chair and ranking member of the House Committee on Armed Services U.S. Rep. Seth Moulton (D-MA), until recently a presidential candidate, is his co-chair. "Since he entered Congress," Rep. Banks "has been focused on the national security issues that will define the next generation," said Ranking Member Mac Thornberry (R-TX). "He's sounded the alarm on the national security threat posed by China through adversarial companies like Huawei and ZTE, and he's provided constructive solutions to recharge our own organic defense innovation base. Rep. Banks' fresh-thinking will be a boon to this Task Force." The bipartisan eight-member panel is chartered to review U.S. defense assets and capabilities and assess the state of the national security innovation base to meet emerging threats. "The future is coming, and we need our military to be ready. I am honored to be tapped to lead this important Task Force and help our country brace for new, complex national security threats coming from China and Russia," said Rep. Banks. The panel's first hearing is October 29 . . . Rep. Banks teams with a fellow member of the House Committee on Veterans' Affairs, U.S. Rep. Susie Lee (D-NV) (whose husband runs the company that owns the Ohio County casino), to introduce the bipartisan "Student Veteran Protection Act," a measure that would change how GI Bill overpayments are reimbursed by making schools, not student veterans, responsible for reimbursing the U.S. Department of Veterans Affairs for GI Bill overpayments. "Veterans have already sacrificed so much for our country - they shouldn't be forced

to deal with the bureaucratic process of repayment,” says Rep. Banks. “This common-sense and bipartisan bill would ensure veterans won’t have to endure unnecessary financial hardship or bureaucratic red-tape.” Their bill would shift the financial burden from the student veteran to the school, where the duo says it belongs. According to the Congressional Budget Office, schools return 97.7% of overpayments when a student’s enrollment status changes. However, students only return 87% of those overpayments to VA – causing veterans to lose benefits over time. Simplifying the overpayment process, should save VA some \$120 million over 10 years . . . just a few short weeks after he and National Public Radio engaged in a tiff of sorts over what the network considered to be Rep. Banks’ mischaracterization of some impeachment matters and remarks during an *All Things Considered* broadcast, Rep. Banks stepped back into the Lion’s Den, joining NPR’s Lulu Garcia-Navarro on *Weekend Edition* Sunday, October 20, to discuss Syria. He called his vote on the non-binding resolution to condemn the President’s withdrawal of U.S. troops from Syria as “less as a rebuke of the Administration, and more as a voice of support of our maintained efforts in Syria as we combat the threat of ISIS and to stand with our Kurdish allies” He explained that “when you read the script of the resolution, there’s nothing in the resolution that necessarily condemns the Administration unless the Administration completely abandon the situation in Syria. And that’s what I would disagree with. I don’t want to see us abandon a situation in an area where if we did, the imminent return of ISIS would be the dominant situation that we would be dealing with for the years to come I supported the resolution because I don’t believe we can afford to turn our backs on this region. But the impetus for that is the threat of a returned and resurged ISIS. And that’s what is most concerning to me. If we see a resurgence of ISIS as many of us are worried and predict that we will, this will be a decision by this Administration that we will live to very much regret.” He adds that he is concerned about Russia moving in – “very much so. And many of my colleagues on the Armed Services Committee were fully aware that the Russians are very much aligned with Turkey and President Erdogan. And that vacuum that we create when we pull out of situations in this area is often filled by not just Russia but China, our greatest adversaries on the world stage. So, again, that’s why I and so many Republicans – that’s why we supported this resolution calling on the Administration to maintain a central focus on this region” . . . also on NPR, asked about the President’s reversal on hosting the G-7 Summit at his Doral property in Florida, Rep. Banks said he was “glad to read that he reversed that decision the distraction that it created I think alone shows that the President ... probably made a very wise decision to retreat from holding it at one of his properties, to hold it somewhere else where we’ll be far more productive I appreciate that the President made that decision. Whether that sets any norm moving forward, it shows that the President is taking the advice of his advisors to do so. And I appreciate that type of leadership” . . . Rep. Banks pens an op-ed for *The Federalist* about revisiting Section 230 of the Communications Decency Act (CDA) of 1996 and scrutinizing Big Tech’s legal protection. The headline: “If Big Tech Can Censor Political Speech, It Can Police Illegal Speech.” He begins his missive by declaring “Major technology companies, a.k.a. ‘Big Tech,’ have too much power. For too long Big Tech companies have been allowed to operate under a double-standard that has padded their wallets and eroded the liberty of American citizens.” He attributes this to § 230, and bemoans the fact that “immunity protections are upheld despite well-documented evidence of illicit activity conducted on Big Tech platforms, such as drug trafficking, terrorist recruitment and coordination by the

Islamic State and Hamas, distribution of sexually explicit content, including that involving minors, and more. Enter the double-standard. Big Tech’s claim that they cannot possibly remove illegal content runs hollow given the time and effort they spend censoring lawful political speech. Since the 2016 presidential election, tech companies – namely, Google, Facebook, and Twitter – have begun to censor the online content of many dissident conservative pundits, news organizations, and other accounts. In addition to outright banning from platforms, methods of censorship include ‘shadow-banning’ (using algorithms to make content hard to find), ‘demonetization’ (refusing to allow content creators to receive ad revenue or donations from the platform), rescinding advertisements for Republican politicians, and more. For online content creators, such censorship means the loss of thousands if not millions of impressions, followers, and dollars they rely on. Facebook and Google have also censored liberals who oppose their agenda such as Rep. Tulsi Gabbard and Sen. Elizabeth Warren. Regardless of one’s thoughts on the politics of the people Big Tech targets, it is harmful to our national discourse and representative government when certain viewpoints are muzzled and even excluded from the free exchange of ideas. As to the consequences of online censorship, Big Tech’s biases will no doubt affect the 2020 election.” Rep. Banks believes that “This should not be a partisan issue. Why should we entrust control of our elections to a few tech companies who face little accountability? As a conservative, I distrust any centralized entity that imperils the constitutional rights of Americans, whether from Washington D.C. or Silicon Valley.” He writes that “It is time for Section 230 to be revisited. Big Tech needs to be held accountable for this double standard. As they ensnare virtually every dimension of our public and private lives, it is time for their business models to be scrutinized” . . . Banks uses a *Washington Examiner* website op-ed to take on a Democratic colleague at the point of the impeachment inquiry sword: “Even the staunchest opponents of this president should at least admit that those leading the impeachment process should behave as trustworthy and non-partisan as possible. Impeachment is a weighty process. It could result in the removal of a duly elected president, the victor of a free and fair election. Democrats need to convince the public this impeachment is not just a partisan attack on a sitting president ahead of the 2020 election. By leaving (Adam) Schiff installed as the head of this impeachment inquiry, they hurt their case.” He contends that House Democrats have decided that “Schiff can lie and get away with it,” explaining that “By striking down the Republican resolution to censure Rep. Adam Schiff, congressional Democrats just sent a loud and clear message that you can lie in Congress and get away with it. They impugned not just the impeachment inquiry but the entire House of Representatives.” He cites “three clear instances of Schiff lying,” and suggests that impeachment talk cease and “we should get back to business as usual and pass legislation” . . . Rep. Banks tells Ed Breen Wednesday on WBAT 1400-AM’s *Good Morning Grant County* show in Marion, “It’s frustrating” in Washington these days, whether you like the President or not. He is not pleased about what he portrays as the Democrats’ “sham process,” a “make it up as you go” affair behind closed doors just one year from the election. He explains to listeners, “All the while the Senate and Mitch McConnell say ‘Even if you do that in the House, we’re not going to do it in the Senate,’ which tells the American people how much of a farce all of this is, as far as it goes in the House. This not about removing President Trump. This is about injuring a presidential candidate and overturning the will of the electorate in 2016, preventing a fair election in 2020. That’s what it’s about; it’s not about removing a president.”

● U.S. Rep. Jim Baird (R) introduced the “VA DROP Act” on Thursday, legislation to direct the Secretary of the U.S. Department of Veterans Affairs to ensure that VA medical facilities with an on-site pharmacy or with a law enforcement officer present to monitor the disposal location, have physical locations for the disposal of controlled substance medications. He calls H.R. 4817 “commonsense legislation (that) provides for the secure disposal of controlled substances by creating a safe, anonymous, and continuously available way for veterans to easily dispose of unwanted medications.” Rep. Baird notes that “VA patients are at a significantly higher risk to suffer from an opioid-use disorder than the general public,” and adds, “I’m proud Indiana’s Roudebush VA Hospital has led on this effort and is the model for this legislative proposal.” U.S. Reps. Jim Banks (R), Greg Pence (R), Larry Bucshon (R), Pete Visclosky (D), Jackie Walorski (R), and Susan Brooks (R) are original cosponsors; like Rep. Baird, Reps. Banks, Bucshon, and Pence are military veterans . . . according to the *Lafayette Journal & Courier*, Rep. Baird was one of the cadre of House Republicans who asserted what they saw as their rights to intrude upon a closed-door impeachment-related hearing which many of their fellow GOP colleagues were already attending, as expressly allowed under House rules set by Republicans.

● The Indiana Department of Environmental Management abruptly cancels an RFP to select a vendor that would fill the State’s need for implementing all components of an underground storage tanks (UST), petroleum remediation, and the excess liability trust fund (ELTF) management system.

● Attorney General Curtis Hill (R) was a speaker at the mid-October Allen County Right to Life Uniting Our City for Life Banquet, where he offered an update on the status of the investigation into the recent discovery of more than 2,400 fetal remains on the properties of Dr. Ulrich (George) Klopfer and other relevant court cases. Of interest: there already was a nationally prominent keynote speaker for the 22nd annual banquet, but General Hill was accommodated in a speaking spot in a key area of the state for social conservatives, who will comprise the bulk of the Northeast Indiana Republican state convention delegation.

● Indiana is in line to receive \$4.4 million from the \$117 million multistate settlement with Johnson & Johnson and its Ethicon surgical products unit over allegations that the medical product manufacturer deceptively marketed its pelvic mesh products.

● This year’s Indiana Society 114th Annual Dinner on December 7 will honor Indiana University, celebrating its 200th anniversary on January 20, 2020; and the Simon Family will be honored as 2019 Hoosier of the Year. The event will be held at Loews Chicago Hotel, a new venue this year. For only the second year, the Indiana Society will present a special Hoosier Hero Award. This year’s recipient, Tyler Trent, will be honored posthumously for his courage while battling osteosarcoma. Governor Eric Holcomb (R) and First Lady Janet Holcomb will help kick off the program. Proceeds from the 2019 event go to scholarships for Chicago-area students attending IU.

● Up to \$3 million in funding appropriated to the Governor’s Next Level Recovery initiative will support the launch of up to six comprehensive addiction recovery networks across the state over the next two years. Three regional partnerships – one each in northern, central, and southern Indiana – are awarded grants from the first round of funding, totaling up to \$1.5 million, to support completion of their recovery network.

□ The Division of Mental Health and Addiction will award contracts to the Health and Hospital Corporation of Marion County (Central Region), Southlake Community Mental Health Center, dba Regional Health Systems (Northern Region), and Community Mental Health Center, Inc. (Southern Region) for DMHA comprehensive addiction recovery centers Health and Addiction. The estimated eight-month value is \$1.5 million (\$500,000 for each region). The evaluation team received nine proposals.

● In *Indiana Vote by Mail, et al. v. Indiana Election Comm’n, et al.*, No. 1:19-cv-04245, the nonprofit entity Indiana Vote by Mail and five Hoosier registered voters filed suit in U.S. District Court for the Southern District of Indiana against the Indiana Election Commission and Secretary of State’s Office seeking state decertification of direct-recording electronic (DRE) voting machines lacking a verifiable paper trail, and which they allege are vulnerable to hacking. DRE machines are used by 58 counties. The State plans to retrofit 2,000 electronic machines – about 10% of the total – before May to enable them to produce a paper record. The Office of the Secretary of State is doing the work with about \$6 million, less than 10% of the \$75 million sought for the project in budget negotiations.

IN State Circles . . .

● On November 25 (Thanksgiving week), the Bureau of Motor Vehicles will hold a public hearing on the controversial proposed rule concerning procedures to change gender information on a driver’s license or identification card. BMV asserts the proposed rule “will streamline the process for amending an individual’s gender information on a driver’s license or identification card and ensure uniformity in the records maintained by the Bureau of Motor Vehicles and the Indiana State Department of Health. The proposed rule change will create a more consistent process and makes minor nonsubstantive amendments to bring further clarity to the rule.”

● Following a difficult week defending his law license before a Supreme Court Disciplinary Commission hearing officer, how does beleaguered Attorney General Curtis Hill (R) plan to unwind?

□ Look for him to travel to Evansville Saturday, October 26, after we headed to press with this issue, to be the featured speaker at the monthly meeting of the Second Amendment Patriots, the group founded and led by Sen. Jim Tomes (R).

● We recently told you about the Indiana Office of Technology readying a major project to create a shared service for customer/constituent relationship management (CRM), which manages various aspects of agency-public interactions, and the State Budget Committee Friday was slated to allocate the release of a small sum (\$690,000) to jumpstart the initial effort. The scope of this project includes the build out of a CRM solution for four state agencies as well as the creation of uniform framework that can be rolled out to subsequent agencies as needed.

● Sensing the final opportunity for redistricting change in the coming census cycle, Common Cause is making plans on Organization Day “to pack the State House with citizens calling for reform” and making “the process more transparent and open to citizen participation” . . . and the Indiana State Teachers Association is seeking to turn out as many advocates as possible for a “Red for ED” Action Day at the State House on Organization Day.

□ While SEA 750-2019 requires counties to cease use by 2030 of voting machines that do not provide a verifiable paper trail, the plaintiffs want that date moved up by the courts due to the exigencies of the situation. They are represented by a team that includes election lawyer **Bill Groth** of Indianapolis and **Jim Harper** of Valparaiso, the 2018 Democratic nominee for secretary of state. "Mounting evidence indicates that foreign actors, including agents of the Russian government, have tried and will continue to try to hack into American voting machines," explains Groth. "Cybersecurity experts agree that the most important steps that states can take is to adopt machines with a paper trail and to conduct random, risk-limiting audits. Unfortunately, most Indiana counties do not take either of these steps."

□ According to the complaint itself, "There is a concrete and non-trivial risk that voters in those Indiana counties that continue to use DRE voting systems without a [paper trail] will be less likely to cast an effective vote, and to have that vote counted, due to the fact that votes cast on DRE voting systems may be altered, lost, corrupted, diluted, or effectively not counted on the same terms as Indiana voters who cast their ballots using voting equipment with a [paper trail], which unlike DRE voting systems, enable a meaningful manual recount procedure and/or a risk limiting audit."

● The Indiana Public Retirement System commits \$200 million to a trio of alternative investment strategies, according to *Pensions & Investments*. INPRS awards \$100 million to multistrategy reinsurance manager Hudson Structured Capital Management, a new manager for the Fund that invests in property and casualty, auto, and other insurance sectors. That team replaces reinsurance manager Nephila Capital, which was managing \$44 million in a diversified reinsurance portfolio. INPRS will retain its \$122 million investment in Aeolus Capital Management's Aeolus Property Catastrophe Keystone Fund, another reinsurance fund. "From the pension fund's \$1.8 billion real estate portfolio, investment officials committed \$75 million to a net-lease real estate fund managed by Angelo, Gordon & Co., an existing manager. The fund focuses on buying properties considered critical to a company's operations and leases them back to the company on a long-term basis," and a team that "seeks industrial, high-yield companies with improving credit." In the private equity portfolio, INPRS commits \$21 million to PCP MT Aggregator Holdings, using an initial \$15 million in proceeds from the sale of Millennium Trust Company (a co-investment made in 2015 alongside buyout fund Parthenon Investors IV) to Abry Partners. PCP MT Aggregator Holdings is invested in the new buyer holding company.

● Attorney General Curtis Hill (R) joins Indiana in a New York-led bipartisan investigation by 47 state attorneys general into possible antitrust violations by Facebook, saying "corporations must be held accountable for following the law," and "we must follow the facts to determine whether Facebook has engaged in anti-competitive behavior in violation of state and federal antitrust laws." He says that anticompetitive behavior may hurt consumers by leaving them with fewer choices and higher prices. A social media company, for example, might be able to charge higher prices for advertising if it successfully thwarts competitors from gaining a foothold in the marketplace. "To protect consumers and the free market, we must promote conditions under which all entities may compete on a level playing field in accordance with the rule of law," General Hill said. The multistate investigation is also examining whether Facebook has compromised consumers' personal data and privacy.

● Attorney General Curtis Hill (R) joins a bipartisan coalition of 46 state and territory attorneys general in calling on Facebook, Craigslist, and eBay to take proactive measures against alcohol sales on their platforms that they contend frequently violate state laws. He explains that "When making purchases like these online, you never fully know what you're getting. It could be extremely dangerous and detrimental to consume alcohol that might not be tested and regulated by the appropriate agencies." In a letter, the attorneys general note that the 21st Amendment invests the right to regulate the sale of alcohol to each state and points out concerns that unlicensed, unregulated, and untaxed alcohol sales are taking place on digital platforms. The letter asks the platforms to take the following specific actions: (1) Review the current content posted to the companies' websites and remove illegal postings for the sales and/or transfer of alcohol products; and (2) Develop and deploy programming to block and prevent platform users from violating state law by posting content for the sale and distribution of alcohol products on their websites. The AGs also invited the companies to join with them to form a working group with stakeholders from government and industry to further explore how to establish practical and effective protocols for preventing illegal alcohol sales.



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● As an interim study committee wrestled with the decision to recommend additional taxes for vape products and, if so, the best way to tax the products, a new report from the Urban-Brookings Tax Policy Center reiterates that a tax increase on so-called "sin" products doesn't always translate to revenue growth, as the behavioral changes that may be sought by imposition of such taxes (such as discouraging youth vaping) may result in limited revenue potential and render such tax streams unreliable . . . but after three Hoosiers have died due to lung issues linked with e-cigarettes, any incremental tax revenue (perhaps some \$2. million annually) may take a back seat to discouraging Hoosier youth from vaping.

● *Box v. Planned Parenthood of Indiana and Kentucky, Inc.*, No. 18-1019, the appeal over an Indiana law question whether a state, consistent with the 14th Amendment, may require an ultrasound as part of informed consent at least 18 hours before an abortion, was on the conference list for the Supreme Court of the United States for a sixth time on October 18 . . . and will find itself relisted now for a seventh time (apparently leading the SCOTUS field this term) as the justices did not make a decision on granting or rejecting a *writ of certiorari*.

IN the Economy

● The unemployment rate in Indiana dropped by one-tenth of a percentage point – for a fourth consecutive month, the longest such stretch in almost 2½ years – to fall to just 3.3% for August. The last time Indiana’s unemployment rate was lower than 3.2 percent was in the 11th year of Democratic gubernatorial domination – December 2000 (although back then we wrote the preliminary seasonally adjusted December unemployment rate was 2.8%, up from 2.6% in November, and 2.4% in October, numbers that were ultimately jacked up in the benchmarking). The current rate constitutes the lowest monthly unemployment rate Indiana has experienced since the peak of the national financial crisis in July 2009, when unemployment in the state soared to 10.6 percent.

□ Indiana’s unemployment rate has decreased 7.4 percentage points since July 2009. September resulted in an unemployment rate three-tenths of a percentage point lower than the 3.5% unemployment rate posted one year earlier in September 2018. Indiana is tied for 18th among the 50 states and Washington, D.C. for lowest monthly unemployment – up three slots from the August finish of 21st, and our best showing of 2019 (better than the 20th place for lowest unemployment in January). There were 28 states and the District of Columbia with higher September unemployment rates than the Hoosier State.

□ Indiana’s unemployment rate continues to hold below the national unemployment rate, which decreased by two-tenths of a percentage point from August to September (and by the same amount over the year), down to 3.5% after sitting at 3.7% for three consecutive months. With the exception of two months when it was equal (in October 2014 at 5.7% and April 2019 at 3.6%), Indiana has hovered below the U.S. rate for more than 5½ years (69 out of 71 prior months). Indiana’s unemployment rate is now seven-tenths of a percentage point lower than in January 2017, when the new administrations assumed office both nationally and at the state-level. Indiana’s decrease, however, comes at a lower rate than that seen in the national unemployment rate, which has decreased by 1.3 percentage points since January 2017. Our rate of decrease is also well below the rate of decline that most of our neighboring states have enjoyed over the same period (though Indiana’s unemployment rate in January 2017 was far lower than what our surrounding states posted at the time, giving our surrounding states more room to fall).

Rate of Change in Unemployment Rate

	09/19	01/18	01/17	vs. 01/18	vs. 01/17
Indiana	3.2%	3.3%	3.9%	(- 0.1%)	(- 0.7%)
Illinois	3.9%	4.4%	5.2%	(- 0.5%)	(- 1.3%)
Kentucky	4.4%	4.3%	5.2%	0.1%	(- 0.8%)
Michigan	4.2%	4.5%	5.0%	(- 0.3%)	(- 0.8%)
Ohio	4.2%	4.5%	5.2%	(- 0.3%)	(- 1.0%)
National	3.5%	4.1%	4.8%	(- 0.6%)	(- 1.3%)

□ Indiana maintained the lowest monthly unemployment rate for September compared to our immediate neighbors, phenomenon we’ve now catalogued for 37 consecutive months. Only Illinois joins Indiana in enjoying a decrease in the unemployment rate from August to September, while Kentucky experienced a one-tenth of a percentage point over-the-month increase. On a year-over-year basis, Indiana and all of our surrounding states recorded unemployment rate decreases, as did the national average. For a second consecutive month, Illinois recorded an historically low unemployment rate, at 3.9% – but note that Indiana has not been at or above 4.0% since February 2017.

Monthly Unemployment Rates, Indiana vs. Neighbors

	09/19	09/18	08/19	07/19	06/19	05/19	Monthly	Annual
Indiana	3.2%	3.5%	3.3%	3.4%	3.5%	3.6%	(- 0.1%)	(- 0.3%)
Illinois	3.9%	4.2%	4.0%	4.2%	4.3%	4.4%	(- 0.1%)	(- 0.3%)
Kentucky	4.4%	4.3%	4.4%	4.3%	4.1%	4.0%	0.0%	0.1%
Michigan	4.2%	3.9%	4.2%	4.3%	4.2%	4.1%	0.0%	0.3%
Ohio	4.2%	4.6%	4.1%	4.0%	4.0%	4.2%	0.1%	(- 0.4%)
National	3.5%	3.7%	3.7%	3.7%	3.7%	3.6%	(- 0.2%)	(- 0.2%)

□ Indiana’s total labor force – the number of people who have a job or are actively looking for one – posted a net decrease of 2,722 from August to September, constituting the fifth consecutive monthly decrease – a continuing contraction which should be cause for concern, particularly given that it is the longest such stretch since early 2017 (the combined decreases in May through August totaled 32,268). The Department of Workforce Development attributes the September decrease in the labor force to a loss of 2,934 unemployed residents and an increase of 212 employed residents. Indiana’s total labor force effectively remains at 3.38 million – just as it did from July to August, putting a halt to the slippage we have seen in the three months prior, which, in turn, followed an impressive 27-month labor force expansion streak. The labor force in September is down from the seasonally adjusted record high of 3.42 million set in April. An estimated 109,340 Hoosiers are unemployed and seeking employment, up marginally from August.

□ The state’s 64.5% labor force participation rate dipped from August to September, but the rate continues to remain above the national rate of 63.2%, which remained constant over the month. Indiana’s labor force participation rate has now outperformed the national average for 64 consecutive months (more than five full years).

□ Private sector employment in Indiana declined for a third consecutive month (down by 3,400 from August), the longest such streak this year. Prior to April, private sector employment had grown over prior-month levels for nine consecutive months. Much of the September decline can be attributed to job losses in the Leisure and Hospitality (- 2,000, following a loss of 1,600 such jobs in August, which led the state) and the Manufacturing (- 1,000, after being down by 1,500 jobs in August) sectors, although these losses were partially offset by gains in the Construction (1,700) and the Financial Activities (400) sectors. On a year-over-year basis we have seen private sector job growth on the order of 21,500 jobs. Total private employment of 2,737,700 stands 5,600 jobs above the historic peak of 2,732,100 seen in December 2018. September saw the lowest unemployment insurance claims in the reference week (12th of the month).

□ Fayette County leads the state in September unemployment rate at 4.4%, followed by Vermillion County at 4.3%, and Lake County at 4.2%, the same three counties that paced the state in August, but Vermillion and Fayette were tied (and at higher 4.7% rate). Only those three counties ended September at or above 4.0% unemployment down from six in August, and from nine counties from July. As recently as January, more than 50 counties had recorded 4.0% or higher unemployment. Seventy counties enjoyed a September unemployment rate at or below 3.0%, up from 44 in August and only 28 in July. As recently as May there were 55 counties that experienced unemployment below a rate of 3.0 percent. At just 1.9%, Dubois County posts the lowest unemployment rate in Indiana; it had been second in August at 2.3% (and July's rate here was 2.6%). Bartholomew County, which had been lowest in the state in August at 2.3%, down three-tenths of a percentage point from July's 2.6% rate, sees its rate decline to 2.0%, but shares honors for second-lowest rate statewide with Boone County and Tipton County.

● State General Fund revenue collections for September of \$1.71 billion smashed the April forecast by \$91.1 million (5.6%) and soared on a year-over-year basis by \$101.9 million (6.3%). On a year-to-date basis, General Fund tax collections exceed the FY 2020 first quarter estimate by \$151.7 million (4.0%) and have improved by \$113.2 million (2.9%) over the same three-month period in the prior fiscal year.

□ Sales tax collections in September totaled \$710.6 million, topping the estimate by \$33.9 million (5.0%) and growing over the year by \$52.7 million (8.0%). The individual income taxes contributed \$683.7 million, beating expectations by \$40.7 million (6.3%) and improving vs. September 2018 by \$55.2 million (8.8%). Corporate taxes chipped in \$186.8 million, which exceeded the monthly estimate by \$900,000 (0.5%) but declined compared to the prior year by \$17.2 million (- 8.4%).

□ Gaming contributed \$32.4 million in tax revenue to the state General Fund during September via riverboat and racino wagering taxes and the riverboat supplemental wagering tax (September was the first month in FY 20 in which riverboat supplemental wagering taxes were separately broken out and reported by the State Budget Agency). Fiscal year-to-date gaming taxes of \$59.7 million represent 1.5% of state General Fund revenues. Through the first quarter of the fiscal year, the three silos combined are down from the same point in FY 2019 by \$3.3 million. Add in the \$813,103 in September sports wagering tax dollars (a partial month with not all retail sports books open), and September gaming tax revenues top \$33.3 million. The sports wagering tax numbers are not broken out separately in the State Budget Agency monthly collection rubric, but our sister Hannah newsletter, INDIANA GAMING INSIGHT, ran (and double-checked!) the math for you.

● Cummins Inc. Vice President of Global Research and Technology Wayne Eckerle testified Wednesday before the U.S. House Committee on Energy and Commerce Subcommittee on Environment and Climate Change. The hearing addressed the challenges and opportunities of decarbonizing medium and heavy-duty vehicles, aviation, rail, and maritime shipping, and focused on transporting key industrial products, as well as people, cargo, and the products we use in our everyday lives. Subcommittee members heard how manufacturers like Cummins are developing new products and systems for low- or zero-carbon transportation, and how these critical innovations don't happen in a vacuum, but rather are driven by policy.

□ Cummins' Eckerle specifically observed that customers globally are increasingly demanding "not just dependable power at a fair price, but power emitting fewer greenhouse gases that contribute to climate change," and his work at Cummins in developing technology options to help meet this "growing demand." He explained that "The future of power requires a multi-faceted strategy. Our customers need the right vehicles and equipment to do their work. The integrated power solutions must be reliable, efficient, flexible and sustainable to meet the evolving demands for powering our communities and the infrastructure and equipment that shape our world. They also must comply with stringent emission regulations, help address climate change and be part of the solution for the energy and environmental challenges facing the planet. To deliver on our promise of powering a more prosperous world, both economic growth and environmental sustainability must be achieved. That is why we advocate for policies, laws and regulations that enable the power of choice, recognizing that there is not a one-size fits all solution for every challenge. Our strategy for reducing the greenhouse gas impact of our products is to continue an intense focus on research and development to provide substitute technologies in applications where they work well, and to reduce greenhouse gases by improving the fuel economy of products in applications without substitute technologies." Eckerle served up more than one-dozen detailed policy recommendations.

● His company's name is atop the largest office tower in the State of Indiana, and has benefited from millions of dollars of state incentives, but Mark Benioff, CEO of Salesforce, recently told Poppy Harlow of CNN that capitalism is dead, and it's time for a more sustainable and equitable form of capitalism.

● Indiana and Wisconsin have competed for decades in the category of largest percentage of manufacturing jobs in their respective economies, and now Wisconsin seems to be feeling an employment hit at a time when Indiana's unemployment rate is on the decline. The unemployment rate rose by at least 0.2 of a percentage point in September from the average rate recorded in the first half of the year, in Wisconsin and four other states (including Kentucky), according to a *Wall Street Journal* massage of U.S. Department of Labor data. "Wisconsin had the tenth-lowest unemployment rate in the country in the first half of 2019, at 2.9%. The rate edged up to 3.2% in September, 18th lowest," reports *WSJ's* "Real Time Economics" newsletter Monday. "Of particular concern for Wisconsin is that the unemployment rate is increasing at a time when slightly fewer people have or want jobs. The state's labor force declined by 3,900 in September relative to its first half average, suggesting the unemployment rate rise reflects cautious employers." This is a trend that Hoosier business leaders are watching for signs of here.

● The adjustable Indiana gas tax for November is set at 13.9¢ per gallon, ending a four consecutive month streak in which the tax had declined from the prior month. The 0.5¢ increase from October is the largest since the May to June growth; June began the run of progressive decline in the adjustable tax. The 2.2¢ decline over the prior year lags the 2.4¢ over-the-year diminution we saw in October. The 13.9¢ November 2019 rate is still higher for any November in the past five years other than 2018. The new November rate is also still higher than any month during the first one-third of 2019. While we noted earlier in the year that the tax in each of the first four months of 2019 was lower than it was during *any* month in 2018, that positive phenomenon ended in May, but only two months since have topped the equivalent month in 2018.

Month	2019	2018	2017	2016	2015
January	12.0¢	13.6¢	11.6¢	10.0¢	15.2¢
February	11.0¢	14.0¢	13.1¢	10.0¢	10.9¢
March	11.4¢	13.8¢	11.7¢	8.0¢	11.8¢
April	12.8¢	13.3¢	12.4¢	9.5¢	12.9¢
May	15.1¢	14.4¢	12.9¢	10.9¢	13.1¢
June	16.1¢	15.9¢	12.9¢	12.3¢	14.3¢
July	15.6¢	16.7¢	12.8¢	14.1¢	15.8¢
August	15.1¢	16.2¢	11.9¢	12.5¢	15.9¢
September	14.9¢	16.1¢	12.5¢	11.3¢	14.1¢
October	13.4¢	15.8¢	13.4¢	12.0¢	14.1¢
November	13.9¢	16.1¢	12.8¢	12.2¢	13.4¢
December		14.4¢	14.3¢	11.4¢	12.2¢

● The 127th Cyber Protection Battalion, the nation's fifth National Guard cyber battalion, will be located in Indiana. The unit will be comprised of almost 100 soldiers whose mission will be focused on cyber security and cyber warfare. The soldiers will have access to the U.S. Department of Defense's only live, full-scale cyber range at Muscatatuck Urban Training Center in Jennings County. The unique center affords access to realistic simulations with live environments for cyber and electronic warfare testing and training, and continued training via Ivy Tech's Cyber Academy at Muscatatuck.

□ StateScoop.com reports that "The Army Guard considered 19 states and territories before settling on Indiana, according to DoD, but ultimately selected the location based on its existing cybersecurity capabilities, partnerships with industry and academia, and its ability to recruit and retain soldiers." This will be the nation's first cyber battalion not located on the East Coast. Two are currently in Virginia, one in South Carolina, and one in Massachusetts.

● The 17th annual edition of the Tax Foundation's *State Business Tax Climate Index* measures how well states structure their tax systems, analyzing more than 120 variables in the five major areas of taxation – corporate taxes, individual income taxes, sales taxes, property taxes, and unemployment insurance taxes – and Indiana ranked 10th nationally, above any of our neighboring states, an first in the Midwest.

● U.S. Department of Agriculture Undersecretary for Trade and Foreign Agricultural Affairs **Ted McKinney** – Indiana's former agriculture commissioner – led a large trade mission to Vietnam October 15-18, joined by close to 80 industry and government representatives seeking ag export opportunities.

● The *Wall Street Journal* finds that with the strike at General Motors "stretching into a second month, the impact is intensifying across the Midwest economy, hitting more businesses and auto-parts suppliers reliant on GM's U.S. factories for work," and "the financial toll is mounting for both the company and states – like Michigan and Indiana – where GM has a concentration of unionized workers. Economists say the cascading effect of lost wages, production and employment will likely linger even if the strike ends, weighing on regional economies already straining from the tariff dispute with China." That's effectively what we forecasted for you at the outset of the strike.

● S&P Global Ratings lowers its long-term rating on (Hamilton County) Clay Township's ad valorem property tax-supported debt one notch to 'AA-' from 'AA'. At the same time, S&P Global Ratings assigned its 'AA-' long-term rating to \$63 million series 2019B Indiana Bond Bank's special program bonds consisting of series 2019 B capital appreciation bonds and series 2019B current interest bonds ultimately issued for and secured by Clay Township and its ad valorem property tax pledge. The outlook on all ratings is stable.

□ The downgrade reflects S&P Global Ratings' view of Clay Township's "increased financial leverage," noting that following this issuance, the township's direct debt burden will triple, making its debt profile no longer comparable to that of its 'AA' rated peers." While reserve and liquidity positions are healthy now, "the higher debt will reduce the ratio of cash to debt. The total liquidity is also projected to decline in 2019 leaving less cushion against potential extended periods of stress. S&P also notes that the scope of the township's financial operations will get even smaller after the City of Carmel assumes the remaining financial fire service function from the township in 2020," making township's operations "even more focused on servicing debt. Because the proposed and rated debt is supported by the township's dedicated debt service levy generated from "a large and wealthy tax base, and factoring the limited scope of township operations," S&P doesn't believe the very high carrying charges warrant a rating below 'AA-' now.

● Wisconsin-based Regal Beloit Corporation looks to close its helicopter bearing factory in Valparaiso, a decision that is likely to mean an end to as many as 170 local jobs . . . General Housewares Corporation's Columbian Home Products, LLC plans to close its 850,000 square-foot enameled cookware production and headquarters facility in Terre Haute, a sprawling complex opened in 1902, by early December, ending more than 80 local jobs.

● LifeNet Health, a global provider of life sciences and regenerative medicine solutions, plans to add more than 80 new jobs at its new Plainfield location by the end of 2023. The Indiana Economic Development Corporation offers LifeNet Health up to \$1.25 million in performance-based tax credits, and \$100,000 in training grants. The Town of Plainfield will consider additional incentives . . . Ingram Micro, a global provider of technology and supply chain products and services, plans to add some 70 new jobs at its Plainfield facility by the end of 2023 with the help of up to \$975,000 in performance-based tax credits from IEDC. The Town of Plainfield offers additional incentives . . . AK Industries, Inc., a producer of fiberglass and polyethylene products for the wastewater industry, asks the Plymouth City Council to designate the 67,500 square-foot Hehr International building it recently purchased as an Economic Revitalization Area as a condition precedent to seeking a property tax abatement on an investment of \$500,000 in the real estate and \$1.5 million planned for new equipment and machinery as the company adds an injection molding division and resin transfer system, and moves hydro-action operations into the newly acquired building which will be expanded. AK Industries expects to add 40 jobs . . . Red Star Contract Manufacturing, a provider of injection molding and sterile packaging services for the medical device industry, plans to invest \$1.6 million in real estate improvements and equipment in its Larwill facility, with the help of up to \$175,000 in performance-based tax credits from IEDC, and 10-year real and business personal tax abatements courtesy of the Whitley County Council. The expansion is expected to result in almost 20 new jobs . . . Ireland-based Aptiv PLC, a mobility tech company (formerly known as Delphi Automotive), plans to invest more than \$9 million to open a 53,000 square-foot engineering lab in the Westfield Business Centre, expecting to create 50 new jobs paying an average of almost \$80,000 annually . . . Chicago-based Peer Foods, which also owns Mariah Foods in Columbus, plans to invest \$13.6 million in a new 54,000 square-foot facility in northwestern Bartholomew County and add \$2.4 million in equipment. The Bartholomew County Council approved a 10-year real property tax abatement and a five-year business personal property tax abatement for the project that would mean more than 10 new jobs . . . BDX-Indiana, a sister company to Indianapolis-based Biodynamic Ventures (the largest hemp grower in Indiana) plans to invest more

than \$24 million (and potentially up to \$50 million in succeeding phases) to establish and equip a cannabidiol extraction business in Westfield that would create more than 40 initial jobs with average annual wages of \$70,000. Ultimate employment could hit 100. The Westfield City Council offers a five-year property tax abatement . . . PPG Industries seeks to invest \$14 million in an expansion of its Brazil operations by building a 20,000 square-foot bonded powder coatings plant . . . Stone City Products in Bedford plans to invest \$2 million in a 30,000 square-foot expansion of its precision machining, metal stamping, and value-added assembly operations serving the auto, rail car, and HVAC industries.

IN Transition

- House Committee on Education Chair **Bob Behning** (R) is selected to serve as a member of two national education boards.

□ As a member of the Hoover Education Success Initiative Practitioner Council at Stanford University and the National Institute For Excellence in Teaching Steering Committee, Rep. Behning will work with educators and other elected officials on how to advance the teaching profession and improve learning outcomes in K-12 schools. The Hoover Education Success Initiative Practitioner Council is a group of elected and appointed education officials representing a dozen states, both sides of the political spectrum, and legislative and executive government branches. The National Institute For Excellence in Teaching Steering Committee consists of 14 educators and elected officials who will develop innovations and advance policies that have a direct impact on the classroom.

- Former Rep. **Greg Beumer** (R) retires as executive director of the Randolph Economic Development Corporation, and will be succeeded by **Ceann Bales**, who has served as the executive director of the Randolph County YMCA for 21 years.

- The new mayor of Madison is **Bob Courtney** (R), the GOP Fall nominee. He was the unanimous caucus choice to serve out the unexpired term of the late mayor **Damon Welch** (R), who was not seeking reelection when he unexpectedly died.

- The Governor's Office hires **Michele Holtkamp** as agency communications director from her current post as editor-in-chief of the *Johnson County Daily Journal*. She starts her state job October 28.

- One of the truly nice guys in state government, Indiana Utility Regulatory Commission Executive Director **Bob Veneck**, will be retiring from state government service at the end of the year after 10 years with the Commission, and a few decades around the State House on behalf of AT&T.

- **Marissa Rowe** is the new executive director of the Indiana Education Savings Authority.

- **Jake Oakman** joins the Indiana Republican Party senior leadership team as director of strategic communications. Most recently, Oakman was special assistant to Governor **Eric Holcomb** (R), serving as his principal speech writer, and liaison on international engagement. He also advised on all matters of gubernatorial communications strategy. Prior to that, he was then-Lt. Governor Holcomb's director of communications and media relations. Oakman also served as deputy press secretary to former Gov. **Mitch Daniels** (R), ran communications and media relations for the Office of Tourism Development, and was communications coordinator for now-U.S. Sen. **Todd Young** (R) in his 2010 House seat primary campaign.

- **Brenda Goff**, who had been southwest regional director for U.S. Sen. **Todd Young** (R), overseeing 22 counties (after playing a similar role for Sen. Young's predecessor, then- U.S. Sen. **Dan Coats** (R)), joins the office of U.S. Rep. **Larry Bucshon** (R) as district director. That post that was vacated earlier this year by long-time Bucshon aide **Carol Jones**, who left to return to a career in nursing. Goff will be based in the Bucshon Evansville office.

- With **Rebecca Card** leaving her post as press secretary to U.S. Rep. **Susan Brooks** (R), **Savannah Kerstiens** moves up from press assistant. She moved into the Brooks office in May after an internship at the Catalyst Public Affairs Group, which followed service as a Senate Majority Caucus press secretary through the bulk of 2018.

- The U.S. Senate Committee on Armed Services is scheduled to consider the nomination of Hoosier **Lisa Hershman** as chief management officer of the Department of Defense at an October 29 hearing.

- Wabash College alum **Matthias Mitman** of Virginia, a career member of the Senior Foreign Service who most recently served as chief of staff to the special presidential envoy for hostage affairs, is being nominated by the President to be the executive secretary of the National Security Council. Before joining the Foreign Service, Mitman taught as an assistant professor of economics at Ball State University.

- Former U.S. Sen. **Dan Coats** (R), who recently stepped down from his post as Director of National Intelligence, rejoins the law and lobbying firm of King & Spalding as a senior policy advisor on the firm's D.C.-based national security team. Look for the former ambassador to advise clients about how the national security landscape implicates their businesses, emerging tools and processes employed by the U.S. and other governments to mitigate national security threats, and the congressional process.

- **Melina Kennedy** becomes vice president of product compliance and regulatory affairs for Cummins Inc., managing engine emission certification, product compliance, and regulation of Cummins products. The Indianapolis Capital Improvement Board member and 2011 Indianapolis Democratic mayoral nominee most recently served as general manager and executive director of Cummins' pick-up truck business after leading its rail and defense lines.

IN the Lobby

- The Office of the Secretary of State enters into a one-year, \$120,000 contract (at a flat \$5,000 per month rate) with former Sen. **Brandt Hershman** (R) of Barnes & Thornburg LLP, approved in late July that runs from July 1, 2019 through June 30, 2020. A Barnes & Thornburg federal lobby registration released his month by federal officials says that Hershman will "Assist with federal government relations" for the Secretary of State's Office, and the contract documents explain that he will be "Monitoring and advising on developments in federal election law and federal election security initiatives" for Secretary of State **Connie Lawson** (R), with whom he served in the Senate (he served on the Committee on Legislative Apportionment and Elections when she chaired that panel early this century), and who recently led the National Association of Secretaries of State as NASS was intimately involved in election security issues at the federal level.

□ The contract explains that “As the state’s Chief Election Official, it is essential for the Secretary of State to remain abreast of major federal election legislative and regulatory initiatives as well as federal agency elections security and cyber security initiatives. Major federal level administration, oversight, security and funding initiative’s (sic) are currently being proposed and developed which could significantly impact election administration and law in Indiana – necessitating on the ground monitoring and engagement. The agency has a satisfactory, productive +15-year engagement with Barnes & Thornburg for legislative monitoring and and counsel. The agency has an efficient and effective working relationship with the firm. As a result of the long-term relationship the firm has an in-depth knowledge of the agency’s responsibilities and interests. In view of the complexities of the issues involved, the agency believes the professional services rate is commercially competitive.

● Vincennes University taps **Tony Hahn** for the post of vice president of government relations, effective November 1, succeeding the late Phil Rath. Hahn comes to VU from Purdue University where he has served as director of state relations and policy analysis for for the past seven years. Before joining Purdue, Hahn was deputy director and chief of staff for the Indiana State Department of Agriculture. Hahn earned his bachelor’s degree in agribusiness management from Purdue in 1999, before receiving his law degree from the Indiana University School of Law.

● Faegre Baker Daniels terminates its federal lobby registration on behalf of CMFG Life Insurance Company . . . Hall, Render, Killian, Heath & Lyman, P.C. ends its federal engagement for Ascension Health . . . The Stutzman Group LLC no longer represents Union City before Congress . . . Bose Public Affairs Group ends its federal representation of the Indiana Donor Network; International Medical Group, Inc.; and InXite Health Systems . . . Hobart Hallaway & Quayle Ventures, LLC: files a termination statement covering Seres (Formerly SF Motors Inc.) . . . Morgan, Lewis & Bockius, LLP completes its federal representation of Wabash National Corporation . . . the Sextons Creek lobbying relationship with Nuo Therapeutics Inc. also ends . . . Barnes & Thornburg LLP completes its work for United States Steel Corporation . . . and the duties performed by Ice Miller Strategies LLC on behalf of Wabash Valley Resources LLC are also finished.

● Hoosier **Richard F. Hohlt** files a federal lobby registration on behalf of the defense and aerospace company Airbus Americas, Inc. (formerly known as Airbus) to lobby Congress on “Aerospace Aviation/Aircraft/Airlines Budget/ Appropriation Defense Tariff Accounting.”

● Hobart Hallaway & Quayle Ventures is retained by New York-based LLC Secure Identity, LLC (D-B-A CLEAR), an entity that “provides security solutions,” to lobby Congress on “Registered Traveler Program, data privacy, facial recognition, biometrics. FY20 Homeland Appropriations (H.R.3931/ S.2582).”

● Barnes & Thornburg, LLP files a federal lobby registration on behalf of California-based a “Manufacturer of chassis and other intermodal shipping products,” to lobby Congress on “Section 301 tariffs and potential exclusions” . . . and for the National Association for Proton Therapy, a “ Non-profit founded to educate and increase awareness about proton beam therapy,” to “Assist client with HHS rule promulgation directed to a Radiation Oncology Alternative Pricing Model.”

● Bose Public Affairs Group files a federal lobby registration on behalf of Navient under which **Victor Smith** will lobby Congress on behalf of “Issues related to NextGen Enhanced Processing Solutions,” and on behalf of Atlanta, Georgia-based First Data Government Solutions, LP to lobby on “Issues related to FSA Next Generation financial services environment,” with both clients being involved in “Software platform” work . . . and on behalf of Conyers, Georgia-based box manufacturer Pratt Industries, Inc. on “Issues Related to Recycling Policy.” BPAG’s Smith will also lobby Congress on “301 tariffs” for Oakland, California’s Terraboost Media LLC, a “Marketing” venture . . .

● **Penelope Farthing**, a Hoosier native who graduated from Purdue University and the Indiana University School of Law – and served as a president of the American League of Lobbyists before her tenure at Patton Boggs and the Bose Public Affairs Group, files a federal lobby registration on behalf of Bexar County, Texas to lobby Congress on “opioid crisis funding, FY 2020 appropriations funding, Army Corps of Engineers.”

● The Washington, D.C. lobbying firm LOT SIXTEEN LLC files a federal lobby registration on behalf of Fort Wayne’s Regal Beloit America, Inc., an “Electric motor; motion control; and power generation and transmission product manufacturer,” to lobby Congress on “Energy efficiency legislation and regulations HFC emissions abatement policies Climate change policies Tax treatments for manufacturing and energy efficiency industries.”

● **Jan Powell’s** Powell Consulting DC files a federal lobby registration to lobby Congress on behalf of the Central Indiana Regional Transportation Authority on “Appropriations and Transportation.” Powell was a top aide in the Office of the Lieutenant Governor during the Mutz Administration before a lengthy lobbying career based at Baker Donelson.

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NWI Times- [Steel industry groups raise alarms about overcapacity crisis](#)

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Pillar 2- Upgrade our infrastructure

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Governing- [Investing in Digital Equity: The Case for Broadband Expansion](#)

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Journal Gazette- [Former retreat now addiction center in southern Indiana](#)

ABC57- [First medical marijuana store in Niles may cause problems in Indiana](#)

Rep. Baird- [Baird introduces VA Directly Returning Prescriptions Act](#)

KPC News- [Indiana Youth Institute focuses on help, hope](#)

Pillar 5- Deliver good government service

Fox59- [DNR to stock over 80,000 channel catfish across Indiana by November](#)

Tribune Star- [Union Hospital navigator program supports pregnant women, families](#)

2019 Legislative Session

DC Herald- [Indiana switches up teacher licensing program](#)

Republic- [Indiana to drop Pearson, returns to ETS teacher licensing](#)

Tribune Star- [What is the government's haul from a Vigo casino?](#)
My Wabash Valley- [Governor, businesses owners share insight on gaming](#)

USS Indianapolis Commissioning

ABC7- [Thousands attend commissioning of USS Indianapolis at Indiana port](#)
Military.com- [4th USS Indianapolis Commissioned at Northern Indiana Port](#)
Republic- [4th USS Indianapolis commissioned at northern Indiana port](#)
WGN- [4th USS Indianapolis commissioned in Burns Harbor](#)
WIBC- [Newest Version Of USS Indianapolis Commissioned](#)
Navy Times- [Navy commissions newest warship](#)
DC Herald- [4th USS Indianapolis commissioned](#)

Misc.

Indy Star- [Indianapolis civic leader P.E. MacAllister honored for his 'inspiring example to all'](#)
NWI Times- [First National Guard cyber battalion in Midwest will be based in Indiana](#)
SB Tribune- [Advocates spread the word about Indiana expungement law](#)
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Neighbor- [Holcomb not well known, according to survey](#)
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Journal Gazette- [Abortion doctor's hoard puzzles all](#)

Sincerely,

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U.S. KILLS ISIS LEADER BAGHDADI: The shadowy leader of the Islamic State group who presided over its global jihad and became arguably the world's most wanted man, is dead after being targeted by a U.S. military raid in Syria, President Donald Trump said Sunday ([AP](#)). "Abu Bakr al-Baghdadi is dead," Trump announced at the White House, saying the U.S. had "brought the world's number one terrorist leader to justice." As U.S. forces bore down on him, Trump said al-Baghdadi fled into a tunnel with three of his children and detonated a suicide vest. "He was a sick and depraved man, and now he's gone," Trump said. "He died like a dog, he died like a coward." The announcement comes as Trump has been on the receiving end of bipartisan criticism in Washington following the recent pullback of U.S. troops from northeastern Syria. Critics fear that move will allow the militant group to regain strength after it had lost vast stretches of territory it had once controlled. A senior Iraqi security official told the AP that Iraqi intelligence played a part in the operation. Al-Baghdadi and his wife detonated explosive vests they were wearing during the U.S. commando operation, according to the official, who was not authorized to publicly discuss the sensitive information and spoke on condition of anonymity. He added that other IS leaders were killed in the attack.

GM STRIKE ENDS: A contentious 40-day strike that crippled General Motors' U.S. production came to an end Friday as workers approved a new contract with the company ([AP](#)). GM workers voted 57.2% in favor of the pact, passing it with a vote of 23,389 to 17,501, the union said in a statement. Picket lines came down almost immediately after the vote was announced, and some of the 49,000 striking workers were expected to return to their jobs as early as Friday night. Some skilled trades employees such as electricians and machinists were to enter the plants to get machinery restarted in preparation for production workers to return as early as today.

4TH USS INDIANAPOLIS COMMISSIONED: The Navy has commissioned its new USS Indianapolis combat vessel at Burns Harbor along Lake Michigan. The ceremony Saturday drew dignitaries, Navy officials, four survivors of the ship's namesake sunk during World War II and family members of current crew members ([AP](#)). Gov. Eric Holcomb, a Navy veteran, noted the Freedom-class littoral ship was made with Indiana steel. He also says the ship carries a "historic legacy" of the second USS Indianapolis that was sunk by a Japanese submarine in July 1945 while returning from delivering key components for the Hiroshima atomic bomb. Only 317 of its nearly 1,200 crewmen survived the sinking and days in shark-infested waters. The new ship will be based near Jacksonville, Florida. It's designed to be highly maneuverable for missions such as mine-clearing and anti-submarine warfare.

SONDLAND TESTIMONY ACKNOWLEDGE TRUMP/UKRAINE QUID PRO QUO: A top U.S. diplomat told House committees last week that efforts by President Trump and his allies to press Kyiv to open investigations in exchange for a White House meeting with Ukraine's president amounted to a quid pro quo, his lawyer said ([Wall Street Journal](#)). Gordon Sondland, the U.S. ambassador to the European Union, told House committees that he believed Ukraine agreeing to open investigations into Burisma Group—a gas company where Democrat Joe Biden's son once served on the board—and into alleged 2016 election interference was a condition for a White House meeting between Mr. Trump and Ukrainian President Volodymyr Zelensky, Mr. Sondland's lawyer Robert Luskin said. Asked by a lawmaker whether that arrangement was a quid pro quo, Mr. Sondland cautioned that he wasn't a lawyer but said he believed the answer was yes, Mr. Luskin said. Mr. Trump has repeatedly denied the existence of a quid pro quo related to his push for Ukraine to open investigations.

SENS. YOUNG, BRAUN SIGN ANTI-IMPEACHMENT RESOLUTION: The resolution calls on the House of Representatives to hold a full vote of its members to formally open an impeachment inquiry of President Trump (Pinsker, [Indiana Public Media](#)). "Well I think due process is really important, that's something we learned during the Kavanaugh hearing, a lot of emphasis on following the appropriate process," Young says. "I would look back to the Clinton impeachment, the Nixon impeachment." The resolution says President Trump is not being given the same due process President Clinton was afforded during his 1998 impeachment. It also calls for the House to allow President Trump to confront his accusers and provide his own witnesses. Young says while he supports the resolution, he wants to focus on workforce development, which was the purpose of his trip to Indianapolis Friday. Indiana's Junior Senator Mike Braun also signed the resolution.

KELLY FEARED IMPEACHMENT IF TRUMP HAD 'YES MAN' AS CoS: John F. Kelly, the former White House chief of staff who during his tenure made it clear he detested the job, expressed regret on Saturday about leaving and implied that he could have helped stave off the impeachment inquiry now threatening Mr. Trump's presidency ([New York Times](#)). Mr. Kelly, who left barely on speaking terms with the president, said he warned his boss to pick a successor in his mold, meaning someone who would push back against him. "I said, whatever you do, don't hire a 'yes man,' someone who won't tell you the truth — don't do that," Mr. Kelly said, according to The Washington Examiner, which covered his remarks at a political summit it hosted in Sea Island, Ga. "Because if you do, I believe you will be impeached." "I have an awful lot of, to say the least, second thoughts about leaving," Mr. Kelly said. "It pains me to see what's going on, because I believe if I was still

there or someone like me was there, he would not be kind of, all over the place.” “I worked with John Kelly, and he was totally unequipped to handle the genius of our great president,” the press secretary, Stephanie Grisham, said in a statement.

HILL CASE MAY TAKE MONTHS TO RESOLVE: It will be months before a final decision comes in Attorney General Curtis Hill’s disciplinary case over allegations he groped four women (Smith, [Indiana Public Media](#)). The nearly week-long hearing featured 26 witnesses, hours of testimony and dozens of pieces of evidence. That must be compiled into one record both sides review. The parties then file what’s called their proposed findings with the hearing officer, former state Supreme Court Justice Myra Selby. All of that will probably take a couple months. And at that point, things are in Selby’s hands for a while. She’ll make a recommendation on what should happen to Curtis Hill, which could be anything from no action to a reprimand, probation to suspension of his license to disbarment. But that’s not the end. Whichever side doesn’t like Selby’s recommendation petitions the Indiana Supreme Court to review the case. The five justices will make the final decision - but it will likely be well into 2020 before they do.

FEDERAL DEFICIT UP 26%: The United States federal budget deficit jumped 26 percent in the 2019 fiscal year to \$984 billion, reaching its highest level in seven years as the government was forced to borrow more money to pay for President Trump’s tax and spending policies,” the N.Y. Times reports (*Axios*). The deficit has now swelled nearly 50 percent since Mr. Trump took office and it is projected to top \$1 trillion in 2020. The grim fiscal scorecard shows how far the Republican Party, under Mr. Trump, has strayed from conservative orthodoxy.

SPENCER PRIDE COMMITTEE CRITICIZES OWEN COMMISSIONERS: Spencer Pride is accusing the Owen County Commissioners of targeting its annual Pride festival in an open letter released Friday. This comes after the commissioners moved ahead with a beefed-up ordinance proposal this week that would make it difficult to hold a special event on county property (Legan, [Indiana Public Media](#)). Controversy arose about the ordinance changes after form letters surfaced describing the Spencer Pride Fest as inappropriate for children. The commissioners originally tried to pass them off as a petition from taxpayers complaining about costs. Bullet b.12 of Section Six of the ordinance states, “Displaying any sexually explicit or suggestive materials, items, or images is prohibited. No vendor may sell or display any sexually explicit materials, items, or images on county grounds.” Spencer Pride President Jonathan Balash says the vagueness throughout the ordinance will likely make it subject to lawsuits. “It’s gonna be up to someone – [Owen County Commissioners President] Jeff Brothers, perhaps – to decide, based on his moral compass, what is or is not sexually suggestive. For us, that is a major issue, because many of them have expressed that even to identify as LGBTQ – that is overly sexual. So someone who has that as their belief is going to find everything that we do at the festival to somehow be tied into that really vague term ‘sexually suggestive.’” Brothers said at this Monday’s Commissioners meeting that someone dressing “inappropriately” at a festival could be a danger to children.

HPI DAILY ANALYSIS: May Abu Bakr al-Baghdadi burn in hell. His ISIS was the embodiment of pure evil, and his defiling of American hostage Kayla Mueller (as well as the deaths of James Foley and Peter Edward Abdul-Rahman Kassig of Indianapolis) were some of the worst atrocities committed this century. - *Brian A. Howey*

Campaigns

HOGSETT HAS 30% LEAD OVER MERRITT: With just under two weeks to go before Election Day, a new poll by [Indy Politics](#) and Mason Strategies shows incumbent Mayor Democrat Joe Hogsett enjoying a comfortable lead over Republican challenger Jim Merritt, 57% to 23%, with 11% undecided. The survey of 350 likely voters shows also shows Libertarian Doug McNaughton earning around four percent. There is a +/- 5.2% margin of error. These numbers are virtually unchanged from our August poll where Hogsett led 55% to 25%. “With just over 10 days left, the fundamentals of the race haven’t changed from this summer,” said Stephen Spiker, owner of Mason Strategies. “Joe Hogsett is cruising on strong job approval ratings and confidence in the direction of the city, while Jim Merritt just hasn’t had the resources necessary to convince voters that a change in leadership is needed.”

Q&A FOR ELKHART’S MILLER, ROBERSON: The [South Bend Tribune](#) publishes unedited answers from the candidates for Elkhart mayor in the Nov. 5 election. How would you positively influence the perception of the Elkhart Police Department and increase community involvement with department oversight? Miller: As you recall while I was Mayor, I brought forth accreditation to the Police Department. Unfortunately, a previous administration let it lapse. I support accreditation efforts to provide transparencies which will benefit the citizens of Elkhart. The members of the police force should be empowered to serve at higher levels of professional standards. I believe in our police, fire and emergency responders. As a community we must know they are well-trained and they are equipped for any circumstance. In rare incidences, they may make mistakes. When they do, proper action up to termination must take place. With proper procedures and the right tools, personnel and

leadership, I believe that all matters can be handled justly and efficiently. I will work with all first responder leadership to assure we are absolutely aligned and working together. Roberson: My top priorities include transparency, accountability, and communication in order to continue building positive relationships with the community. The police department is the city's front facing department and their standard has to be above reproach. In collaboration with the department, I will review the information from the analysis that is currently being done by the City of Elkhart. It is critical to have practices and procedures in place to address situations such as those the department faced this year.

Presidential 2020

LOTTER PROFILED BY POLITICO: Marc Lotter, director of strategic communications for President Donald Trump's reelection campaign, celebrated a milestone birthday recently and was profiled by Politico (Francisco, [Fort Wayne Journal Gazette](#)). In that article, the Snider High School grad talked about his start in politics: "Stuffing envelopes in 1979 at age 9 for a friend of my father who was running for mayor of my hometown of Fort Wayne (as a Democrat). He won and went on to serve as a state representative. Decades later, while I worked for the Republican governor, he jokingly reminded me that I got my political start working to elect a Democrat." That person was Winfield Moses, and the 50-year-old Lotter still remembers Moses' campaign slogan: "When Win wins we all win."

Sunday Talk

BANNON SAYS PELOSI IMPEACHMENT STRATEGY IS 'WINNING': Steve Bannon, a former White House chief strategist and longtime ally of President Trump, said in a radio interview broadcast Sunday that Speaker Nancy Pelosi's (D-Calif.) impeachment strategy is "winning." In the interview with John Catsimatidis on ["The Answer"](#) in New York, Bannon expressed his deep concern for the president and his administration amid the impeachment inquiry, stating that Pelosi will "impeach the president of the United States on two counts: one, abuse of power; the other, obstruction of justice." He went on to say that many of Trump's supporters are "in shock" that the president is going through this process and that they need to "wake up" to what he says is a campaign of untruths.

CLAPPER SAYS ISIS ISN'T DEAD: Former National Director of Intelligence James Clapper warned Sunday that the U.S. can't "stop worrying about ISIS" after the death of the group's leader Abu Bakr al-Baghdadi's death. Clapper, who served under former President Obama, said the death of al-Baghdadi had "a huge symbolic meaning" but cautioned that the ISIS ideology extended beyond Baghdadi and said his death will not end the terrorist group. "ISIS is more than just Baghdadi, as important as he was," Clapper told Jake Tapper on CNN's ["State of the Union."](#)

State

EDUCATION: TEACHER LICENSING SWITCH - Indiana is switching up its teacher licensing program in response to complaints about low pass rates under the current testing program, in hopes of addressing a shortage of teachers in the state ([AP](#)). ETS, a nonprofit organization, will replace Pearson beginning September 2021 as the provider of licensing tests for prospective teachers, said Indiana Department of Education spokesman Adam Baker. The move comes after Republican state Sen. Jean Leising, of Oldenburg, introduced legislation this year that required the state Board of Education to adopt a program that's administered nationally. "I'm anxious to see what kind of results we get and I'm going to be monitoring this very closely after we have a couple years of data to see if pass rates improve over what we've been seeing on the current test used," Leising said, adding that the change is a step in the right direction in dealing with the teacher shortage in Indiana.

ENERGY: NIPSCO TO BUILD WHITE COUNTY WIND FARM - The vast expanse of wind turbines in northwest Indiana appears to be set for expansion. Northern Indiana Public Service Co., a subsidiary of Merrillville-based NiSource (NYSE: NI), and Texas-based EDP Renewables North America LLC have agreed to collaborate on a 302-megawatt wind farm in White County (Mills, [Inside Indiana Business](#)). EDP Renewables says around 80 wind turbines will be erected at the Indiana Crossroads Wind Farm. NIPSCO says the companies executed a Build & Transfer Agreement for the Indiana Crossroads Wind Farm in White County, the second joint effort wind turbine project for the two firms. The utility is not giving a price tag.

STEEL: ALARMS OVER OVERCAPACITY - Nineteen steel industry associations from across the globe, including those that represent ArcelorMittal USA and U.S. Steel in Northwest Indiana, have again sounded the alarm on global steel excess capacity (Pete, [NWI Times](#)). The American Iron and Steel Institute, the Steel Manufacturers Association, the Canadian Steel Producers Association and steel trade groups from across the Americas, Europe, Africa and Asia urged governments of steelmaking countries worldwide to take urgent action. Some industry observers estimate steelmaking overcapacity exceeds

500 million tons worldwide, largely as a result of the unprecedented growth of the state-sponsored steel industry in China, which went from making 142 million tons of steel in 2000 to an estimated 1 billion tons last year.

ANTELOPE CLUB: NEW BOARD CHOSEN - New board members for the Antelope Club were announced on Saturday (*Howey Politics Indiana*). Several candidates opted to send observers. These observers unanimously verified the process was followed and we now have our results for this year's board election. As there are five open seats, in accordance with our bylaws, the top three vote-getters will serve full 3-year terms. The fourth top vote-getter will serve the open 2-year term. The fifth top vote-getter will serve for the open 1-year term. Serving on the board for full 3-year terms: Tom Sutton, Mark Pryor, Ashley Miller. Serving on the board for a 2-year term: Jon Lewis. Serving on the board for a 1-year term: Charlie Turk.

Nation

WHITE HOUSE: TRUMP SEEKS TO END ANOTHER RUSS TREATY - The Trump administration has taken steps toward leaving a nearly three-decade-old agreement designed to reduce the risk of war between Russia and the West by allowing both sides to conduct reconnaissance flights over one another's territories, U.S. officials said ([Wall Street Journal](#)). The withdrawal would mark a further step toward dismantling the post-Cold War arms-control framework, already buffeted by the demise of the Intermediate-range Nuclear Forces Treaty and the uncertain fate awaiting the New START accord on U.S. and Russian long-range nuclear arms, which expires in 2021. President Trump has signed a document signaling his intent to withdraw the U.S. from the 1992 Open Skies Treaty, two U.S. officials said.

WHITE HOUSE: NBA'S SILVER RESPONDS TO PENCE - NBA Commissioner Adam Silver said Thursday he hoped the league can "bring people together" hours after Vice President Mike Pence blasted the NBA as acting as a "wholly-owned subsidiary of China" ([Fox News](#)). Pence, during a speech Thursday afternoon, accused the NBA of siding with China in "silencing free speech" nearly three weeks after a tweet from Houston Rockets' general manager Daryl Morey supported pro-democracy protesters in Hong Kong. The tweet started a firestorm that engulfed the league as it prepared to open the 2019-20 season with a preseason trip to China. "We're going to double down on engaging with the people of China and India and throughout Africa, throughout the world regardless of their governments," said Silver, who appeared on TNT's broadcast of "Inside the NBA." "Certainly [if] we get to a point where the U.S. government tells us we shouldn't be doing business in certain territories or countries, we won't."

WHITE HOUSE: CHAS. BARKLEY BLASTS PENCE - Retired NBA star Charles Barkley has never been shy about expressing his opinion, no matter what the subject. On Thursday night, Barkley harshly criticized Vice President Mike Pence -- saying Pence "needs to shut the hell up" -- after the vice president earlier in the day slammed the NBA for cowardice and hypocrisy regarding the Hong Kong-China controversy ([Fox News](#)). During a speech in Washington, Pence said he was disappointed that NBA players and executives didn't speak out on behalf of Hong Kong's pro-democracy demonstrators, and seemed more interested in protecting their money-making opportunities in communist China. Vice President Pence needs to shut the hell up, number one," Barkley said to a panel of his TNT colleagues as well as NBA commissioner Adam Silver. "All American companies are doing business in China. I thought the criticism of commissioner Silver and LeBron James was unfair."

WHITE HOUSE: MORRISON VOWS TO TESTIFY - Tim Morrison, a National Security Council official who has been identified as a witness to one of the most explosive pieces of evidence unearthed by House impeachment investigators, plans to testify Thursday even if the White House attempts to block him (*Politico*). "If subpoenaed, Mr. Morrison plans to appear for his deposition," his attorney, Barbara Van Gelder, said. A slew of high-profile witnesses have defied White House, State Department and Pentagon orders not to cooperate with the impeachment probe. In each case, lawmakers have issued a subpoena, which the officials have relied on to justify testifying over the administration's objections. Morrison, however, would be the first currently serving White House official to testify. He's also the first official believed to be on a July 25 phone call between President Donald Trump and Ukrainian President Volodymyr Zelensky during which Trump pressed his counterpart to investigate former vice president Joe Biden.

WHITE HOUSE: CHINESE GDP FALLS 5.3% - Profits at China's industrial firms contracted for the second straight month in September as producer prices continued their slide, highlighting the toll a slowing economy and protracted U.S. trade war are having taken on corporate balance sheets ([Reuters](#)). Industrial profits fell 5.3% in September from a year earlier to 575.6 billion yuan (\$81.48 billion), data released by the National Bureau of Statistics (NBS) on Sunday showed. That compared with a 2% decline in August.

PENTAGON: MICROSOFT GETS CLOUD CONTRACT - The Pentagon awarded Microsoft a \$10 billion cloud computing contract, snubbing early front-runner Amazon, whose competitive bid drew criticism from President Trump and its business rivals. Bidding for the huge project, known as Joint Enterprise Defense Infrastructure, or JEDI, pitted leading tech titans Microsoft, Amazon, Oracle and IBM against one another ([CBS News](#)). An Amazon Web Services spokesperson told CBS News the company is "surprised" by the decision. "AWS is the clear leader in cloud computing, and a detailed assessment purely on the comparative offerings clearly lead to a different conclusion. We remain deeply committed to continuing to innovate for the new digital battlefield where security, efficiency, resiliency, and scalability of resources can be the difference between success and failure," the spokesperson said.

CRIME: BUTINA OUT OF PRISON; DEPORTED - A Russian gun rights activist who admitted being a secret agent for the Kremlin and trying to infiltrate conservative U.S. political groups while Donald Trump rose to power was released from federal prison on Friday, officials said ([Politico](#)). Mariia Butina left a low-security facility in Tallahassee, Florida and was placed in the custody of federal immigration authorities. She is expected to be immediately deported to Russia now that she has finished her 18-month sentence.

MEDIA: NBC ROILED OVER FARROW BOOK - Rachel Maddow is far from the only one. Her extraordinary MSNBC segment on Friday — covering the allegations in Ronan Farrow's "Catch and Kill" that are roiling NBC News — gave voice to other staffers who have concerns about management ([CNN](#)). Maddow also interviewed Farrow on Friday night, ending a two-year period when he wasn't booked on any NBC-owned channels. Questions about NBC are coming back to the forefront. Chiefly: Why won't the network open itself up to an external investigation? The concerns are about two separate but possibly related issues: NBC's handling of Ronan Farrow's reporting about Harvey Weinstein in mid 2017, and the Matt Lauer sexual misconduct scandal that erupted later that year.

TEXAS: 2 KILLED, 14 WOUNDED AT PARTY - Two people have been killed in a shooting at an off-campus Texas A&M University-Commerce party that also left at least 14 others injured, a sheriff's official said ([Washington Post](#)). The shooting took place just before midnight Saturday in Greenville, around 15 miles (24 kilometers) southwest of the Commerce campus, Chief Deputy Buddy Oxford of the Hunt County Sheriff's Office said. The shooter remains at large, Oxford said. He said the shooting began around 15 minutes after deputies arrived outside the venue, responding to reports of illegal parking.

Local

MICHIGAN CITY: PD CHIEF RESIGNS AFTER MAYOR'S STEPSON ARREST - The city's police chief and two assistant chiefs resigned this week after Michigan City Mayor Ron Meer alleged his stepson's arrest on drug charges was politically motivated ([South Bend Tribune](#)). In his letter of resignation dated Tuesday, Chief Mark Swistek said Meer directed him on Tuesday to remove the department from the LaPorte County Drug Task Force and reassign his officers working the task force. Swistek said the order would violate his oath to serve with "honor, integrity and professionalism as a public servant committed to the protection of all the people who make up the Michigan City community." "Although my resignation is made without hesitation," Swistek wrote, "it is not made in haste." Assistant chiefs Kevin Urbanczyk and Royce Williams also stepped down.

BLOOMINGTON: COUNCILWOMAN FLIPS OFF COLLEAGUE - Bloomington Councilwoman Allison Chopra is standing by her actions after Community Access Television Services captured video of her making an obscene gesture to a fellow councilmember Tuesday night (Legan, [Indiana Public Media](#)). The hearing was on the city's proposed Unified Development Ordinance. The meeting focused extensively on the possible addition of multifamily "plexes" into the city's core neighborhoods. The public comment period had lasted for nearly two hours when council began discussing how long to continue. Council put a time limit of four hours on each meeting because of the controversial nature of the UDO. Chopra was against extending the meeting, saying it was unfair to those who were expecting the scheduled time to be kept. "Why set a rule if you're not gonna freaking follow it?" Chopra asked at the meeting. "What's the point? We do this all the time. It's embarrassing." "Well, go home then," Councilman Chris Sturbaum responded. That's when Chopra turned to her left, extending her left middle finger in Sturbaum's direction.

CUMBERLAND: NEW PD CHIEF - For the first time, a woman has been appointed to serve as the Chief of the Cumberland Metropolitan Police Department ([WRTV](#)). Chief Suzanne Woodland was appointed Tuesday in an unanimous vote by the Cumberland Board of Metropolitan Police Commissioners, according to a release from the town. She has been with the department for 11 years. Woodland served as the interim chief since April after former Chief Michael Crooke retired, according to the release. He was the chief of police for more than 10 years.

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BUTTIGIEG CREATING IOWA BUZZ: The mayor of a mid-sized Midwest city whose name no one could pronounce at the start of this year has come a long way in the Democratic primary. For a rising star in the party, vastly over-performing expectations in a crowded presidential field would easily be considered a victory in its own way. But there's real reason to think Pete Buttigieg could yet win this nomination outright ([Iowa Starting Line](#)). One such rather plausible scenario is starting to develop right before our eyes. It starts, as these things so often do, in Iowa. Two polls this past week had good news for Buttigieg in the lead-off caucus state. A Suffolk University and USA Today poll had the Mayor in third place at 13%. More importantly, he was just five points off Joe Biden's first-place lead of 18% (there were a lot of undecideds in this survey — 29%) and four behind Elizabeth Warren's 17%. Bernie Sanders had fallen back to fourth at 9%. Even better for Buttigieg, an ISU/Civiqs poll put him in second, with 20% saying he was their first choice for the caucus. In this survey, Buttigieg trailed Warren, who was at 28%. Sanders had 18% and Biden was at 12%. The latter poll isn't one that usually breaks big news in Iowa politics, but it's always noteworthy when multiple polls, regardless of their stature, point to the same thing in the same week. And that's what anyone on the ground can see clearly here: Buttigieg has a ton of energy and enthusiasm on his side in Iowa. And now is just about the time you want to get hot as we enter the final 100-day stretch.

PENCE DODGES QUESTIONS ON INQUIRY: Vice President Mike Pence on Sunday refused to say whether he believes U.S. officials were lying in testimony bolstering the case that President Donald Trump pressured Ukraine to investigate his political rivals in exchange for his administration's support ([Politico](#)). CBS "Face the Nation" moderator Margaret Brennan repeatedly asked Pence about statements made by officials under oath that they had knowledge of a deal being offered that made military aid contingent on Ukraine opening an investigation targeting former Vice President Joe Biden. House Democrats have been gathering the testimony as part of an impeachment inquiry. Pence was pressed on the matter Sunday after U.S. diplomat William Taylor told House investigators that Trump tried to withhold military aid and refuse a White House meeting with Ukraine's president as part of the effort. "I can only tell you what I know," Pence said on CBS, denying that there was any quid pro quo. Pence would not give a clear yes-or-no answer when asked if witnesses were lying or whether he had any knowledge of the arrangement being alleged. "I'm telling you, all of my interactions with the president, all of my conversations with [Ukraine President Volodymyr Zelensky], were entirely focused on issues of importance to the American people, ending corruption, enlisting more European support and supporting Ukraine in a way that would restore its territorial integrity and stand by Ukraine for its sovereignty," Pence said.

PENCE SAYS U.S. 'UNRELENTING' ON TERROR, ISIS: Vice President Mike Pence hailed the death of ISIS leader Abu Bakr al-Baghdadi during a U.S. special forces raid as an important victory in the Trump administration's strategy to weaken and dismantle the global terrorist group, which has come under scrutiny after the president's controversial decision to withdraw U.S. troops from northern Syria ([CBS News](#)). "Last night, the president of the United States proved to the world that our fight against ISIS is unrelenting and by killing the leader of ISIS — the active operational leader of ISIS, who is reported just two weeks ago as giving orders to ISIS fighters in Syria — we believe will have a measurable impact on the effectiveness of that terrorist organization," Pence said on "Face the Nation" Sunday. "We're not going to let up," the vice president added. "We're not going to stop the fight."

SEN. BRAUN SEES 'DEATH BLOW' TO ISIS; CARSON DISAGREES: Sen. Mike Braun (R) praised the U.S. special forces who forced Baghdadi to blow himself up in a tunnel in Syria as U.S. special forces were closing in on his location ([WIBC](#)). Braun tweeted: "Today we thank US Special Forces for their bravery in killing #Baghdadi, author of untold suffering to Christians, Americans, & countless innocents worldwide. President @realDonaldTrump's decimation of ISIS is a message to all that America's enemies are always brought to justice." Braun later called Baghdadi's death a "death blow to ISIS." Rep. Andre Carson (D) cannot agree. He retweeted fellow Democrat Congressman Adam Schiff, who said just because Baghdadi is dead does not mean ISIS has been defeated.

TRUMP GREETED WITH JEERS, 'LOCK HIM UP' AT WORLD SERIES: President Trump's low-profile appearance Sunday night at Game 5 of the World Series drew loud boos and jeers when he was introduced to the crowd ([CBS News](#)). Wearing a dark suit and a tie, Mr. Trump arrived at Nationals Park just before the first pitch of the Houston Astros-Washington Nationals matchup. Hours earlier, he had announced that U.S. forces had assaulted the hiding place of Islamic State leader Abu Bakr al-Baghdadi, who was killed in the raid in northeast Syria. At the same time, a divisive impeachment inquiry into the president is underway in Congress. Mr. Trump and first lady Melania Trump entered a lower-tier box to the left of home plate as the game was beginning. At that point, his presence hadn't yet been formally announced, but baseball fans in the section just below his suite turned to look toward the box as he arrived. Some waved at the president as he smiled and gave a thumbs-up. At the end of the third inning, the president stood and waved to the crowd, and ballpark video screens carried a salute to U.S. service members that drew cheers throughout the stadium. When the video on the Jumbotron cut to the president and his entourage — which included a number of GOP lawmakers — and the loudspeakers announced the Trumps,

cheers abruptly turned into a torrent of boos and heckling from what sounded like a majority of the crowd. Chants of "Lock him up!" broke out in some sections, including one below where the president was sitting.

TRUMP MENTIONS PETER KASSIG: President Donald Trump remembered Butler graduate Abdul-Rahman (Peter) Kassig Sunday in his statement about the death of the group's leader, Abu Bakr al-Baghdadi ([WTHR-TV](#)). "Baghdadi and the losers who worked with him – in some cases people who had no idea what they were getting into and how dangerous and unglamorous it was – killed many people," part of the statement read. "Their murder of innocent Americans Jim Foley, Steven Sotloff, Peter Kassig, and Kayla Mueller were especially heinous. The shocking publicized murder of a Jordanian pilot who was burned alive in a cage for all to see, and the execution of Christians in Libya and Egypt, as well as the genocidal mass murder of Yazidis, rank ISIS among the most depraved organizations in history." Abdul-Rahman Kassig was an American humanitarian worker held hostage for more than a year before he was killed in November, 2014. The then-26-year-old from Indiana, formerly known as Peter Kassig, was taken captive while doing aid work in Syria. ISIS claimed responsibility for Kassig's beheading in a graphic video.

KAYLA MUELLER FAMILY REACTS TO BAGHDADI DEATH: The family of Kayla Mueller, a humanitarian worker from Arizona who was held captive, tortured and killed by ISIS, said it brought them great solace to know that the U.S military operation that ended with the death of the terrorist group's leader had been dedicated to her ([ABC News](#)). President Donald Trump announced the death of the ISIS leader and founder Abu Bakr al-Baghdadi in a Sunday morning address that mentioned Mueller by name, calling her a "beautiful young woman" who died while trying to "help people." Sitting beside his wife, Marsha Mueller, in an emotional interview at their home in Arizona, Carl Mueller, also revealed that the couple once traveled to Irbil for a face-to-face meeting with Umm Sayyaf, wife of ISIS militant Abu Sayyaf. Delta Force killed Abu Sayyaf in May 2015 and captured Umm Sayyaf, who previously held Kayla Mueller captive in their home for al-Baghdadi to sexually assault. "When we talked to Umm Sayyaf, we found we got more information out of her, not just us, the people backing us - they got information from her that neither the Kurds or the US government had got in the two days that we were there," Carl Mueller said. "We learned from women that were ransomed out by their governments that she said she was held in many cold, dark places, she was raped by al-Baghdadi, we know that to be a fact," Carl Mueller said.

IRAQ PRESIDENT DOESN'T KNOW IF HE CAN TRUST U.S.: Iraqi President Barham Salih — long known as a pro-American leader — says he is no longer sure he can rely on the U.S. as an ally and may be ready to "recalibrate" Iraq's relationship with other countries, including Iran and Russia (*Axios*). In an extraordinarily candid interview with "Axios on HBO," Salih said he still values his country's alliance with the U.S. 16 years after the U.S. invasion of Iraq. He wants to keep that alliance — but made clear that the Trump administration's policies are making that difficult. "The staying power of the United States is being questioned in a very, very serious way," Salih said. "And allies of the United States are worried about the dependability of the United States."

HPI DAILY ANALYSIS: It was disheartening to hear chants of "lock him up" when President Trump was introduced at the World Series Sunday night. But it's the classic "what goes around, comes around," as this hostile crowd mimicked a similar chant featured at Trump's MAGA rallies. In more than 220 years, the basis of this republic has been the peaceful transfer of power in a country where we do not "lock up" politic opponents. We are losing something precious in this era of coarse politics. - *Brian A. Howey*

Presidential 2020

BUTTIGIEG COMMENTS ON BAGHDADI OPERATION: Pete Buttigieg responds to operation against Abu Bakr al-Baghdadi (*Howey Politics Indiana*): "Clearly this is a real blow against ISIS and a positive step in the fight against stateless terrorism, and credit should go to all who were involved. And I think it's an example of what our special operations and intelligence personnel are capable of around the world."

BUTTIGIEG SCHEDULE: Pete Buttigieg will join Tommy Vietor and Ben Rhodes for a conversation at the J Street National Conference. On Tuesday, Pete will host a grassroots event in Boston. On Wednesday, Pete will begin a two-day swing through New Hampshire by filing for the state's First-In-The-Nation Primary. On Friday, Pete will host a rally in Des Moines and speak at the Liberty and Justice Celebration. Following the Liberty and Justice Celebration, Pete will kick off a three-day bus tour across northern Iowa.

Sunday Talk

BIDEN DEFENDS HIS SON ON '60 MINUTES': Joe Biden said his son did nothing wrong while serving on the board of a Ukrainian gas company while the former vice president was serving under the Obama administration. In an interview with "CBS Evening News" anchor and managing editor Norah O'Donnell for "60 Minutes," the 2020 presidential candidate said he did his job without any concern about his son Hunter's role with Burisma ([CBS News](#)). "I don't tell my grown son what he can do, as long as whatever he's doing is appropriate," Biden said. O'Donnell pressed Biden on whether he considered the optics of his son working for a Ukrainian company during his years in the White House. Biden contended that Hunter was already on the board when he took office. "And he's a grown man," Biden said. "And it turns out he did not do a single thing wrong, as everybody's investigated." Hunter Biden was reportedly paid \$50,000 to \$80,000 a month for several years while serving on Burisma's board. O'Donnell asked the former Delaware senator about Hunter's claim that the only thing his father said to him about the job was, "I hope you know what you're doing." "What I meant by that is I hope you've thought this through," Biden said. "I hope you know exactly what you're doing here. That's all I meant. Nothing more than that because I've never discussed my business or their business, my sons' or daughter's. And I've never discussed them because they know where I have to do my job and that's it and they have to make their own judgments."

PENCE LAUDS BAGHDADI KILLING: Top Trump administration officials took to the Sunday shows to praise President Trump and U.S. special operations forces for the death of ISIS leader Abu Bakr al-Baghdadi, but they and others stressed the need for continued vigilance in dealing with the terror group. "It's a tribute to the courage of our armed forces, special forces that executed the raid on the compound last night, but it's also a tribute to the decisiveness of President Donald Trump," Vice President Pence said on CBS's "[Face the Nation](#)." Defense Secretary Mark Esper called it a "great day for America," saying on ABC's "This Week" that the raid "was a brilliantly executed operation" and that Trump "deserves credit for giving it the green light." "These are always inherently risky, and, as I like to say, our folks make the complex and the dangerous look simple and safe," he added. National security adviser Robert O'Brien similarly hailed it as a "great day," telling NBC's "Meet the Press" that it was "great news for us, great news for the American people, great news for everyone in the world."

PENCE DODGES QUESTIONS ON BAGHDADI RAID, PELOSI: President Donald Trump said this morning that he did not notify Speaker Nancy Pelosi in advance about the raid that took out Abu Bakr al-Baghdadi. On Fox News Sunday, Chris Wallace spoke with Vice President Mike Pence and said the successful operation is a victory for America ([Mediaite](#)). He also questioned the VP on Trump saying he didn't inform Pelosi in advance, with "the implication seeming to be that Pelosi or members of Congress would leak this." "Does the President not trust the Speaker of the House with sensitive national security information?" Wallace asked. Pence disputed that was the implication, saying Trump's "total focus was on a successful mission" and on the safety of the troops. Wallace again asked why Pelosi wasn't informed. Pence again defended the moves the administration took ahead of the raid and didn't address it directly. "No American casualties and al-Baghdadi is dead," Pence said. "We all applaud that. I do want to ask you, though, it's my job as a newsman, sir, respectfully, why didn't the president notify the Speaker of the House?" Wallace again asked. Pence again heralded the success of the operation but did not directly answer.

ESPER SAYS RAID 'BRILLIANTLY EXECUTED': Defense Secretary Mark Esper said Sunday that the raid that resulted in the death of ISIS leader Abu Bakr al-Baghdadi "was a brilliantly executed operation" ([The Hill](#)). "This is a great day for America. It's a great day for the world," Esper, who was in the Situation Room with President Trump monitoring the Saturday night raid, said. "The president made a bold decision to launch this raid, and our military service members and our interagency partners executed brilliantly."

THORNBERRY 'UNCOMFORTABLE' WITH TRUMP DESCRIPTION: Rep. Mac Thornberry (R-Texas), the ranking member of the Armed Services Committee, said he was "a little uncomfortable" with President Trump's description of ISIS leader Abu Bakr al-Baghdadi's death. "Oh, it probably makes me a little uncomfortable to hear a president talking that way," Thornberry said Sunday on CNN's "[State of the Union](#)." "But, again, Baghdadi was the inspirational leader for an ISIS network across the world from Africa to Southeast Asia. If you can take a little of the glamour off you, if you can make him less inspirational, then there's a value to that for all of these folks who are on their computers or in these networks looking to attack," he added.

THORNBERRY SAYS ISIS NOT DEFEATED: The top GOP member of the House Armed Services Committee warned that ISIS leader Abu Bakr al-Baghdadi's death "does not mean ISIS is defeated." Rep. Mac Thornberry (R-Texas) applauded the president and the special operations forces who took out al-Baghdadi, saying it was a "big deal" and Trump "deserves a lot of credit for authorizing the raid" on CNN's "[State of the Union](#)." But he said his death does not eliminate all cause for concern about terrorist attacks. "That does not mean ISIS is defeated anymore than getting bin Laden that al Qaeda was defeated," he said. "We've taken something valuable away, but you still have these networks. You still have people who will take the place of anybody we remove, and they continue to work to attack America."

ROGERS SAYS KURDS HELPED WITH FINDING BAGHDADI: Former Rep. Mike Rogers (R-Mich.) said there was "no way we could have done" the mission to kill ISIS leader Abu Bakr al-Baghdadi without the help of Kurdish troops. Rogers, the former chair of the House Intelligence Committee, told Jake Tapper on CNN's "[State of the Union](#)" that having the Kurds as allies and retrieving intelligence from them enabled the U.S. to successfully carry out this mission. "There's no way we could

have done this," Rogers said. "Remember those Kurdish forces were pushing back on ISIS." "All of that, Trump should understand how impactful that was," he added. "That was a change in operating in Syria and it did make a significant difference to push back and eliminate their land holding."

SCHIFF SAYS BOLTON WILL BE IMPORTANT WITNESS: House Intelligence Chairman Adam Schiff (D-Calif.) said President Trump's former national security adviser John Bolton is a "very important" witness in the ongoing impeachment probe. Schiff added on ABC's ["This Week"](#) that Bolton has emerged from testimony others have given during closed-door depositions as a key witness. "Obviously he has very relevant information and we do want him to come in and testify," Schiff added.

GOWDY CALLS HEARINGS A 'CIRCUS': Former Rep. Trey Gowdy (R-S.C.), the onetime chairman of the House Oversight and Reform Committee, defended the use of private congressional hearings and said he instead took issue with the leaks from the House's impeachment proceedings. CBS's Margaret Brennan on Sunday played a clip of Gowdy in 2018 describing public House hearings as a "circus" and a "freakshow." She then asked Gowdy whether he still believed that. "One hundred percent," Gowdy said on CBS's ["Face the Nation,"](#) adding, "I'm a rule follower. I threw a Republican out of a hearing because he was not a member of the committee. If you're going to have private investigations with unlimited time for questioning and cross-examining witnesses, that's a good thing."

KLOBACHAR CALLS TRUMP FOREIGN POLICY A 'DISASTER': Minnesota Sen. Amy Klobuchar, a Democratic candidate for president, conceded that the U.S. special forces operation over the weekend that led to the death of ISIS founder and leader, Abu Bakr al-Baghdadi, represents a political victory for President Trump. But she stressed that she believes Mr. Trump's foreign policy — which has veered from both traditional Republican and Democratic orthodoxy — has been filled by consequential mistakes. "Look, I have in the past, for instance, when the president made the decision to respond to Assad's use of sarin gas, I commended him for that decision," Klobuchar said on ["Face the Nation"](#) Sunday. "But just because you make some decisions — and you must as a commander in chief and you must make those decisions for the security of this country — doesn't mean that his foreign policy overall has not been a disaster."

Congress

YOUNG REACTS TO BAGHDADI: Sen. Todd Young (R) released this statement: "At this watershed moment in the battle against terrorism, we thank the special operation forces who carried out the mission and the thousands of men and women who have led the fight against ISIS. We think of Hoosier Marine Jordan Spears and his family, who represent the great sacrifice by many of our nation's finest, and their families, to defeat ISIS. We also remember Hoosier Peter Kassig and his family, who represent the unspeakable human toll that ISIS' top leader brought to our fellow American citizens and their families, and to countless innocent men, women and children."

BANKS EXTOLS TRUMP IN RAID AFTERMATH: Northeast Indiana's congressman echoed President Donald Trump on Sunday by tweeting that the death of Islamic State leader Abu Bakr al-Baghdadi was "even bigger" than when Navy SEALs killed Osama bin Laden, who planned the Sept. 11, 2001, terrorist attacks in the United States that killed nearly 3,000 people (Francisco, [Fort Wayne Journal Gazette](#)). Rep. Jim Banks, R-3rd, also wrote on Twitter that he supported Trump's decision to withhold advance notice of the U.S. military's raid Saturday on al-Baghdadi from congressional Democrats out of fear they would leak the information. "Consider that killing al-Baghdadi even bigger than killing Bin Laden," tweeted Banks, a member of the House Armed Services Committee. "Baghdadi both spiritual leader & chief recruiter of ISIS. Hard to estimate how many lives saved by killing who many ISIS fighters/recruits thought immortal," he tweeted, using another name for the Islamic State.

REP. KATIE HILL TO RESIGN: Freshman Rep. Katie Hill is resigning from Congress after facing allegations of inappropriate sexual relationships with staffers in her office and on her congressional campaign, according to two Democratic sources ([Politico](#)). She's set to resign by the end of the week. Hill was under investigation by the House Ethics Committee for allegations of an improper sexual relationship with a male congressional staffer, a claim she denied. Hill admitted to and apologized for an "inappropriate" relationship with a female campaign staffer earlier this week.

INQUIRY TO ACCELERATE THIS WEEK: The pace of House Democrats' investigation into President Trump and Ukraine will accelerate this week with a series of hearings from key administration officials, including a highly anticipated appearance from a top official on the National Security Council, *Axios*' Alayna Treene reports. Tim Morrison, the NSC's Russia and Europe director, will be the first currently serving White House official to testify before the committees on Thursday. He's also the

first official who is believed to have been on the July 25 call between Trump and Ukrainian President Volodymyr Zelensky, which is at the crux of Democrats' inquiry.

INQUIRY SCHEDULE: The following current and former administration officials are also scheduled to testify this week: Tuesday, Oct. 29 at 9:30 am: National Security Council Director for European Affairs Lt. Col. Alexander Vindman. Wednesday, Oct. 30 at 9:30 a.m.: Acting Assistant Secretary of Defense for International Security Affairs Kathryn Wheelbarger. Former Deputy National Security Adviser Charles Kupperman was subpoenaed by the House committees to appear on Monday. However, Kupperman filed a lawsuit on Friday asking a federal judge to rule on whether he can testify, given that Trump has asserted that he is immune from the congressional process and instructed him not to testify.

KUPPERMAN REPORTEDLY WON'T TESTIFY: Charles Kupperman, the deputy to former national security adviser John Bolton, was scheduled to appear before the joint committees carrying out the impeachment inquiry, but according to his attorney, he will not be testifying Monday ([CBS News](#)). Kupperman, who was subpoenaed by committees, has also been told by the White House that he could not appear before the committees. Torn between the legislative and executive branch directives, Kupperman filed a lawsuit last week in the U.S. District Court for the District of Columbia requesting that the court decide for him whether he "should comply with the House's subpoena or with the President's assertion of immunity and instruction that he not appear and testify," Kupperman's attorney, Charles Kupperman said in a statement last week.

HOUSE SCHEDULE: The House is expected to vote on a bipartisan package that would impose sanctions on Turkey for invading Syria. This comes despite President Trump declaring victory in the region and directing the Treasury Department to lift all sanctions imposed on Turkey on Oct. 14.

SENATE SCHEDULE: The Senate will vote on a package of appropriations bills to fund federal agencies and departments, including: Department of Commerce, Department of Justice, Science-related agencies, NASA, Department of Agriculture, Food and Drug Administration, Commodity Futures Trading Commission, Department of the Interior, Environmental Protection Agency, Forest Service, military construction activities of the Department of Defense, Department of Veterans Affairs, Department of Transportation and Department of Housing and Urban Development.

FORMER REP. CONYERS DIES: Long-serving former Democratic Congressman John Conyers Jr., who was a founding member of the Congressional Black Caucus and first introduced Martin Luther King Jr. Day as a holiday, but had to step down in 2017 amid allegations of sexual misconduct, has died. He was 90 ([CBS News](#)). A family spokeswoman confirmed Conyers's death to CBS News, while two other people in touch with his family Sunday said that Conyers died in his sleep at his Detroit home of natural causes.

State

GOVERNOR: NYT COVERS A STATEHOUSE WEDDING (& HENRY) - Hannah Elizabeth Brown and Jared Michael Bond were married Oct. 26 at the Indiana Statehouse in Indianapolis. The Rev. Matthew R. Barnes, a Baptist minister, officiated ([New York Times](#)). Mrs. Bond, 31, is the deputy finance director for the Indiana Republican State Committee, for which she oversees scheduling and fund-raising events for Gov. Eric J. Holcomb and the first lady, Janet Holcomb. She graduated from Anderson University in Anderson, Ind. She previously served on the staff of Vice President Mike Pence when he was a congressman and later governor of Indiana. She is the daughter of Yevonne A. Brown and Kenneth J. Brown of Lapel, Ind. The bride's father, who is retired, was a social studies teacher at Elwood Middle School in Elwood, Ind. Her mother, also retired, was an elementary schoolteacher at Elwood Community Schools for 43 years. Mr. Bond, 33, is the communications manager and public information officer for the Indiana auditor of state, Tera Klutz, for whom he oversees the communications strategy and media relations. He graduated from Purdue. He previously served as a director of the Tippecanoe County Board of Elections and as the Indiana press secretary for Representative Todd Rokita, a Republican who served from 2011 to 2019.

Nation

WHITE HOUSE: TRUMP WATCHED BAGHDADI TAKEDOWN - In describing the death of Abu Bakr al-Baghdadi on Sunday, President Trump used dramatic, even cinematic language to portray the daring American commando raid that brought down the Islamic State leader who, the president said, died "screaming, crying and whimpering" ([New York Times](#)). Mr. Trump described the video footage he watched from the White House Situation Room as "something really amazing to see." The experience, the president said, was "as though you were watching a movie." What the president saw, according to military and intelligence officials, was overhead surveillance footage on several video screens that, together, provided various

angles from above, and in real time. The videos included heat signatures of those moving around — which analysts labeled friend or foe — at the al-Baghdadi compound near Idlib, Syria.

WHITE HOUSE: TRUMP NEEDED ASSETS HE ESCHEWED - To kill Abu Bakr al-Baghdadi — arguably the most important national security accomplishment of the Trump presidency, along with wiping out ISIS' caliphate — the U.S. relied on many tools President Trump has spurned, *Axios'* Jonathan Swan writes. The raid's planners needed a U.S. ground presence in Iraq, where the mission launched and returned. They depended on intelligence from Kurdish partners on the ground. And they needed America's engagement on the ground in Syria for intel and situational awareness.

WHITE HOUSE: TRUMP/PENCE SCHEDULE - President Trump's schedule, per a White House official: Monday: Trump will leave the White House at 8 a.m. for Andrews, where he'll fly to Chicago. He will arrive at O'Hare at 9:20 a.m. and fly to Soldier Field, before heading to the McCormick Place Convention Center. He will arrive at the International Association of Chiefs of Police Annual Conference and Exposition at 10 a.m. Central time, and he will sign an executive order and speak at 10:25 a.m. At 11:20 a.m., he'll leave for the Trump International Hotel & Tower Chicago, where he'll have a fundraiser. He is scheduled to fly back at 1:35 p.m. At 5:45 p.m., he will host Halloween at the White House. **Tuesday:** Trump will have lunch with Secretary of State Mike Pompeo. He will also join a roundtable with supporters and speak at a Washington, D.C., fundraiser. **Wednesday:** Trump will have lunch with Vice President Mike Pence. He will also present the Medal of Honor to Master Sergeant Matthew Williams for his service during Operation Enduring Freedom. **Friday:** Trump will host a rally in Tupelo, Mississippi.

AUTOS: UAW SHIFTS TO FORD - General Motor's four-year deal will now be used as a template in bargaining with crosstown rival Ford Motor, the union's choice for the next round of bargaining, followed by Fiat Chrysler ([Fox News](#)). "We can confirm the UAW today notified Ford it plans to negotiate with us next," Ford said in a statement. "As America's No. 1 producer of vehicles and largest employer of UAW-represented autoworkers, we look forward to reaching a fair agreement that helps Ford enhance its competitiveness and preserve and protect good-paying manufacturing jobs." A contentious 40-day strike that crippled GM's U.S. production came to an end Friday as workers approved a new contract with the company.

SPORTS: TIGER TIES PGA RECORD - For Tiger Woods, it all comes down to consistency. Surgeries on his knee and back and a crisis in his personal life have cost him opportunities to play his best golf over the past decade. But when he's been healthy and free from off-course distractions, he's always found ways to win ([ABC Sports](#)). And now, he's won as much as anybody on the PGA Tour. Woods completed a wire-to-wire victory at the Zozo Championship on Monday, equaling Sam Snead's PGA Tour record of 82 victories. "It's a big number," Woods said. "It's a lot of consistency and doing it for a long period of time, Sam did it into his 50s and I'm in my early to mid-40s, so it's about being consistent and doing it for a very long period of time. I've been very fortunate to have the career I've had so far."

SPORTS: COLTS WIN ON VINATIERI FG - Indianapolis Colts coach Frank Reich was so confident in Adam Vinatieri, he opted to play for a long field goal Sunday ([AP](#)). Even after the NFL's career scoring leader opened the game by missing a 45-yard field goal wide right. Even after the league's best clutch kicker missed the tying extra point in the third quarter. Eventually, Vinatieri rewarded Reich's faith. In his 200th career game with the Colts, Vinatieri made a 51-yard field goal with 22 seconds left to give Indy a 15-13 come-from-behind victory over the Denver Broncos.

SPORTS: BEARS LOSE ON MISSED FG - One week after Chicago managed just 17 yards rushing on a franchise-low seven attempts in a 36-25 loss to New Orleans, RB David Montgomery had 27 of the Bears' 38 carries. He scored his third career touchdown on a 4-yard run in the third quarter, giving Chicago a 16-7 lead ([AP](#)). But the Bears (3-4) were unable to close out the Chargers (3-5), who had dropped three in a row and five of six. Mitchell Trubisky threw an interception and lost a fumble, helping Los Angeles rally. But he scrambled for 11 yards to move the Bears to the Chargers 21 with about 40 seconds left. Rather than try to move closer, coach Matt Nagy had Trubisky take a knee and called his last timeout with 4 seconds left. Eddy Pineiro then missed a 41-yard field goal as time expired, giving the Chargers the dramatic victory.

Local

MICHIGAN CITY: MEER TO ANNOUNCE NEW PD CHIEF - The mayor of Michigan City will name a new police chief this week after the resignations of three senior officers ([AP](#)). Mayor Ron Meer says he'll hold a news conference Tuesday. Police Chief Mark Swistek and assistant chiefs Royce Williams and Kevin Urbanczyk announced their resignations last week after a disagreement with the mayor over the Laporte County Drug Task Force. Swistek says Meer directed him to end the department's participation in the task force. The mayor later apologized for what he said during a "private, heated discussion." He says he won't pull Michigan City out of the group. Meer says he's been under stress since the arrest of a stepson on a drug charge.

INDIANAPOLIS: CITY PAYS \$6M IN LAWSUITS - A Call 6 Investigation has uncovered the City of Indianapolis has paid out \$6.17 million since January 2018 to settle lawsuits and claims for things like excessive force, police shootings, pothole damage, and car crashes involving city vehicles. As part of a four-month investigation, Call 6 analyzed the more than 180

settlements the city has paid out with your tax dollars over the last year and a half. [RTV6's](#) Kara Kenney found convicted murderers, burglars and violent felons in prison have received those settlements after they filed claims with the city.

LOGANSPOUR: CHICAGO DEVELOPER BUYS MALL - Logansport leaders are working to revitalize the city. Mayor Dave Kitchell is hoping the recent purchase of the Logansport Mall will help ([WFLI-TV](#)). Longtime Logansport residents remember the rise and fall of the mall. "It was nice to get it here, we were really excited we didn't have to go to Lafayette or Kokomo so much anymore, back in the day when it first got here," said Roberta Sturgeon, Logansport resident. "Then it all kind of dwindled. Now it's practically empty and it was pretty depressing, it really was." Mayor Kitchell calls it the mothership that brought retail and economic development to the east end of the city, and after more than 30 years the mall is now being repurposed. "The Penney's building, that will be sold off as a separate parcel and it will be developed for hotel property, what this enables the developer to do is to use that money to put more investment into their mall site," said Kitchell.

Duke Energy facing rate-hike pushback

October 25, 2019 | John Russell

KEYWORDS **DUKE ENERGY** / **ENERGY & ENVIRONMENT** / **INDIANA UTILITY REGULATORY COMMISSION** / **UTILITIES** / **UTILITY RATES**



Second-year apprentice Brian Staggs prepares to install a transformer at Locust and First streets in Zionsville. Duke Energy says it has met all of Indiana's requirements in its rate-increase filing, and has been timely in its responses to outside parties' requests. (IBJ photo/Eric Learned)

In a career spanning nearly 40 years, Glenn Watkins, a utility consultant based in Virginia, has analyzed hundreds of rate cases and provided expert testimony to regulators and courts in 23 states.

But when reading through a filing by Duke Energy Indiana in recent weeks, he grew puzzled in trying to understand the utility's request for a 15% increase in customer rates. Duke's exhibits and work papers, he said, were not documented, cross-referenced or linked in any way.

Watkins, president of suburban Richmond-based Technical Associates, was hired by the Indiana Office of Utility Consumer Counselor to analyze the case. He said he and his staff spent more than a month trying to understand, follow and verify Duke's forecasts.

Frustrated, he wrote this to the Indiana Utility Regulatory Commission on Oct. 15: "I cannot verify, reconcile, or understand how Duke's revenues were derived or even if they are consistent with forecasts."

Another outside expert, Jonathan F. Wallach of Resource Insight Inc. in Boston ran into similar problems. Hired by consumer group Citizens Actions Coalition of Indiana, Wallach said he found that some of Duke's work papers in the rate case did not contain any formulas he could analyze—just tens of thousands of rows of data pasted in from a proprietary software model he could not verify. He said Duke could not explain how the model worked, or where to find supporting information.



Pinegar

"In my experience, I have never seen a rate filing that compares to this in terms of the unsupported, inadequate, unorganized and undocumented presentation of evidence," Wallach wrote to the IURC on Oct. 11.

Other key parties in the case—including huge customers Walmart Inc., Kroger Co. and Nucor Steel-Indiana, along with the OUCC and Citizens Action Coalition—have asked state regulators to order Duke to refile all its work papers and exhibits, with formulas and linked spreadsheets. The IURC has yet to rule on the motion.

It's been only three months since Duke filed the rate request. But already, the case is getting huge pushback from customers, environmentalists, consumer groups and outside utility experts.

Many are accusing Duke, the state's largest electric utility, of making it difficult to examine key financial information, thus obstructing the normal give and take of the regulatory process. Some of them also say the rate increase seems unjustified and extraordinary.

The pushback could be a huge challenge for Duke, which says it needs to raise rates to improve the reliability of electric service, offset costs of generating cleaner energy and serve a growing customer base.

The company said the rate increase, if granted, would generate an additional \$395 million in annual revenue, a significant boost. Last year, Duke Energy Indiana had operating revenue of \$3.04 billion, up less than 1% from 2017.

If the utility receives state permission to increase rates, more than 800,000 customers could see their monthly bills jump—but by different amounts. A typical residential customer using 1,000 kilowatt hours a month could see a monthly increase of 20.4%, or about \$23. A commercial business would see an average increase of 18%.

A heavy-industrial consumer, such as a steel mill, would see rates climb about 13%, while a light-industrial customer, such as a metal shop, would see an 18% increase.

'More than transparent'

In trying to make the case it needs the money, Duke Energy Indiana, which is part of Charlotte, North Carolina-based Duke Energy Corp., said it has turned over voluminous amounts of data to interested parties. And rather than obstructing the flow of information, the utility said it has responded to more than 80 sets of discovery requests, comprising more than 1,000 individual data sets. It said it has provided even more information through conference calls and emails, exceeding the state's rules in order to help outside parties.

"We feel we've been more than transparent, more than accommodating to the other parties," Stan Pinegar, Duke Energy Indiana's president, told IBJ. "We've got a lot of issues in this case. We understand that."

Utility rate cases are normally adversarial affairs, with lawyers on both sides taking testimony, examining witnesses and introducing evidence.

But in recent years, utility cases have grown even more complex, as regulators have granted "intervenor status" to a wider circle of interested parties, such as large customers, environmental groups and labor councils. That gives the intervenors the right to examine the company's filings and challenge any evidence.

Greg Ellis, who worked as an administrative law judge at the IURC for six years before joining the Indiana Chamber as vice president for energy and environmental policy, said



Ellis



Washburn

the cases are growing more expensive as a result. And in the process, he said, many of the utilities' regulatory costs get rolled back into higher rates.

"A lot of these cases have gotten so complicated, with lots of lawyers all around," he said.

But some intervenors say they're playing a critical watchdog role in demanding utilities provide all relevant information to prove they need extra funds.

Citizens Action Coalition said it has been trying to dig into Duke's filings in this case but has been frustrated by inconsistent data or a lack of information. As one example, it said the residential connection charge and energy rates shown in one exhibit were different from those in a companion work paper.

"Generally speaking, it is messy, disorganized, riddled with errors, and essentially embodies the largest electric utility not putting forward enough organization and resources to make this case transparent or logical," said Jennifer Washburn, a Citizens Action Coalition attorney.

When asked about that by IBJ, Duke said that, due to a prior agreement with the parties, it filed multiple work papers under various methods.

"This was clearly delineated in our testimony," the company said in a statement. "In addition, we have pointed this out to the parties on at least two occasions."

'Serious deficiencies'

Citizens Action Coalition said certain parties began to uncover "serious deficiencies" in Duke's case in late August, or nearly two months after the utility filed its rate-increase request. In early September, it reached out to Duke for more information to show how it classified and allocated costs—a requirement in rate cases.

According to a rule published by the U.S. General Accounting Office in state utility matters: "To the extent a forward-looking test year employs a model, that model must be completely transparent, the assumptions fully explicit, and the results fully replicable by any party and by Commission staff."

Citizens Action Coalition said Duke's response—an offer to view the complete cost-of-service study, a critical submission, at Duke's Plainfield office—was unacceptable. In a motion filed Oct. 15, the coalition asked state regulators to order Duke to refile paperwork and supporting documents with links.

In response to complaints from outside experts that the cost-of-service study had no intact formulas, just voluminous amounts of data pasted in from another model, Duke said

Duke Energy Indiana

Headquarters: Plainfield

President: Stan Pinegar

Customers: 840,000

2018 operating revenue: \$3.04 billion
(up 0.5% from 2017)

2018 megawatt hours sold: 28.6 million
(up 4% from 2017)

Parent: Duke Energy Corp., based in Charlotte, North Carolina. It's the nation's largest electric utility.

Indiana power stations: five, in Vermillion, Gibson, Floyd, Knox and Hamilton counties

About the rate increase

- ▶ Duke Energy wants to raise rates in two steps: **13%** in mid-2020 and an additional **2%** in 2021.
- ▶ Together, the increases would generate **\$395 million** in annual revenue.
- ▶ A typical residential customer using 1,000 kilowatt hours a month could see a monthly increase of **20.4%**, or **\$23**, as a result of both steps of the increase.
- ▶ A typical commercial customer would see an average increase of **18.1%**
- ▶ A typical heavy industrial customer would see an increase of **13.2%**, while a typical light industrial customer would see a **17.9%** increase
- ▶ Duke had its **last rate case in 2004**, when the company was known as PSI/Cinergy.

Sources: Duke Energy Indiana, Indiana Utility Regulatory Commission, Federal Energy Regulatory Commission, IBJ research

it used a “sophisticated proprietary model” to run the study, and provided the inputs and results to the parties in its initial filings.

“We have made the model available on site and via Skype to the parties,” the utility said in a statement. “We also created a replica cost of service study in Excel format so they could see the formulas and have agreed to perform cost of service model runs for them.”

Other parties in the rate case, including Walmart, Kroger and Nucor Steel, did not return calls to IBJ, although they filed motions asking Duke to furnish more information.

Parties that have joined CAC’s motion to have Duke provide more information are the Indiana Office of Utility Consumer Counselor, the Indiana Community Action Association, the Indiana Laborers District Council, the Sierra Club and the Environmental Working Group.



Duke said it has met all of Indiana’s requirements in its filing, and has been timely in its responses. It said other parties overstepped their deadlines in challenging the company’s information, because they were required to file challenges within 20 days of the filing, “yet they made their claims 105 days after the filing.”

“Furthermore, we’ve taken additional steps to assist the parties, including the creation of data in different formats to try and accommodate their requests and have had multiple information conversations over the phone and in person with them,” the utility said in a statement.

Pinegar, the utility’s Indiana president, said the utility has attended three public-comment forums around the state to hear issues and engage with customers.

“I have complete confidence in this case,” he said. “I’m satisfied with everything we have to do to be as transparent as possible.”•

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Editorial: Investment hub idea is a good step toward goal of regional cooperation

October 25, 2019

KEYWORDS [EDITORIALS](#) / [OPINION](#)

We've long been advocates of regional cooperation—a concept traditionally viewed as benefiting Indianapolis more than its neighbors. So it's encouraging that Fishers Mayor Scott Fadness is taking the lead in promoting the latest proposal: the creation of investment hubs that would allow cities and towns to raise and spend money collaboratively on capital projects.

There's much to like about the idea, which comes from Accelerate Indiana Municipalities, formerly known as the Indiana Association of Cities and Towns.

Two or more municipalities with combined populations of at least 100,000 could join forces to create an investment hub, a 12-year commitment to impose a new sales, income or food and beverage tax to raise money for regional capital projects.

"My goal before I leave this office is to see our region collectively act together," Fadness told IBJ. We applaud Fadness for being dedicated to regional cooperation. And we agree that the state needs a regional funding mechanism formal enough to survive changes in local political leadership but flexible enough to allow cities to raise and spend funds as they choose.

State legislators should be receptive. It's a reasonable follow-up to the 2015 Regional Cities Initiative, which split \$126 million in tax amnesty funds among three regions. Although it was a popular program that leveraged more than \$1 billion in investment, it was funded by one-time source. Legislators shouldn't be surprised that cities and towns want to replicate Regional Cities' success and make it available to municipalities statewide.

While we like the investment hub idea, it's not without flaws.

Only half the revenue collected by the investment hub would go to regional capital projects. The other half would be distributed to the participating municipalities to use as they see fit. Devoting only half the money to whatever regional project the money is being raised for seems to shortchange the program's potential.

It's also unclear to what extent the program could be used to address existing problems. Using investment hub money to turn White River into a regional amenity would be a win, but a redeveloped riverfront might not deliver on its full potential if Indy roads are still a minefield.

Indeed, infrastructure needs in Indianapolis have been the flashpoint for recent discussions of regional cooperation. When Indianapolis Mayor Joe Hogsett earlier this year proposed capturing a portion of income tax growth in Marion and eight surrounding counties for infrastructure improvements, the idea was criticized by other mayors in the region, who complained that Indianapolis would get an unfair share of the proceeds. They also felt blindsided by the proposal.

Hogsett might have done a better job of communicating the plan, but no one can argue that Indianapolis doesn't face the biggest infrastructure challenges.

A truly regional approach would prioritize directing investments where the need is greatest rather than arguing over which city gets the most money.

But we realize that's wishful thinking. For now, the very idea that suburban mayors are interested in regional cooperation is a good sign. We hope the debate gains traction and delivers a plan that works. What emerges won't be perfect, but any plan that encourages regional thinking is better than nothing at all. •

To comment on this editorial, write to ibjedit@ibj.com.

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Employers say they're up for challenge of hiring seasonal help

October 25, 2019 | Marc D. Allan

KEYWORDS **DISTRIBUTION & LOGISTICS** / **DISTRIBUTION CENTERS** / **EMPLOYEES** / **HIRING** / **WORKPLACE ISSUES**



Postal worker Shealtiel Jordan helps a customer at the Circle City branch at Meridian and Michigan streets downtown. The U.S. Postal Service is advertising for seasonal carriers and clerks throughout the state. (IBJ photo/Eric Learned)

Before she got her job as a senior administrator in UPS' human resources department, Khisha Gleaves started with the package-delivery giant as a seasonal worker.

The higher-ups noted during those two years that she always went above and beyond, and was punctual and reliable, so they offered her a full-time position.

"I was overwhelmed with excitement, joy and a peak of accomplishment," she said. "I prayed for this job for years. Thanks to UPS, I



Gleaves

was able to start my career path."

UPS is hoping to find many more Khisha-Gleaves-type employees as the holiday season nears. In October, the company put out the word that it wants to hire 800 workers in Indianapolis and 100,000 nationwide during the upcoming peak months.

But with the unemployment rate at 3.2% and growing competition as other companies also ramp up hiring, finding that many seasonal employees will be a challenge.

Consider some of the other seasonal hiring announcements around Indianapolis in the past month or so. FedEx said it needs 1,700 employees in Indianapolis. Radial fulfillment and transportation company is looking for 1,800 workers at its Brownsburg center. The U.S. Postal Service is advertising for an unspecified number of carriers and clerks throughout Indiana.

The Indiana Department of Workforce Development doesn't collect information specific to holiday hiring, but a spokesman said that, based on other sources, this appears to be a strong holiday hiring season. Over the past three holiday seasons—the fourth quarters of 2016, 2017 and 2018—retail jobs increased 2% or more every year.

"The seasonal hiring for this year will be extremely tight and competitive," said Seth Morales, president of locally based Morales Group, a recruiting and staffing agency. "Employers who have attractive pay rates and creative retention tactics will win this season."

“Most employers will see wage pressures and therefore need to raise rates for the seasonal surge or be left empty-handed,” he said. “We see all kinds of wage tactics like sign-on bonuses, a referral bonus and retention bonuses.”



Morales

Many of the companies and organizations looking to hire use those tried-and-true recruitment methods—signing bonuses, competitive hourly wages, offers of full-time work in the new year. Atlanta-based UPS boasts of offering tuition reimbursement of up to \$1,300 for college students who work for the company seasonally as well as flexible, around-the-clock shifts so applicants can choose the hours that work best with their schedules.

In addition, Katie L. Chapman, Ohio Valley area human resources supervisor for UPS, said the parcel service offers the chance for many seasonal employees to come back permanently in January. About 31% of UPS’ global workforce began with the company as seasonal employees, and 35% of its seasonal hires traditionally stay on permanently.

Many companies also make it easy to apply online or in person. Greensboro, North Carolina-based Fresh Market, for example, held a local job fair Oct. 18-19. The result: 20 applicants and eight hires, spokeswoman Nicole Chabot said. And the chain hired 250 seasonal employees across all its stores. Chabot called those results a success.

Above and beyond

But job fairs and an easy application process might not be enough, Morales said. “Most of these moves are standard across the board and expected by almost all employers who seek to hire seasonal labor.”

Morales said that, because of low supply and high demand, many workers who are productive are already employed, leaving hiring managers in a jam, stuck with what’s left over.



Chapman

He said he’s seen companies fly into Puerto Rico to recruit workers. Employers also have targeted a city like Orlando, Florida, which has a large resettled population from Puerto Rico, and offered what he calls “the Midwest cost-of-living opportunity” for relocation.

Companies are pushing their digital recruiting strategies, with some aggressively advertising on Facebook and other social media sites. And some employers are providing a workforce development program as an opportunity for workers to enhance their skill sets.

Employers, though, seem undaunted by needing to hire so many workers all at once. Garey Cozad, director of operations at Pennsylvania-based Radial’s Brownsburg location, said Radial has years of experience scaling up for seasonal hiring surges.

“It’s one of the reasons retailers choose to work with us,” he said. “We spend much of the year planning for peak.”

To find 1,800 workers in Brownsburg—and 21,000 seasonal workers nationwide—Radial has dedicated marketing and PR efforts, and it partners with multiple experienced staffing

partners such as Adecco to reach potential hires through personalized social media ads, broadcast segments, billboards and more.

Still, Cozad said, sometimes hiring is just a matter of getting the word out. That's how Darryl Smith and Radial found each other. Smith was shot last year and was out of the workforce for a while to recuperate. He heard that Radial was opening a new center in Indiana through a report on WXIN-TV Channel 59 and interviewed with the company as a way to jump-start a new career.

Smith started as a fulfillment associate—the same job the seasonal workers Radial needs in Brownsburg will be doing. In four months, he was promoted to a lead and is now in the process of interviewing for a supervisor position.

"I got up to speed very quickly," Smith said, adding that he was interviewed and then hired quickly, and began learning on the job. "It's clear to me that perseverance is rewarded here," he said. "They want to see you succeed."

'This is our season'

To attract seasonal workers in the Indianapolis area, the U.S. Postal Service uses a combination of salary perks—hourly wages of \$16 to \$17.29—and easy online applications, along with a story spokeswoman Mary Dando tells about Anitra Robinson.



Dando

Dando said Robinson went to the usps.com site, found a vacancy for a rural carrier associate and applied. Within a short time, she had completed the test on her phone, did the drug test, and in three weeks, was hired. After a week of training at the Rural Carrier Academy, she was assigned to the Zionsville Post Office.

Though rural carrier associate is a non-career position with limited benefits, vacation days and access to health insurance, many non-career employees become regular employees after a short time.

"I don't know what I'd like to do," Robinson said, "but I am learning so much as an RCA. I am happy to stay in this job for a while so I can be fully prepared when I become a regular carrier."

Despite the tight labor market, Dando said the postal service fully expects to be able to hire the workers it needs to make sure everyone's letters and packages get delivered in time for the holidays.

"This is our season," she said. "We've been helping holidays happen for more than 244 years. It's what we do."

UPS said the same.

"Being in business since 1907, UPS has gained quite a bit of experience hiring for the holiday season year after year," UPS' Chapman said. "We're confident we'll hire all the help needed this holiday season."•

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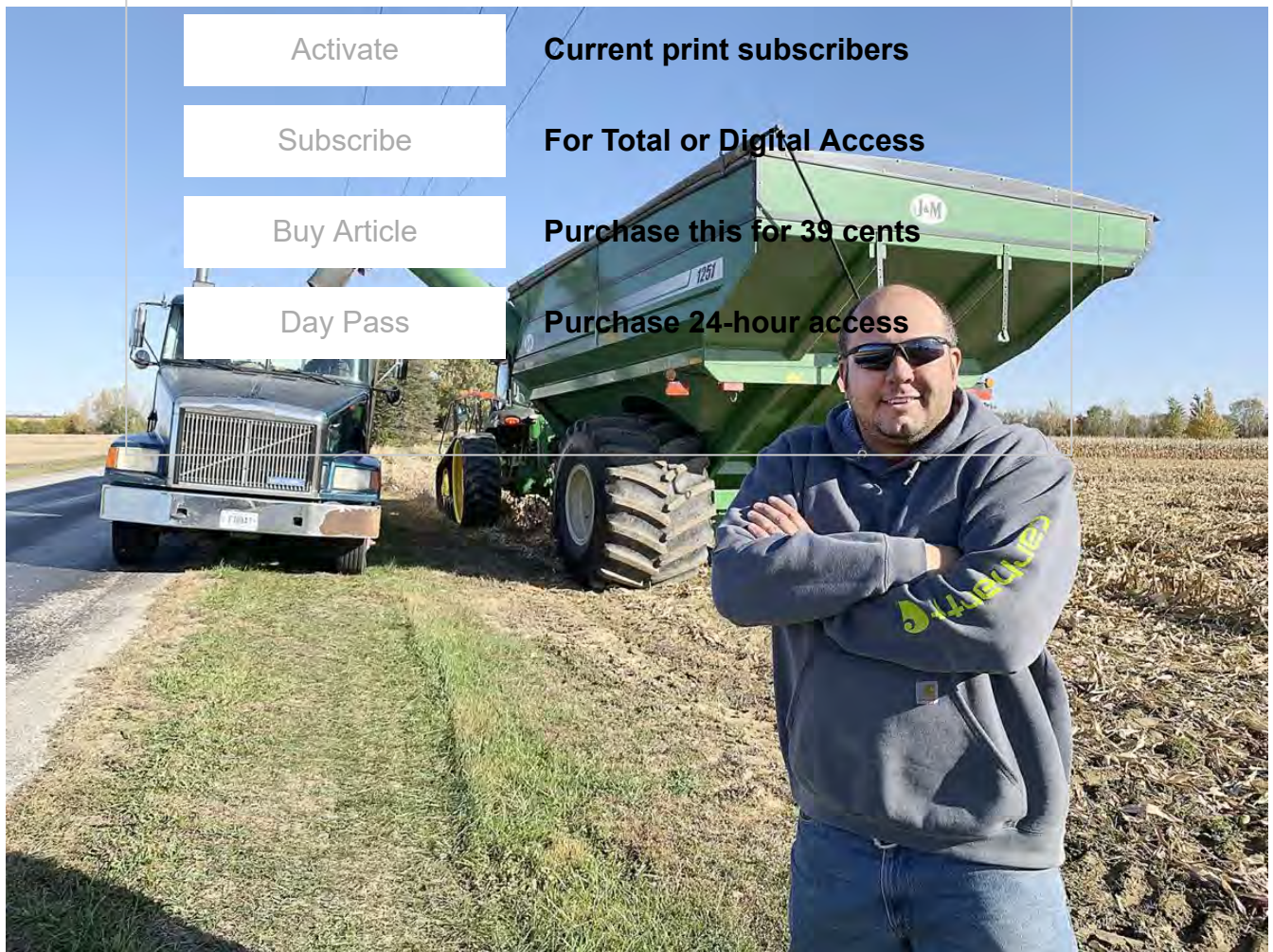
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1 of 3



Jay Berry of Grant County is one of approximately 200 Indiana farmers who grew and harvested hemp this year. "I think a guys have been sold a bill of goods about how much money they can make on this," he says. "If it sounds too good to be true is."

Andy Knight | The Herald Bulletin

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MARION — One of the most notable elements in the farm bill signed by President Donald Trump last December was the legalization of industrial hemp.

At the time, the bill's provision removing industrial hemp from the Controlled Substances Act was hailed by advocates and environmentalists as a measure that would allow farmers to diversify their crops and maintain profit margins in the face of droughts and market volatility.

But now that approximately 200 Indiana farmers who were granted special permits to grow it this season have largely finished harvesting the state's first legal hemp crop since World War II, uncertainty remains over how lucrative it will be, even as new uses — and thus new markets — for hemp are uncovered.

Jay Berry, a farmer in Grant County who built one of the first ethanol plants in the Midwest, said he quickly saw potential in growing a fiber variety of hemp which can be used in oil, automotive interiors and in building reinforced door panels.

"I'm a risk taker," said Berry, who planted and harvested about 50 acres of hemp this season. "There's a lot of similarities between hemp and ethanol, and with my experience in the ethanol (industry), I thought, hey, these are two are very similar, I'd like to be in the forefront and one of the first ones involved on the hemp side of things."

But the potential windfall for farmers — cultivating industrial hemp could generate as much as \$300 more per acre compared to corn and soybeans, according to the Purdue Hemp Project — is balanced by several likely drawbacks. For example, caring for and harvesting hemp is considerably more labor intensive, Berry says. It is also sensitive to moisture and temperature and must be planted in precise conditions in order to produce the best growth and results. The anticipated end use of the hemp can also be a consideration in planting decisions.

Beth Vansickle of the Purdue Extension Madison County office said that, although no local farmers applied for hemp planting permits this season, there is interest in the product, and she expects more inquiries next year.

Agricultural experts say that, as with any new product, many farmers are taking a wait-and-see approach to see which markets develop — and how quickly — before investing in hemp.

"Hemp could be considered risky since we are still in the infancy stages of this industry," said Marguerite Bolt, a hemp extension specialist in the Department of Agronomy at Purdue University. "A lot of farmers will only plant what they can afford to lose, which is still a cautious approach."

Another issue, Berry says, is a lack of resources to process the hemp, once it's harvested, into the various components needed for end-use products.

"The hardest part isn't the growing. There's no one out there to process it right now," he said. "I think a lot of guys have been sold a bill of goods about how much money they can make on this. If it sounds too good to be true, it is."

'A LEARNING PROCESS'

The Indiana Legislature has been equally circumspect on its path to allowing the state's farmers to grow hemp. When Gov. Eric Holcomb signed Senate Bill 516 into law in May, it represented a marker in what has been "a learning process," according to state Sen. Tim Lanane, D-Anderson. Lanane, the State Senate minority leader, said the bill took at least "a couple years" to work its way through the General Assembly.

"A lot of recommendations were put into the bill," said Lanane, who sat on the Committee on Commerce and Technology, which heard testimony from Indiana State Police officials and others on the topic. "We were pretty careful in terms of trying to set up a structure that could be regulated and is all on the up and up."

Because of hemp's similarities to marijuana, Lanane said legislators had to work through several misconceptions, especially since marijuana has been legalized for recreational use in 11 states, including neighboring Illinois.

"Any fears that this could allow a whole bunch of pot to be grown were really dispelled," Lanane said. "There was a person brought in from another state (to testify) who had utilized industrial hemp production and had had a lot of practice with it. I think the committee and everyone involved did their homework and really studied the issue."

The law as it's written is almost certain to be amended, Lanane said, as legislators hear additional feedback from farmers, law enforcement officials and stakeholders in industries where hemp becomes more widely used.

"What I'm hearing is 2020 is when we're really going to find out if it takes off," Lanane said. "As far as hemp production goes, 2020 I think will be the year we really find out more about it, and we'll go from there."

Barring another spring of record-setting rainfall, Bolt said next season should provide a much more accurate barometer on whether hemp truly becomes a mainstay of Indiana's agricultural inventory.

"I think we will find out how hemp can fit into our crop rotations and if it really is going to be a sustainable part of our farm economy in Indiana," she said.

As more states legalize hemp, the opportunity to grab a piece of what is already a \$1.2 billion industry, according to the Hemp Business Journal, will likely entice many more farmers in Indiana to consider planting it, at least on a trial basis. Officials with the Midwest Hemp Council said farmers in the state planted about 3,000 acres this season, and that figure is expected to double or triple next year.

"Our most innovative farmers are always evaluating opportunities to diversify their farms for additional stability," said Indiana Farm Bureau President Randy Kron. "For some farmers, hemp will become just that. It's an individual decision for each farmer whether hemp will work for their business, but it's great to have another option for a crop."

Follow **Andy Knight** on Twitter @Andrew_J_Knight, or call 765-640-4809.

What's next

Indiana farmers harvested about 3,000 acres of hemp this fall, the state's first legal hemp crop in more than 50 years.

As is the case with any new legalized crop, considerable research into the viability of new markets is taking place in order to provide farmers with information to make informed decisions on whether adding hemp to their crop rotations is wise.

"We need to be sure we establish the markets and see where this has the potential to go," Mark Boyer, a Miami County farmer and owner of Healthy Hoosier Oil, told the Indiana Farm Bureau. "Hemp has so many diverse uses, but how many of those uses are economically viable for us? We just don't know because we haven't had the time to test it out. The markets will develop and we will get there, but it takes time and plenty of work."

Commercial hemp production is expected to launch fully in 2020 pending the approval of national regulations by the USDA and approval of Indiana's state program.

Conversation

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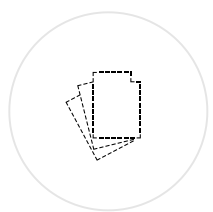


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Nov. 1, 2019 HPI Daily Wire sponsored by Indiana Motor Truck Assn.

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PARTY LINE HOUSE IMPEACHMENT VOTE: The House passed a resolution almost entirely along party lines laying out the framework for the next phase of the impeachment inquiry, the first significant vote since the investigation into President Trump's actions regarding Ukraine began last month ([Wall Street Journal](#)). The resolution passed on a vote of 232-196 Thursday morning, with all Democrats except two supporting the measure and all Republicans rejecting it. The Indiana delegation voted along party lines. The one independent in the House, Rep. Justin Amash of Michigan, voted to back the resolution. The resolution sets out a road map for the probe and will make the investigation more public, though there is no time frame given for when that will happen. The resolution authorizes the House Intelligence Committee to release transcripts from past interviews and gives more power to Republicans, including the right to call witnesses, though those requests are subject to approval by Democrats. "If we don't have a system of checks and balances, we might as well all just elect a president and go home," House Speaker Nancy Pelosi (D., Calif.) said ahead of the vote. She waved away GOP complaints, saying: "These rules are fairer than anything that has gone before in terms of an impeachment proceeding." The two Democrats who voted to oppose the measure were Reps. Jeff Van Drew of New Jersey and Collin Peterson of Minnesota, who both represent districts that Mr. Trump won in 2016.

REP. PENCE TAKES CENTER STAGE IN IMPEACHMENT DRAMA: U.S. Rep. Greg Pence took center stage in the impeachment drama on Thursday, though he didn't say a word. Pence stood conspicuously behind House Republican leadership as they decried the vote to impeach President Trump (*Howey Politics Indiana*). The older brother of Vice President Mike Pence is towing the line for President Trump's defense, and Trump World is watching. Any speculation that the veep might be separating from Trump as this crisis grows happens under glaring lights. When Rep. Pence tweeted, "After seven weeks of running a communist-style, ultra-partisan effort to undo the 2016 election results under the disguise of a sham impeachment process, @SpeakerPelosi claims she wants to now add transparency to a widely discredited process," one of those who "liked" his stance was Eric Trump, son of the president. If President Trump were to be convicted in the Senate - still unlikely at this point, it would be Mike Pence who would be the 46th president. But at this point, the Pences are all in on the defense of a president in this self-inflicted crisis. Pence, sent a fundraising email to supporters declaring the impeachment effort a "petty political fight" and "another ugly, drawn-out conflict" Americans will be forced to watch. "It's Halloween, and the scariest thing on my mind is unhinged Democrats trying to overturn the results of the 2016 election," Greg Pence said. "They're determined to impeach President Trump before he wins re-election, and it's up to us in the conservative grassroots to stop them."

43% OF HOOSIERS BACK IMPEACHMENT: The odds are if you're a Democrat, you approve of the impeachment inquiry. If you're a Republican, it's just the opposite. Those are the results of an Old National Bank/Ball State survey, that says Hoosiers are divided right down the middle on impeachment (Davis, [WIBC](#)). "It's a very partisan issue," said Chad Kinsella, assistant professor of Political Science at Ball State. "It mirrors very closely with Trump approval." In the telephone survey of 600 adult Hoosiers, only 43 percent of those responding approved of the House impeachment inquiry compared to 48 percent who disapproved. "Unlike recent national polls, which indicate a slight majority of Americans approve of the House impeachment inquiry against President Trump, this statewide survey shows that Hoosiers are less supportive of the inquiry" said Kinsella. "The survey indicates that 77 percent of Republicans disapprove of the impeachment inquiry, independents are evenly split on approval and disapproval of the inquiry at 44 percent each way, and 82 percent of Democrats approve of the impeachment inquiry," Kinsella said. "Clearly, this is a divisive issue among Hoosiers as it is nationally and will set the stage for the upcoming presidential election in 2020."

BUTTIGIEG SAYS 'THUMPING DEFEAT' BETTER THAN IMPEACHMENT: On the same day when congressional Democrats took their first formal vote on the impeachment inquiry, Pete Buttigieg, South Bend, Ind., mayor and 2020 Democratic presidential candidate, said in an interview with the [Boston Globe](#) that there would be 'a lot of benefit' for the country if President Trump had a 'thumping defeat' in the 2020 elections instead of being removed from office. "The impeachment process is based on a constitutional standard and needs to run its course accordingly," Buttigieg said after wrapping up two days of campaign events in New Hampshire. "I will say that there would be a lot of benefit to Trump and Trumpism getting a resounding, thumping defeat at the ballot box because I think that is what will be required for congressional Republicans to be reunited with their conscience."

THIS IMPEACHMENT MORE POLARIZED THAN 1998: When the Republican-led House voted in 1998 to begin an impeachment inquiry into President Bill Clinton, 31 Democrats sided with Republicans, and the White House breathed a sigh of relief that the number was not significantly larger. In today's hyper-polarized Washington, defections of that magnitude on the question of impeachment would be considered a tsunami ([New York Times](#)). Not a single House Republican on Thursday joined Democrats in supporting a resolution outlining the parameters for the next stage of impeachment proceedings, despite having demanded such a vote for weeks. Just two Democrats broke from their party to oppose the investigation. The stark division in the 232-to-196 vote made clear that the accelerating impeachment inquiry will continue to be highly partisan as it

moves into its more public phase, with the two parties pulling ever further apart as they dig in deeper on the righteousness of their respective causes. Democrats say it is their constitutional duty to hold a lawless President Trump to account even if he is unlikely to be removed from office. Republicans are determined to defend a president they say is being persecuted for political gain. Little evidence has emerged that either side is willing to give an inch, and the certainty of facing a major political backlash for doing so would seem to decrease chances of that prospect even further.

JUDGE TO RULE ON WHETHER SUBPOENAS SHOULD BE ENFORCED: Attorneys representing President Donald Trump, the House of Representatives and Charles Kupperman, the president's former deputy national security adviser, appeared in federal court Thursday in a case in which Kupperman is asking a judge to decide whether he must submit to questioning in the House impeachment inquiry ([ABC News](#)). The hearing was expected to be a perfunctory and procedural exercise, but when Justice Department attorneys asked the court for more time to build their case, the federal judge overseeing the lawsuit fired back. "When it's a matter of this consequence to this country you roll up your sleeves and get the job done," U.S. Judge Richard Leon said. Attorneys representing the House condemned the Justice Department for its "attempt to delay" proceedings and notified the court of its intention to file a motion to dismiss the suit by next Tuesday. Justice Department lawyers also said they intend to file a motion to dismiss.

FSSA SUSPENDS MEDICAID WORK REQUIREMENT: The Indiana Family and Social Services Administration announced Thursday that it is temporarily suspending the work requirements of Indiana's Medicaid expansion program (Kelly, [Fort Wayne Journal Gazette](#)). About 440,000 low-income Hoosiers are on the Healthy Indiana program, which is funded by federal dollars but requires a financial contribution by the participant. Indiana began implementing the work requirements Jan. 1 and was set to begin suspending the coverage of individuals who have not met the work requirements Dec. 31. But Indiana Legal Services and the National Health Law Program filed suit in September on behalf of four Indiana residents whose health care benefits are in jeopardy. One of those Hoosiers is a Fort Wayne woman. Three other states face similar suits. FSSA said Thursday it would temporarily suspend enforcement of the provision to allow time for the lawsuit to be resolved, and so the court can address the challenge to HIP after similar legal challenges to programs such as Gateway to Work in other states have worked their way through the appeals process. "We remain committed to operating the Gateway to Work program and to continuing to build on the early successes of the program, through which HIP members are reporting successful engagements in their workplaces, schools and communities," Indiana Medicaid Director Allison Taylor said.

SMITH REFUTES HENRY TV AD: The campaign for Fort Wayne's Republican mayoral candidate has taken issue with one of Mayor Tom Henry's many campaign ads, accusing the mayor of intentionally misleading voters regarding Tim Smith's connection to the city (Francisco, [Fort Wayne Journal Gazette](#)). The specific ad ran on TV and was posted to Facebook Wednesday. In it, Henry accuses Smith of "twisting facts and distorting the truth," and touts the city's bond rating and cites data from Greater Fort Wayne Inc. that states Fort Wayne has one of the lowest tax rates for a city its size, as well as a study from WalletHub that ranked Fort Wayne as one of the country's best-run cities. "Tim Smith moved into Fort Wayne just over five years ago and now he's running a negative smear campaign for mayor," Henry says, looking directly into the camera. "Maybe where Tim's from, people accept negative campaigns, but in Fort Wayne, we expect better from our candidates." In a news release Thursday, Joe Knepper, communications director for the Smith campaign, criticized the ad, touching on Smith's contention that the city's long-term debt has increased 230% and that wage growth is much lower than the national average. "The truth is, Tom Henry knows of Tim's history and deep roots in Fort Wayne; yet he would rather mislead voters than tell the truth in an attempt to hold onto power," he said.

UAW CHIEF, AIDE FACE EMBEZZLEMENT CHARGES: United Auto Workers President Gary Jones and a top aide were accused Thursday of conspiring to embezzle as much as \$700,000 in member dues and splitting the money, according to a new criminal filing that marked a dramatic escalation of a years-long corruption investigation ([Detroit News](#)). The allegation was outlined in a criminal case filed against Edward "Nick" Robinson, 72, of St. Louis, president of a regional UAW community action program council. He was charged with conspiracy to embezzle union funds and conspiracy to defraud the United States, felonies punishable by up to five years in federal prison. The criminal case deepens an alleged conspiracy involving the top echelon of the UAW and aired new allegations involving Jones, who prosecutors refer to in court filings as "UAW Official A." Sources familiar with the investigation have said that official is Jones, who has not been charged with wrongdoing and continues to lead the UAW.

BUTTIGIEG, COACH STEVENS IN HALLOWEEN SWITCH: I'm not saying they're the same person, but have you ever seen South Bend Mayor Pete Buttigieg and former Butler basketball coach Brad Stevens in the same room? The politician tweeted a photo Thursday — on Halloween — of him wearing a Boston Celtics hat while campaigning for the Democratic Party nomination for President in New Hampshire and said, "Game on" ([WTHR-TV](#)). A couple hours later, Tracy Stevens tweeted a photo of her husband accepting the challenge with his white dress shirt and blue tie and said, "Game on @PeteButtigieg." Stevens, who was born and raised in Zionsville and attended DePauw University, coached the Butler men's basketball team to two consecutive national championship games in 2010 and 2011. Stevens became head coach of the Boston Celtics in 2013 and has led the team to the NBA Playoffs each of the last five seasons.

HPI DAILY ANALYSIS: In yesterday's weekly *Howey Politics Indiana*, *Fox News* analyst Judge Andrew Napolitano explained, "The proof is largely undisputed, except by the president himself. It consists of admissions, testimony and documents, which show that Trump sought to induce the government of Ukraine to become involved in the 2020 presidential election. Specifically, Trump held up \$391 million in American military hardware and financial aid to Ukraine until Ukrainian prosecutors commenced a criminal investigation of former Vice President Joe Biden and his son, Hunter. That is a mouthful of facts to swallow in one bite, but the legal implications are straightforward and profound." Conservative legal scholar Cass Sunstein laid out a similar narrative a few weeks ago. So with the House passing an official impeachment inquiry on a virtual party line vote, the question for Senate Republicans and the American people is whether their fidelity to the once GOP pillar of the "rule of law" stands, or whether it is consumed by a cult of personality presidency which will profoundly change American politics; where foreign influence will be invited into future elections. It's the ultimate slippery slope for the republic. Will we keep it? - *Brian A. Howey*

Campaigns

HOGSETT RECEIVES BIG DONATIONS FROM IRSAY, DeHAAN: As Election Day nears, incumbent Indianapolis Mayor Joe Hogsett has raised nearly a six-figure sum in a seven-day time span. Campaign finance records show that Hogsett, a Democrat seeking a second term, raised \$93,250 from Oct. 24 through Wednesday. Hogsett's opponent, Republican state Sen. Jim Merritt, raised \$19,367 in the same time frame (Erdody, [IBJ](#)). DeHaan, who is the founder and former CEO of not-for-profit Christel House International, has regularly donated to politicians, but typically has given more to Republicans. Some Republicans she has supported in the past include Gov. Eric Holcomb, Secretary of State Connie Lawson, former Gov. Mitch Daniels and the Indiana House Republican Campaign Committee. But she also has supported some Democrats, such as state Rep. Greg Porter, who represents part of Indianapolis. Hogsett also received \$10,000 from Jim Irsay, owner of the Indianapolis Colts, and \$1,000 from the Indianapolis Colts during the past week. Merritt has repeatedly been out-fundraised by Hogsett, who had nearly \$1 million cash on hand at the end of the last reporting period earlier this month, while Merritt had about \$150,000.

TERRE HAUTE MAYORAL RACE IN HOMESTRETCH: The 2019 Terre Haute mayoral race is in the homestretch (Modesitt, [Terre Haute Tribune-Star](#)). With two independent candidates — one of whom began campaigning in early 2018 — a Republican incumbent and a Democratic nominee arising from the City Council, there have been plenty of chances to see and talk to at least three of the four candidates. Incumbent Duke Bennett, Democratic challenger Karrum Nasser and independent candidate Pat Goodwin all have hit the public events and forums, spoken at nearly every chance, advertised and addressed the mainstream media, while independent candidate Shane Meehan has been less of a public presence.

MAYOR FEWELL FACES 22-YEAR-OLD IN GREENFIELD: A 22-year-old has his name on the ballot for mayor of Greenfield (Nye, [WTHR-TV](#)). Zachary LaFavers is challenging 76-year-old incumbent Chuck Fewell in race where a generation gap and experience separate the candidates. Republican Chuck Fewell seeks his second full term as mayor of Greenfield. "I'm going to want to run the city for the next four years on the same path that we're on right now to keep jobs coming here, to keep people working, to keep this place safe and to keep it clean," said Fewell. Fewell was first selected by a caucus of precincts on December 30, 2013, to finish the term of previous mayor Richard Pasco, who died in office. Fewell ran unopposed in the general election four years ago.

REP. HATCHER TO SEEK MELTON SENATE SEAT: State Rep. Ragen Hatcher, D-Gary, will not run for re-election to her Indiana House seat in the hope of succeeding state Sen. Eddie Melton, D-Gary, in the Senate (Carden, [NWI Times](#)). The first-term lawmaker, and former Gary city councilwoman, confirmed Thursday she is running next year in Senate District 3, which has no incumbent since Melton is seeking the 2020 Democratic nomination for Indiana governor. "My decision to run for state Senate is grounded in my desire to serve the great people of Northwest Indiana," Hatcher said. The daughter of former Gary Mayor Richard Hatcher, who led the Steel City from 1968 to 1988, already has the backing of Gary's current mayor for her Senate campaign. "I am excited to support her candidacy for state Senate and know that she will distinguish herself in the tradition of Senators Earline Rogers and Eddie Melton," said Mayor Karen Freeman-Wilson.

MITCHELL NAMED TO GOP YOUNG GUNS PROGRAM: Kelly Mitchell's Republican 5th CD campaign got a national boost on Wednesday (*Howey Politics Indiana*). "Yesterday, the National Republican Congressional Committee announced that we met their goals and benchmarks and named us as an "On the Radar" candidate for their Young Guns Program," Mitchell said. "This isn't going to be easy. The Democrats are going to spend hundreds of thousands of dollars to try and win this seat and maintain their majority. But we cannot let that happen."

TRUMP APPROVAL STEADY IN AP POLL: President Donald Trump's approval rating is holding steady as the House presses forward with an impeachment probe that could imperil his presidency, according to a new poll from The [Associated Press-NORC Center for Public Affairs Research](#). But there are warning signs in the survey for Trump. Overall, 42% of Americans approve of Trump's handling of the job, in line with where he has been throughout his tenure. Just 7% of Democrats have a positive view of Trump as president. Republicans are so far sticking with him, with 85% saying they approve of Trump. Though Trump remains overwhelmingly popular within his own party, some Republicans have a critical view of the president's honesty, his discipline and his respect for America's democratic norms. Overall, 61% of Americans say Trump has little or no respect for the country's democratic institutions and traditions, an issue that strikes at the heart of the impeachment inquiry focused in part on whether he sought a foreign government's help for personal political gain. Even fewer Republicans have a positive view on Trump's level of self-control, with just 39% saying "disciplined" is a very good way to describe the president, who often lashes out at critics and airs a myriad of grievances. Another 29% say it describes him moderately well, but about as many say it doesn't describe him well.

ONLY 30% BELIEVE TRUMP WILL BE IMPEACHED: Only 3 in 10 Americans say they think it's even somewhat likely that Donald Trump will be ousted from the presidency, a new HuffPost/YouGov survey finds ([Huffpo](#)). Just 14% say they think it's very likely that Trump will be impeached and removed from office, with 16% saying it's somewhat likely, 24% that it's not very likely and 32% that it's not likely at all. The survey was taken before Democrats voted Thursday to formalize the impeachment process.

TRUMP GETS BAGHDADI CREDIT IN POLL: A majority of Americans say President Trump deserves credit for the death of Islamic State leader Abu Bakr al-Baghdadi, although this past weekend's successful raid has failed to improve ratings for Trump's strength as a leader, a [Washington Post-ABC News](#) poll finds (Washington Post). The public also offers mixed reactions to Trump's withdrawal of American troops from the border between Syria and Turkey, with over 4 in 10 saying the move will weaken U.S. efforts against the Islamic State while others predict little negative impact. The Post-ABC poll conducted Sunday through Wednesday finds a 54 percent majority of Americans saying Trump should get a great deal or "some" credit for Baghdadi's death after ordering a nighttime military raid of a compound in northwest Syria on Saturday. Trump said Baghdadi fled into a dead-end tunnel where he detonated a suicide vest that killed him. No U.S. troops died or were injured in the raid.

BUTTIGIEG TWEETS ON IMPEACHMENT VOTE: South Bend Mayor Pete Buttigieg tweeted: "This president took an oath to protect and defend the Constitution. So did every member of Congress. This president violated that oath, betraying our country and leaving our representatives with no choice but to uphold their own. Congress must move forward with impeachment."

BUTTIGIEG GATHERS MAYORAL SUPPORT: As Pete Buttigieg works to prove the leader of a city of roughly 100,000 people is ready to assume the American presidency, he's relying on help from politicians who would know best: his fellow mayors ([AP](#)). The South Bend, Indiana, mayor has amassed a network of roughly 60 "Mayors for Pete," a collection of local leaders pushing for his underdog bid. The group includes mayors from former industrial cities, thriving metros and tiny towns of just a few thousand people. It includes the mayor of Dayton, Ohio, a Rust Belt city like the one Buttigieg leads, and the mayor of West Sacramento, California, a rising progressive leader. About a third are from swing states Democrats need to win to take the White House. But just three are from the early voting states Buttigieg needs to win to become Democrats' presidential nominee.

BUTTIGIEG TO MEET WITH MAJOR DONORS IN IOWA: Pete Buttigieg's senior campaign staff will meet with major donors for a series of strategy events in Iowa over the weekend, according to a schedule obtained by [POLITICO](#). The events are scheduled around Buttigieg's speech at the Iowa Democratic Party's Liberty and Justice Celebration dinner this weekend in Des Moines, where senior staff will brief Buttigieg backers at a series of dinners and strategy sessions. Buttigieg's campaign held similar donor retreats ahead of the Democratic National Committee's first presidential debate in June and the Polk County Steak Fry, an Iowa political tradition, in September. Buttigieg, a fundraising juggernaut in 2019, has leaned on high-dollar donors to help fuel his campaign, bringing in more than \$19 million during the third quarter — though he has also raised significant money in smaller amounts online.

Congress

BANKS OPPOSES IMPEACHMENT INQUIRY: U.S. Rep. Jim Banks tweeted (*Howey Politics Indiana*), "I will vote NO on today's impeachment resolution. It gives Adam Schiff near-total control of the #impeachment process and allows Democrats to continue holding secret depositions. And we still haven't heard any high crime or misdemeanor the president supposedly

committed... Sham!" Banks also tweeted, "It's too bad @SpeakerPelosi & @RepAdamSchiff don't like the president. But there are plenty of Americans who proudly cast their vote for Trump, and he won in a free and fair election. Not liking someone isn't a reason to impeach and overturn election results. Sorry not sorry!" In a third tweet: "The background of the #whistleblower is relevant. The public deserves to know where these allegations are coming from and the motivations behind them. That's why secret, closed-door hearings are very unhealthy. The American people deserve to know the facts."

BROOKS OPPOSES INQUIRY: U.S. Rep. Susan W. Brooks (R-IN05) provided the following statement regarding her opposition of the impeachment inquiry authorization (*Howey Politics Indiana*): "As history illustrates, impeachment proceedings should only be commenced under the gravest of circumstances, which is why it has only happened three times before in our Nation's history. When impeachment proceedings are initiated in the House of Representatives, the process laid out must be fair, transparent, and afford due process to the President. Previous impeachment inquiries set this standard, and I am disappointed Speaker Pelosi chose politics over a fair process. This entirely partisan resolution allows Chairman Schiff to act as the sole arbitrator over what information is heard, viewed, or considered. Process, fairness, and learning all the facts matters, but are not being considered by Speaker Pelosi or Chairman Schiff," stated Congresswoman Susan W. Brooks. "For these reasons, I voted against this unprecedented impeachment process. Every American deserves to know their Member of Congress is equipped with all the necessary facts and information needed to cast a vote for their constituents on what is considered the gravest of constitutional questions, removal of a President of the United States from office."

BUCHSHON AGAINST INQUIRY: U.S. Rep. Larry Bucshon, M.D. (IN-08) released the following statement after voting against House Democrats' resolution (H. Res. 660) an illegitimate attempt to impeach the President without due process (*Howey Politics Indiana*): "House Democrats are eroding the Constitutional foundation of due process and fairness through secret, closed door hearings and the presumption of guilty until proven innocent. The complete lack of transparency and leaking of select documents by a handful of Congressional Democrats is merely an attempt to undue the results of the 2016 election and take away the votes of the millions of Americans who voted President Trump into the presidency. The American people are the real victims of this shameful process – while Washington plays politics, real work that can improve the lives of Americans on Main Street has taken a back seat. House Democrats have squandered an opportunity to advance positive change for the American people and neglected the opportunity to work on a bipartisan basis to enact into law prescription drug price reform, infrastructure improvement, funding for our troops and the modernization of trade deals."

CARSON BACKS INQUIRY: U.S. Rep. André Carson, a senior member of the House Intelligence Committee, released the statement below following passage of H.Res. 660, which provides the path forward for public hearings, the next phase of the ongoing impeachment inquiry (*Howey Politics Indiana*). "The vote I took today to advance the public phase of our impeachment inquiry was done with a heavy heart, but with the strongest sense of urgency and necessity. Here in "The People's House," we have a constitutional and a moral obligation to ensure we hold all public servants accountable to those they serve. We must affirm the truth that nobody, not even the President of the United States, is above the law. I am deeply saddened that we have embarked on this impeachment inquiry to hold the President accountable to the laws he swore an oath to uphold, but we have no choice but to act now. He asked a foreign country to investigate a political rival, using hundreds of millions in U.S. aid, approved by both the House and Senate, as a bargaining chip. This is a betrayal to the American people, and a serious threat to our national security. We cannot and we will not let this behavior go unchecked. On behalf of all Hoosiers, I will continue to conduct this inquiry with the utmost care. The soul of our Democracy is at stake."

VISCLOSKY VOTES FOR INQUIRY: U.S. Rep. Pete Visclosky, D-Gary, joined nearly every House Democrat on Thursday in voting to formalize the impeachment inquiry into abuse of power and other misdeeds allegedly committed by President Donald Trump (Carden, [NWI Times](#)). House Resolution 660 directs the six committees that have been investigating the Republican president — particularly in connection with claims that Trump demanded Ukraine provide dirt on a political opponent in exchange for military aid — to continue their work. "This resolution will further reinforce the abilities of the House committees to conduct their investigations in a manner that is transparent and accessible to the American public," Visclosky said. "It also ensures that the process and presidential protections are consistent with prior precedent, including the impeachment procedures for Presidents Nixon and Clinton." Visclosky said following the vote that he supported the resolution because "I believe a judicious collection of the facts is warranted." "I remain concerned about the president's unethical and inappropriate actions," Visclosky said.

McCONNELL TELLS TRUMP TO BACK OFF SENATE ATTACKS: During a face-to-face meeting last week, Senate Majority Leader Mitch McConnell had some blunt advice for President Donald Trump: Stop attacking Senate Republicans ([CNN](#)). His presidency could depend on it, McConnell conveyed to Trump, according to a person familiar with the meeting, which was first reported by Politico. If Trump is impeached by the House of Representatives, the Republican-controlled Senate will decide whether he should be removed from office. As the House votes Thursday on a resolution guiding the impeachment process, Trump faces new pressure to keep Republicans on his side as he weathers the political crisis. But neither he nor his team have offered their allies much in the way of strategy. And their key argument against the impeachment effort -- that it began, illegitimately, without a vote -- was undercut with the Democrats' resolution.

BANKS, WALORSKI AUTHOR FETAL REMAINS BILL: U.S. Reps. Jackie Walorski (R-Ind.) and Jim Banks (R-Ind.) today introduced legislation to ensure the remains of aborted children are always treated with dignity (*Howey Politics Indiana*). Following the discovery of more than 2,200 human fetal remains on the property of longtime Indiana abortionist Ulrich Klopfer, the Dignity for Aborted Children Act (H.R. 4934) would hold abortion providers accountable if they fail to provide for the proper burial or cremation of aborted fetal remains (*Howey Politics Indiana*). "Every life is precious, and every person deserves to be treated with dignity and respect," Congresswoman Walorski said. "The sickening discovery of thousands of human fetal remains in Ulrich Klopfer's garage was a tragic reminder of the terrible cost of abortion. "I'm proud that Indiana is leading the way to federally mandate respectful treatment of abortion victims," said Congressman Banks. "Dr. Klopfer's crimes were unspeakably horrific and they affected me on a very deep and personal level. I hope that his crimes have also awakened my Congressional colleagues to the importance of preserving the dignity of all human life -- including aborted children. The legislation introduced by Rep. Walorski and I aims to achieve this in the most simple and common-sense manner."

FFA TO HONOR YOUNG, BUT SCHEDULE CANCELLED: U.S. Sen. Todd Young (R-Ind.) will receive an Honorary American degree from the National FFA Organization for introducing the National FFA Organization's Federal Charter Amendments Act, which was signed into law by President Trump last February today (*Howey Politics Indiana*). Young will not attend, citing travel delays in a statement today. His roundtable discussion with Indiana Farm Bureau members at Lankford Farms in Martinsville has also been cancelled.

GRAHAM TO GIVE JUDICIARY CHAIR BACK TO GRASSLEY: Sen. Lindsey Graham (R-S.C.) plans to hand the chairmanship of the Senate Judiciary Committee back to Sen. Chuck Grassley (R-Iowa.) in the next Congress ([Politico](#)). Graham took over the panel this year from Grassley, who left to chair the Senate Finance Committee. In an interview Thursday, Graham said Grassley asked to come back after his tenure on the Senate Finance Committee. Graham responded "absolutely." "Love Chuck Grassley. That's the way the Senate works," Graham said. "He took the Finance Committee so I could be chairman, and he'll come back and fill out his time, and I'll come back, and somebody else will come along."

REP. HILL GIVES FINAL SPEECH BEFORE RESIGNING: In her final speech from the House floor on Thursday, Rep. Katie Hill apologized for her mistakes but also condemned the "double standard" and "misogynistic culture" that she said forced her to resign ([Washington Post](#)). The 32-year-old California congresswoman, who had been seen as a rising star in the Democratic Party, announced Sunday that she was stepping down amid an ethics inquiry into allegations that she had an improper relationship with a staffer. The claims surfaced on conservative websites, which also published nude photos of Hill and details of her sex life with her estranged husband. Hill said Thursday that she had decided to leave Congress because she no longer wanted to distract from the impeachment inquiry or be used as a "bargaining chip" in the "dirtiest gutter politics that I've ever seen." She added that she had received thousands of threatening emails, calls and texts that left her fearing for her life.

State

GOVERNOR: HOLCOMB NAMES BEDEL TO HEAD NEW AGENCY - Gov. Eric J. Holcomb and Lt. Gov. Suzanne Crouch announced today that Elaine Bedel will serve as secretary and CEO of the newly established Indiana Destination Development Corporation (IDDC) (*Howey Politics Indiana*). Bedel currently serves as president of the Indiana Economic Development Corporation (IEDC), the state's lead economic development agency. "Elaine will excel as Indiana's first chief destination officer to bring our public and private sectors together to best tell Indiana's story," Gov. Holcomb said. "In her new role, Elaine will work collaboratively to develop marketing strategies that will enhance economic development, attract new talent to our workforce and enhance our state's profile as a great destination for visitors." Bedel will remain a member of the Governor's cabinet and begin reporting to Lt. Gov. Crouch on Nov. 11 to initiate planning for the transition. Secretary of Commerce Jim Schellinger will assume the responsibilities of the role of president of the IEDC. Weisensteiner will continue her leadership of the Office of Tourism Development and will transfer to the IDDC. She will report directly to Bedel and continue her efforts to improve Indiana's tourism efforts.

GOVERNOR: CROUCH STATEMENT ON BEDEL: "Elaine brings a remarkable breadth of experience from both the public and private sectors, and will be a tremendous asset to our organization, industry partners, and the visitors we serve every day," said Lt. Gov. Crouch (*Howey Politics Indiana*). "I am confident that her leadership, in combination with the experience and vast industry knowledge of our current Office of Tourism Director, Misty Weisensteiner, will transform how we tell Indiana's story." By statute, the Governor appoints a director of the corporation, a role that Bedel will fill. The corporation will be governed by a seven-member board composed of the governor, who will appoint the Lt. Governor as his designee, the president of the IEDC or its designee, and five members appointed by the governor from the private sector tourism industry.

INDOT: MORE INDY AREA WEEKEND CONSTRUCTION - The Indiana Department of Transportation will be out in multiple work zone this weekend across Marion County. Contractors will be working to repair winter damage by extending the life of pavement and fixing bridge joints (*Howey Politics Indiana*). INDOT would like to remind drivers to slow down in work zones, especially with the rain and weather forecast for this weekend. This construction work is weather dependent. Please watch for updates on Twitter (@INDOTEast) and Facebook (INDOT East Central).

Lane Restrictions: I-465 WB from White River to College Ave. 1 lane open 7 p.m. Friday to 6 a.m. Monday; I-465 NB from 38th St to 56th St. (East side) All lanes closed, traffic will be diverted to collector lanes at Shadeland. 10 p.m. Friday to 6 a.m. Monday. I-69 SB from 116th St. to 82nd St. 1 lane open 7 a.m. to 5 p.m. Saturday. I-69 NB at 106th St. Left 2 lanes closed 7 a.m. to 5 p.m. Sunday. I-465 WB from Michigan Rd. to 56th St. (Northwest side), Left lane closed 8 p.m. Friday to 11 a.m. Sunday. I-865 EB & WB from I-465 to I-65, One lane open in each direction 5 a.m. Saturday to 11 p.m. Sunday. I-65 SB & NB from I-465 to 30th St. 1 lane open 5 a.m. to 11 p.m. Saturday & Sunday

Ramp Closures: NB/SB Pendleton Pike to I-465 NB 9 p.m. Friday to 6 a.m. Monday; NB/SB Keystone to I-465 WB 9 p.m. Friday to 6 a.m. Monday; I-465 EB to U.S. 31 (Meridian St) 8 p.m. Friday to 6 a.m. Monday; NB/SB U.S. 31 (Meridian St) to I-465 WB 8 p.m. Friday to 6 a.m. Monday; I-465 to I-865 EB/WB. Intermittent ramp closures on Saturday (11/2). I-65 NB/SB to and from Lafayette Rd. I-65 NB/SB to and from 38th St.; 30th St. to I-65 NB 5 a.m. to 11 p.m. Saturday.

NATIONAL GUARD: GENERAL DISCUSS CYBER UNIT - Indiana's Adjutant General says talent will be key for the state's new cyber battalion. Governor Eric Holcomb last week announced the nation's fifth National Guard cyber battalion will be located in the Hoosier state, which Brigadier General Dale Lyles says highlights the importance of Indiana and the Indiana National Guard to national security. He says it also demonstrates that Indiana has the internal resources to man, train and equip what will be known as the 127th Cyber Protection Battalion (Brown, [Inside Indiana Business](#)). "Some of the criteria that was used by the Secretary of the Army and the Army National Guard for stationing it here was the secure containerized information facilities that we have that allows us to do top secret classified information within that space," said Lyles. "Indiana National Guard, probably five years ago, saw that this was an emerging requirement and so we contributed heavily into our military construction to build that space in Indiana."

HEALTH: NUMBER OF UNINSURED KIDS INCREASES - A new report finds the number of children without health insurance in Indiana has increased. This is the second year the state has followed this national trend ([Indiana Public Media](#)). The percentage of uninsured children in Indiana went up from 5.9 percent in 2016 to 6.6 percent in 2018. Georgetown University Center for Children and Families executive director Joan Alker, says Indiana is one of 13 states with increases this significant. "These findings should be a clear call to action among our political leaders if they care about children's health," says Alker. Reasons for the increase may include changes in the Affordable Care Act and delays in funding for children's health insurance programs. Covering Kids and Families of Indiana's director of policy, Mark Fairchild says this can create communication challenges.

EDUCATION: NOTRE DAME DELAYS REMOVING COLUMBUS MURALS - The University of Notre Dame is delaying its plan to cover up 19th century murals depicting Christopher Columbus in America that have long been criticized for their stereotypical images of Native Americans and blacks ([AP](#)). The Catholic university based in South Bend, Indiana, announced in January that it would conceal the offending artwork. The school's president, the Rev. John I. Jenkins, said last month that a new exhibit will explore Notre Dame's early history, including images of the Columbus murals and information about their historical importance. School spokesman Dennis Brown told the South Bend Tribune this week that Notre Dame won't cover the 1880s paintings until the museum is completed in 2022.

AGRICULTURE: HARVEST YIELDS HIGHLY VARIABLE - As the harvest moves slowly ahead and now has snow to deal with in some areas, yield reports are highly variable. We have been hearing across the corn belt that yields are better than expected but highly variable. NW Indiana Pioneer agronomist Ryan Piel told HAT that is also the story in his area (Truitt, [Hoosier Ag Today](#)). "Corn yields are better than had been expected, although lower than 2018. But they are really all over the place. You can go from 30bpa to 300bpa in the same row." Piel confirms that, as we have heard in other areas, soybean yields are much better than expected. "I am really amazed at the soybean yields. Again, the results are highly variable, but I have had some customers say they had their best crop this year."

Nation

WHITE HOUSE: TRUMP TWEETS HE'S NO LONGER A NEW YORKER - @realDonaldTrump: "1600 Pennsylvania Avenue, the White House, is the place I have come to love and will stay for, hopefully, another 5 years as we MAKE AMERICA GREAT AGAIN, but my family and I will be making Palm Beach, Florida, our Permanent Residence. I cherish New York, and the people of ... New York, and always will, but unfortunately, despite the fact that I pay millions of dollars in city, state and local taxes each year, I have been treated very badly by the political leaders of both the city and state. Few have been treated worse. I hated having to make ... this decision, but in the end it will be best for all concerned. As President, I will always be there to help New York and the great people of New York. It will always have a special place in my heart!"

WHITE HOUSE: WOLF COULD BE NEW DHS SECRETARY - The White House is leaning toward appointing Chad Wolf as the next acting secretary of the Department of Homeland Security and shifting focus for its nominee for the permanent position to Mark Morgan, acting commissioner of U.S. Customs and Border Protection, rather than Ken Cuccinelli, acting head of U.S. Citizenship and Immigration Services, according to people familiar with the matter ([Wall Street Journal](#)).

WHITE HOUSE: MORRISON SAYS NOTHING ILLEGAL OCCURRED WITH CALL - Tim Morrison, a top White House Russia expert, testified behind closed doors that he doesn't believe anything illegal was discussed during President Trump's July phone call with Ukrainian President Volodymyr Zelensky, according to a copy of his prepared remarks ([The Hill](#)). "I want to be clear, I was not concerned that anything illegal was discussed," Morrison said in the remarks.

WHITE HOUSE: TRUMP SCHEDULE - President Trump will leave the White House en route to Tupelo, Miss., at 4:30 p.m. He will deliver remarks at a campaign rally at 7 p.m. Central time. Afterward, Trump will return to Washington.

EPA: COAL TOXIN REGS TO BE ROLLED BACK - The Trump administration is expected to roll back an Obama-era regulation meant to limit the leaching of heavy metals like arsenic, lead and mercury into water supplies from the ash of coal-fired power plants, according to two people familiar with the plans ([New York Times](#)). With a series of new rules expected in the coming days, the Environmental Protection Agency will move to weaken the 2015 regulation that would have strengthened inspection and monitoring at coal plants, lowered acceptable levels of toxic effluent and required plants to install new technology to protect water supplies from contaminated coal ash.

ECONOMY: ONLY 40% BACK TIME CHANGE - Most people across the country will see their clocks roll back an hour this weekend as nearly eight months of daylight saving time come to an end. It is part of a twice-a-year ritual that most want to stop ([AP](#)). Seven in 10 Americans prefer not to switch back and forth to mark daylight saving time, a new poll shows. But there's no agreement on which time clocks ought to follow. According to the new poll by The Associated Press-NORC Center for Public Affairs Research, 4 in 10 Americans would like to see their clocks stay on standard time year-round, while about 3 in 10 prefer to stay on daylight saving time. About another 3 in 10 prefer what is the status quo in most of the United States, switching back and forth between daylight saving time in the summer and standard time in the winter.

MEDIA: SUNDAY TALK - NBC "Meet the Press": Panel: Tom Brokaw, Helene Cooper, John Harwood, Rich Lowry and Anna Palmer. **ABC "This Week"**: House Minority Whip Steve Scalise (R-La.), Pete Buttigieg. Panel: Chris Christie, Rahm Emanuel, Alexi McCammond and Julie Pace. **CBS "Face the Nation"**: House Majority Leader Steny Hoyer, House Minority Leader Kevin McCarthy, Rep. Jackie Speier (D-Calif.). "Fox News Sunday": Rep. Eric Swalwell (D-Calif.). Panel: Ben Domenech, Jonathan Swan, Gillian Turner and Mo Elleithee. **CNN "State of the Union"**: Rep. Robin Kelly (D-Ill.). Panel: Scott Jennings, Terry McAuliffe and Guy Snodgrass. (Substitute anchor: Dana Bash). **CNN "Inside Politics"**: Panel: Margaret Talev, Jeff Zeleny, Rachael Bade and Asma Khalid. (Substitute anchor: Nia-Malika Henderson).

ILLINOIS: CHICAGO TEACHER STRIKE ENDS - Classes will resume Friday for 300,000 students in the nation's third-largest school district, ending a bitter strike that lasted 11 school days, Mayor Lori Lightfoot announced on Twitter ([Wall Street Journal](#)). On Wednesday evening, union delegates agreed to the tentative, five-year contract that met their demands for things like smaller classes and more nurses and other support staff in schools. But the two sides continued to squabble earlier Thursday over a union demand that all 11 days missed during the strike be made up at the end of the year. "We were given a take-it-or-leave-it demand," Ms. Lightfoot said at a news conference Thursday. "Without a spirit of compromise, none of this works."

Local

EVANSVILLE: POLICE RELEASE BODY CAM VIDEO OF SHOOTING - Evansville Police have released the name of the officer involved in shooting earlier this week ([WFIE-TV](#)). The Evansville Police say he is Officer Mario Reid. They say he joined the EPD In January of 2014 and is assigned to motor patrol, 2nd shift, East Sector. Wednesday, police released the body cam footage.

NOBLESVILLE: JENSEN NAMES SENIOR STAFF - Mayor-elect Chris Jensen announced his administration's Senior Staff Team: Deputy Mayor Matt Light, Director of Public Safety Chad Knecht, and Director of Community and Economic Development Sarah Reed (*Howey Politics Indiana*). "This team is ready to lead Noblesville on day one," Mayor-elect Chris Jensen said. "Bringing years of management experience and a proven record of results to Noblesville, I'm proud these leaders of their respective fields are joining me to serve our city and residents." Jensen selected Matt Light, currently Chief of Staff at Indiana's State Board of Accounts, to serve as Deputy Mayor. Il three positions on the senior staff team will report directly to the Mayor's office.

NASHVILLE: AUCTION PRODUCES 12 BIDS ON DOWNTOWN PROPERTIES - Twelve downtown Nashville properties were auction on Wednesday ([Indiana Public Media](#)). The properties once belonged to Andy Rogers, who died last year. Rogers was credited with preserving and enhancing Nashville's arts community. Offers were made on 4 of the 16 properties

before the auction, the Rogers estate accepted the bids on the other 12. Buyers have to adhere to new restrictions the town council approved last week. Among other things the rules make it hard to tear down buildings older than 50 years. Auctioneer Jimmie Dean Coffey says potential buyers are ok with the ordinance. "The town board, they are just trying to protect Nashville, as Nashville is, and so far all the buyers, bidders and interested parties I've spoken with, that's the way they want to keep it as well," says Coffey. Names of the buyers, and the amount they paid won't be disclosed until next month. Buyers of these new properties have to honor tenant leases that were in effect under the Rogers Estate.

NASHVILLE: SETTLEMENT IN HARD TRUTH WATER DISPUTE - The Brown County Water Utility and the Town of Nashville have reached a settlement in the dispute over who has claim to sell water to Hard Truth Hills Restaurant and Distillery (Bouthier, [Indiana Public Media](#)). The settlement would end a two-year legal fight. The new agreement states Hard Truth Hills is a customer of Brown County Water Utility, but the revenue will be split evenly between Nashville and the county utility. Nashville is a wholesale customer of Brown County Water Utility. Nashville Town Council President Jane Gore says Nashville water and Brown County representatives are forming a study group to prevent further legal disputes. "That way, we can try to work out some issues before we have to hire the attorneys," she says.

WEST LAFAYETTE: WABASH TWP HIRES 2 FIREFIGHTERS - Wabash Township is moving forward with a property tax increase for its 2020 budget, but not without controversy ([WLFI-TV](#)). Many people there feel there's a lack of transparency and need. According to the 2020 budget, there is an emergency loan payment of \$440,000 set aside for the fire department. It will allow the township to hire two full-time firefighters with benefits. Wabash Fire currently has two other full-time firefighters and more than 30 volunteers.

BLOOMINGTON: POLICE SEEK PARKING METER VANDAL - Bloomington police say the investigation into this month's downtown parking meter vandalism is still active (Atkinson, [Indiana Public Media](#)). Police Capt. Ryan Pedigo says all of the meters were fixed within 36 hours after they were damaged. Pedigo says police are still working with businesses in the downtown area to review surveillance footage from the night of Oct. 22. The cost to repair the meters totaled nearly \$5,000.

MICHIGAN CITY: COURTHOUSE COSTS RISE \$2M - Despite projected costs spiking more than \$2 million, the La Porte County Council is allowing plans for the proposed Michigan City Courthouse expansion to proceed (Yokum, [Michigan City News-Dispatch](#)). During its meeting Monday, the council unanimously approved final design plans for the expansion to the 1909 structure, which construction managers Tonn and Blank now forecast will cost \$24.63 million to build. With the county's thumbs-up, the firm can put the project out for bid. The projected price tag is nearly a 10 percent jump from the \$22.49 million estimate the Michigan City company provided the county in the spring, when leaders initially signed off on the project.

OXFORD: WOMAN KILLED BY PYTHON - Indiana State Police are investigating a woman's death after she was found with a python around her neck. Benton County sheriff's deputies responded to 609 North Dan Patch Drive shortly before 9 p.m. Wednesday on a report of an unresponsive woman ([WTHR-TV](#)). Deputies arrived to find a Laura Hurst, 36, Battle Ground, on the floor with an 8-foot python wrapped around her neck. Medics pronounced the woman dead. Hurst absolutely loved snakes. She had more than 20 of them. But state police say a visit to check on them turned deadly Wednesday night. "She got this other snake out, I do not believe belonged to her, but she got the snake out and what happened after that we are still trying to figure out," said Sgt. Kim Riley, a public information officer. It happened in a home owned by Benton County Sheriff Don Munson, a house used specifically to house more than 140 snakes. It was Munson who found Hurst dead.

JOHNSON COUNTY: 33 ARRESTED IN DRUG SWEEP - More than two dozen people were arrested Thursday in connection with a drug sweep in Johnson County ([WRTV](#)). Dubbed "Operation Hocus Pocus," warrants were issued for 33 people and 22 had been arrested as of Thursday afternoon. The majority of felony charges are for dealing methamphetamine, while there are also eight charges for dealing heroin, Johnson County Prosecutor Joe Villanueva said. "Methamphetamine is still king here in Johnson County. All these cases, the individuals are charged with dealing in the substance," Villanueva said. "This is all the hard stuff, and this is the stuff that really hurts the people in our community and we want to do all we can to get it off the street."

Governor names first CEO of state's new tourism department

 thestatehousefile.com/governor-names-first-ceo-states-new-tourism-department/40213/

By Janet Williams

By Brynna Sentel
TheStateHouseFile.com

INDIANAPOLIS—Gov. Eric Holcomb appointed the first head of the newly established Indiana Destination Development Corporation (IDDC) that will replace the Department of Tourism Development.

Elaine Bedel will serve as secretary and CEO of the new corporation alongside Lt. Gov. Suzanne Crouch, who was also appointed by Holcomb to a seven-member board along with five members of the private sector tourism industry, and the president of the Indiana Economic Development Corporation (IEDC) or its designee.

"Elaine will excel as Indiana's first chief destination officer to bring our public and private sectors together to best tell Indiana's story," Holcomb said. "In her new role, Elaine will work collaboratively to develop marketing strategies that will enhance economic development, attract new talent to our workforce and enhance our state's profile as a great destination for visitors."

Bedel currently serves as president of IEDC and will take over the position the new position starting next July 1, with the goal of elevating Indiana's position as place to live and visit.

Indiana budgeted a little more than \$4 million a year on the tourism department plus about \$970,000 for marketing when the legislation was passed in the 2019 session of the General Assembly.



"Elaine brings a remarkable breadth of experience from both the public and private sectors, and will be a tremendous asset to our organization, industry partners, and the visitors we serve every day," Crouch said.

Elaine Bedel will serve as secretary and CEO of the newly established Indiana Destination Development Corporation. Provided photo

The corporation will operate as a joint public-private agency and will be able to raise its own funds, which will reduce the need of state funding and increase the competition aspect.

"Through her work with the Indiana Economic Development Corporation, Elaine Bedel has a passion for putting Indiana on the map," said Rep. Mike Karickhoff, R-Kokomo, author of the legislation creating the IDDC, in a press release. "There is no doubt she will bring her wealth of knowledge and expertise to this new position to help push boost tourism and our economy."

Prior to serving as president of IEDC, Bedel earned her bachelor's degree from Hanover College, her MBA from Butler University, authored a personal finance book, became a nationally recognized speaker, and served as president, chief executive officer and chief compliance officer of Bedel Financial Consulting Inc., which she founded in 1989.

House Speaker Brian Bosma, R-Indianapolis, praised her appointment in a press release, saying she will be an excellent fit at the IDDC.

"This new agency will spark synergies between the public and private sectors to keep Indiana in the spotlight," Bosma said, "and I look forward to seeing the results of their collaboration."

Brynna Sentel is a reporter for TheStatehouseFile.com, a news website powered by Franklin College journalism students.

IEDC president to lead state's new tourism agency

October 31, 2019 | [Lindsey Erdody](#)

KEYWORDS [ARTS & ENTERTAINMENT](#) / [GOVERNMENT](#) / [GOVERNMENT & ECONOMIC DEVELOPMENT](#) / [INDIANA ECONOMIC DEVELOPMENT CORP.](#) / [INDIANA OFFICE OF TOURISM DEVELOPMENT](#) / [STATE GOVERNMENT](#) / [TOURISM & HOSPITALITY](#) / [TOURISM GROUPS](#)

Indiana Economic Development Corporation President Elaine Bedel is switching roles to lead the state's newly created, quasi-governmental tourism agency.

Gov. Eric Holcomb announced Thursday morning that Bedel would serve as secretary and CEO of the Indiana Destination Development Corporation.

"Elaine will excel as Indiana's first chief destination officer to bring our public and private sectors together to best tell Indiana's story," Holcomb said in a prepared statement. "In her new role, Elaine will work collaboratively to develop marketing strategies that will enhance economic development, attract new talent to our workforce and enhance our state's profile as a great destination for visitors."



Bedel

State lawmakers [passed legislation during the 2019 session](#) that allowed the Indiana Office of Tourism Development, which is under Lt. Gov. Suzanne Crouch and funded by the state budget, to become a quasi-governmental corporation as of July 1, 2020. The move will allow the new agency to raise private money in addition to receiving state dollars—similar to the way the IEDC currently operates.

The corporation will be governed by a seven-member board consisting of Crouch, the president of the IEDC or its designee and five members from the tourism industry who will be appointed by Holcomb.

Proponents of the idea [have said it will improve](#) the state's ability to market and attract visitors.

A study released by the Lieutenant Governor's Office in December reported that visitors to Indiana increased from 78.9 million in 2016 to 79.9 million in 2017, and that visitor spending rose in that period from \$12.2 billion to \$12.7 billion.

Bedel will leave her role at the IEDC on Nov. 11 to begin planning for the new agency.

Holcomb appointed Bedel [to serve as president of the IEDC](#) in 2017. Prior to that, Bedel served as president, CEO and chief compliance officer for Bedel Financial Consulting

Inc., which she founded in 1989.

Secretary of Commerce Jim Schellinger will assume Bedel's responsibilities at the IEDC.

Office of Tourism Director Misty Weisensteiner will transition to the Indiana Destination Development Corp. and will report to Bedel.

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Indiana suspends work requirement for Medicaid until lawsuit is resolved

October 31, 2019 | [John Russell](#)

KEYWORDS [HEALTH CARE & INSURANCE](#) / [LAW](#) / [LAWSUITS](#) / [LEGAL ISSUES](#) / [MEDICAID](#)

Indiana is suspending a requirement that tens of thousands of Medicaid recipients find a job, volunteer, get career training or go to school as a condition for receiving medical benefits.

The move, announced Thursday, comes a month after [two groups filed suit](#) in federal court, saying the requirement could potentially jettison thousands of people from medical coverage.

The state Family and Social Services Administration said it will shelve the requirement to allow time for the lawsuit to be resolved.

Starting in July, Indiana began requiring people to work, volunteer or participate in other qualifying activities as a condition for receiving medical benefits under the Healthy Indiana Plan, the state's biggest Medicaid program, which covers more than 400,000 low-income people.

The requirements were being phased in over a full year, beginning with five hours of work a week and building up to 20 hours by July 2020. Recipients have been required to file monthly reports.

The program, called "Gateway to Work," contains numerous exemptions, including for people over 60, caregivers of dependent children, incapacitated people, and those in treatment for substance abuse. State officials have estimated that 85,000 people on the program would have to work, volunteer or go to school.

"We remain committed to operating the Gateway to Work program and to continuing to build on the early successes of the program, through which HIP members are reporting successful engagements in their workplaces, schools and communities," Indiana Medicaid Director Allison Taylor said.

FSSA said it will continue to encourage HIP members to report their activities to the state or their health plan so they can be connected to resources such as the state's Next Level Jobs program, Ivy Tech, WorkOne and local job-training and advancement programs.

Indiana Legal Services and the National Health Law program filed suit in September, saying the new requirements could unfairly stop thousands of people from getting medical

coverage.

Named as defendants were the U.S. Department of Health and Human Services and the Centers for Medicare and Medicaid Services. The suit was filed in U.S. District Court in Washington, D.C.

The suit was the fourth federal lawsuit challenging a Medicaid waiver project with a work requirement approved by the federal government. Rulings have [blocked work requirements](#) in Arkansas, Kentucky and New Hampshire.

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https://www.tribstar.com/opinion/editorials/tribune-star-editorial-casino-deals-county-a-winning-hand/article_dee53ef8-fc12-11e9-9366-83230dc19901.html

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Tribune-Star Editorial: Casino deals county a winning hand

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Ballot question merits solid 'yes' from voters

The citizens of Vigo County have found themselves consumed by weighty public policy issues for months. When building a new jail, how big should it be and where should it be located? With the school corporation facing financial challenges, should an operational property tax increase be adopted to help meet schools' pressing needs?

For the city of Terre Haute, a big election looms in coming days. Should voters reelect their three-term mayor to a fourth term, or is it time for a change, for fresh blood in the mayor's office?

The debate about these issues has been robust and enlightening. These are hard questions without easy answers.

But there is another question to be answered as well. Perhaps it's the easiest one of all. It's the one dealing with voter approval of a casino in Vigo County. While there are those who legitimately question the value of such a facility or whether a sanctioned house of gambling is the right moral direction the county should take, the downside of a casino here is far outweighed by the potential upside.

As directed by the state legislature, the question on Tuesday's ballot simply asks voters if they approve of a casino being located in Vigo County. A referendum on the issue was the right thing to do, and we commend lawmakers for requiring voter approval before a gaming license can be issued here.

We encourage voters to embrace the opportunity to vote on the issue. What's more, we endorse the proposal for a Vigo County casino and urge voters to approve the referendum.

The gambling industry has a strong foothold in Indiana going back decades. Its evolution has produced several expansions, and the extension of casino gambling into Vigo County reflects that. Many communities — Gary, Michigan City, Evansville, Anderson and French Lick, to name a few — have been home to various forms of gaming through the years. With the possible exception of French Lick, few of them would assert that the presence of a casino or other gaming establishments have been their economic savior.

That said, you don't see economic development leaders in those communities willing to give them up.

Casinos are a tourism draw for the communities in which they are located. They provide entertainment options for county residents and also serve as destinations for people seeking entertainment from outside the area. Tourism is part of what fuels a local economy, and a casino would definitely have an impact on tourism development and act as a enticement for visitors.

Development of a casino would also be an economic development tool. Construction jobs would be first to emerge, followed by the hospitality workforce that would be created to operate the facility. There is no reliable estimate on the number of jobs to be created, and best-case scenarios are probably unrealistic. Still, jobs will be created, and there will be an economic benefit to that.

Finally, the state will collect tax money from casino revenues, and some of those revenues will be recirculated to various government entities for use in developing quality-of-life projects to serve the region. No one knows how much money that will be, but there will undoubtedly be a profound

impact.

Casino gambling in Terre Haute is unlikely to produce the economic windfall claimed in some promotional materials. Competition for gambling dollars is intense and will increase. But we expect positive gains, and those are worth the consideration when judging this issue.

The campaign to bring a casino here has been a constructive effort. A casino's benefits are clear and justifiable. For those reasons, we view approval of the referendum to be in the community's best interests.



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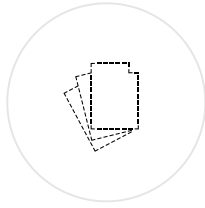
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INDIANA LEGISLATIVE INSIGHT

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Mega-bite for State: CIO to depart

Long-serving CIO Neely Jonesing to leave at critical IT juncture

Indiana's state Chief Information Officer Dewand Neely sat down for a video interview with StateScoop in which he focused on issues related to recruitment of key information technology personnel to state government at a critical time when cybersecurity and data privacy concerns prevail and private sector salaries, job perquisites and working environments, and flexibility are perceived to be superior to those offered by the public sector.

What we didn't know at the time was that the State of Indiana would soon be in the market to replace Neely himself.

After some four years as CIO (in which the average state CIO tenure nationally is just 30 months), one of the nation's dozen or so longest-serving CIOs told the Governor's Cabinet Monday that he will be leaving state government November 22 to become chief operations director for Eleven Fifty Academy, the number two post for the Indianapolis nonprofit code academy and coding bootcamp founded by tech pioneer Scott Jones and dedicated to bridging the tech talent gap in Indiana.

No decision has been made yet on what the process will be for replacing Neely, whom we described a few years ago as a "rock star" among his fellow state CIOs who had focused his tenure on cybersecurity, interagency data-sharing, and digital government. A three-week timeframe for a national search may simply be impractical – there were almost 20 state CIO vacancies to date this year alone – and there is enough confidence in internal talent and support that you will probably see the new CIO elevated from within (or at least expect an internal interim CIO).

Gubernatorial Chief of Staff Earl Goode is well aware of how valuable Neely has been to the state, not having to fret about IT issues that have beset some other states and key local units of Indiana government. Goode has more than a passing interest in and knowledge of the sector; at the time of his retirement from the private sector in 2000, he was the president of GTE Information Services, and will likely be an active participant in the process for selecting Neely's replacement, understanding the continuing challenges in the field.

Ironically, Neely had just told StateScoop that while the Indiana Office of Technology's older employees aren't retiring en masse yet, he was readying several strategies to be prepared for when they do. Beyond the obvious replacement challenges we outlined above, StateScoop notes that states are discovering that younger employees who replace retiring employees often lack the skills to manage legacy technologies that states must keep operational – such as mainframes.

While Neely says this "silver tsunami" hasn't become a problem yet in Indiana, IOT was vigilant in "trying to find that next generation and still get them prepped," and is taking several different workforce-related approaches. "We realize that some folks aren't interested in signing up for a 20-year career anymore, and so being able to offer more flexible retirement packages, not necessarily trying to sell the lifetime pension anymore, making it more flexible for folks that are looking to move in and out [are all strategies we use]."

Neely added that IOT is "creating more short-term advancement opportunities for employees and targeting new pools of potential talent. '[It's] being more strategic for faster opportunities to be promoted and to get access to new things, leveraging more of our openings from a college standpoint,' he says. '[We're] offering more fellowships and things of that sort to get people in and exposed in hopes they may take another look [when they] get out of college.'"

Sen. Young's tough 2020 task

Once easy NRSC job now a fraught role

When U.S. Sen. Todd Young (R) assumed control of the National Republican Senatorial Committee, it looked like an easy way for him to gain access to leadership ranks, as the Republican path to a continued Senate majority did not appear to be seriously in danger. But fast forward a year from his November 2018 NRSC selection, and the Beltway consensus is that he faces a heavy lift in retaining a majority . . . but the reward could be substantial if he manages to walk the fine line that potentially involves crazy unpredictable primaries (see Alabama); saving moderate voices who are caucus anathemas (see Maine); record Democratic challenger fundraising (see Arizona); and weaker-than-expected GOP incumbents (see Iowa).

If Republicans do not retain the White House, Democrats only need a net three seats to claim the majority.

Axios sees the Senate majority "in serious jeopardy" with Dems "raising more money, and polling better," and "All of this is unfolding while the economy still looks strong, and before public impeachment proceedings." *National Journal* finds "the pathway for a narrow Democratic takeover of the upper chamber is looking clearer than ever."

Young also risks running afoul of colleagues and the President in the Alabama Senate race.



IN Politics

Federal Office Races . . .

- We continue to hear rumblings in CD 05 that outside groups – including the Club for Growth (run by former U.S. Rep. David McIntosh (R), who lost the 2012 primary here to outgoing U.S. Rep. Susan Brooks (R)) and the Freedom Caucus – are looking to play in this race, but their motives and priorities here may not be pure on the micro level. These entities have recently backed off on Republican primary races, particularly in heavily GOP districts where the outcome may be muddy and the candidates largely in line with their philosophical goals, but that seems to be changing. In CD 05 now, some of the more “moderate” Republican hopefuls have opted against a run and those who might have been perceived as more moderate have largely sought to establish themselves further to the right on the spectrum or “Trumpier than thou” than initially anticipated (students of the 2018 U.S. Senate primary), bringing the field more in line with CFG and Freedom Caucus priorities than we might have expected from the initial broad array of potential candidates.

□ So will these outside groups get involved because they want to select the candidate best able to beat the Democratic nominee (which conventional wisdom sees as the top fundraiser in the entire field, former Rep. Christina Hale (D), who has run statewide)? That’s not quite what we’re hearing on the ground. What we’re picking up is that these groups simply want House members that they can count on to vote against House Republican Leader Kevin McCarthy (R-CA), whom they view as too moderate. So watch not only for outside spending here in the form of third-party television and direct mail, but also potentially in direct contributions – which could be aimed at diverting votes from a particular less-preferred candidate just as much as boosting a given “favored” hopeful. And you might also watch to see if Team McCarthy figures out what’s up here and directs dollars into what would be a safe Republican seat in any other year . . .

- Former Rep. Christina Hale (D), a CD 05 open-seat candidate, gains the endorsement of EMILY’s List, which her campaign bills as “the nation’s largest resource for women in politics.” Her announcement makes no reference to the fact that Emily’s List is a political action committee (choosing instead to focus on the synergy she expects from its “grassroots power”), nor the PAC’s *raison d’être*, seeking to help elect pro-choice Democratic female candidates to office . . . big news from D.C.: the National Republican Congressional Committee names State Treasurer Kelly Mitchell (R) as an “On the Radar” candidate for the NRCC Young Guns Program. While she is among a cadre of 24 candidates named in the program’s third round, this effectively bestows the national GOP congressional leadership imprimatur upon her, an honorific that should begin the flow of political action committee money as the usual suspects learn that it is “safe” to contribute to her campaign (but it may also further incentivize the big-buck anti-leadership forces within the party to back a different standardbearer).

- U.S. Rep. Greg Pence (R) uses his CD 06 Greg Pence for Congress Committee to send out an email seeking “Hoosiers to chip in and fight back against radical House Democrats who are impeaching President Trump based on fake allegations.” While he writes that “my team has established the **October End of Month Impeachment Defense Fund**” (emphasis in original), the contributions are directed to Greg Pence Victory, a joint fundraising committee authorized by and to benefit

Greg Pence for Congress, his Mustang PAC leadership political action committee, the Great America Committee run by Vice President Mike Pence (R), and the National Republican Congressional Committee.

□ Lest you think the impeachment fund moniker was a throwaway or slip, he followed it up the next day with a similar email mentioning the need to stock the impeachment fund. The message over his imprimatur claims that “This is the most pivotal turning point for conservative values since President Trump took office. Led by Nancy Pelosi, House Democrats are officially attempting to impeach our duly elected president [and] to silence conservatives and overturn the results of the 2016 election.” He asks “Hoosiers to say NO to Pelosi and her socialist friends in Congress NOW is when we must make our stand against unhinged Democrats. I will ALWAYS be with with (sic) President Trump and AGAINST those on the left who hate him and will stop at nothing to remove him from office outside of the electoral process.”

□ Rep. Pence was front-row, center for the House leadership statements delivered live on national television immediately after the House impeachment inquiry/procedure vote. A few minutes later, he sent out a campaign email saying “it’s Halloween, and the scariest thing on my mind is unhinged Democrats trying to overturn the results of the 2016 election. They’re determined to impeach President Trump before he wins re-election, and it’s up to us in the conservative grassroots to stop Nancy Pelosi and her socialist friends in the House from impeaching President Trump”

IN Legislative Races . . .

- We recently told you that the candidates were already lining up to replace Sen. Eddie Melton (D), who has announced his gubernatorial candidacy and thus cannot “run safe” for reelection to his Senate seat next year. Sen. Melton was elected after the long-planned retirement of Earline Rogers (D), who did not want to leave office until she was confident that a solid successor was available and capable of winning the primary. Sen. Rogers first won her seat in a caucus selection after moving from the House to fill the vacancy caused by the death of Sen. Carolyn Mosby (D), who herself had moved from the House to the Senate a decade earlier in a caucus selection to complete the Senate term of Katie Hall (D), who resigned to take a seat in Congress (under Indiana’s election laws at the time, Hall was chosen by then-Gary mayor Richard Hatcher (D), then the CD 01 Democratic Party chair, to fill the Democratic ballot vacancy in both a special election and the regular 1982 general election after the death of then-U.S. Rep. Adam Benjamin (D), whom she also succeeded in the state senate), so this seat has a history of high-profile occupants leaving early.

□ The first potential candidate at the door in the safe Democratic seat was Darnail Lyles (D), a Gary attorney with East Chicago offices who is part of the inner circle of incoming Gary mayor Jerome Prince (D) . . . and whom local gossip says may be trying to distance himself now from the mayor-elect. Dan Carden takes a close look at the coming local political shake-up and falling dominoes in the *Times of Northwest Indiana*, and he reports Thursday that freshman Rep. Ragen Hatcher (D) has opted out of a reelection bid and will instead seek Melton’s seat – with the blessing of outgoing Mayor Karen Freeman-Wilson (D). The Hatcher news is intriguing, because Rep. Hatcher, a former Gary Common Council member and daughter of Gary’s first black mayor, has always been rumored to be aiming toward a mayoral run of her own.



□ But consider the circumstances: Rep. Hatcher has to run for re-election next year anyway (the mayor's office will not be up for election again until 2023, by which two legislative election cycles will have been run), so it makes sense for her to run for the Senate – a four-year-term in a seat safe for Democrats – instead of seeking reelection to the House in 2020 and then having to run again in 2022 before a potential 2023 mayoral bid. Whether she could emerge on top in a Democratic primary next May depends upon local political vagaries, but if she wins that seat, she's not likely to find herself challenged by 2021 redistricting and could use the time to rebuild local fences – which, we understand, she's been doing since her election to the House, a contrast to her previous council service and work with the Gary Community School Corporation. Sen. Rogers played king maker in leaving the Senate and effectively anointing her successor, but we're not sure whether she'd feel comfortable with a Hatcher candidacy – or if she maintains the local political clout she wielded four years ago as she prepares to turn 85 years old next month. Hatcher and Rogers faced off in a 2011 Gary mayoral primary in which both were unsuccessful, and then-Sen. Rogers – who serve on the council when Richard Hatcher was mayor – was not hesitant to serve up an unflattering personal portrait of the younger Hatcher, who was then just 32 years old.

□ Carden cautions that “Multiple additional candidates also are expected to run in Melton's Senate District 3 that contains portions of Gary, Lake Station, New Chicago, Hobart, Merrillville and Crown Point.”

□ A Hatcher Senate run also could clear the way for Calumet Township Board President **Darren Washington** (D) to seek the Hatcher House seat. He still has a active campaign committee from his 2016 primary loss to Melton (he collected 31% of the vote in a four-way contest, which followed a 2012 primary challenge to Sen. Rogers in which he posted 22% in a three-way race). Washington, a licensed and ordained minister, currently serves as a chaplain for the Indiana State Police, Lake County Sheriff's Department, and the Lake County Coroner's Office. He was a rising star in the Bayh Administration where he worked for the Department of Child Services and then became executive director of the Indiana Commission on the Social Status of Black Males during the first O'Bannon Administration. He also served as president of the Gary Community School Corporation Board of School Trustees, and was appointed as a member of the Indiana Education Roundtable. He was also director of external affairs for AT&T in Northwest Indiana and ran unsuccessfully for some other local offices . . . but it's not uncommon for Gary candidates to bounce back from losses; outgoing Mayor Freeman-Wilson lost a statewide race and two mayoral primaries before winning in 2011, and Rogers, Ragen Hatcher, and Washington each won their most recent general election races (in Gary, you don't seem to earn your political chops until you've *lost* a primary race for mayor of Gary).

● Sen. **Mark Stoops** (D) will not seek reelection in 2020, so now 20% of the Senate Democratic Caucus opts not to return. Look for Indiana Democratic Party Chair **John Zody** to run, but to run into flak for not being liberal enough for SD 40.

IN Mayoral Races . . .

● The Governor joins Republican mayoral candidates in 10 cities across Indiana in the final days prior to the municipal election, scheduling stops for candidates in Lawrence, Muncie, Fort Wayne, Elkhart, Valparaiso, Kokomo, Terre Haute, Washington, Jeffersonville, and New Albany. Six are currently in GOP hands, three incumbents are not seeking reelection.

□ Uh, did you notice Indianapolis wasn't on the itinerary?

● While no one will put any money down on Sen. **Jim Merritt** (R) being elected mayor of Indianapolis this week (and some who invested are not pleased at the amount of misspent campaign overhead, and to whom and how it was directed), there are two story lines to watch.

□ Most important is how much of the African American community turns out to vote. Mayor **Joe Hogsett** (D) has not engendered much love there, and a late-to-the-table Hogsett Indianapolis Black Agenda was perceived more as pandering and checking off a box than a substantive commitment. When you add in the African American elected-official antipathy toward former Rep. **Christina Hale** (D) and those who have rushed to support her in CD 05 – instead of allowing the way to be cleared for another shot by 2018 nominee **Dee Thornton** (D), whom they believed earned the chance in a better year – this may be problematic for Hoosier Democrats in 2020 if their gubernatorial nominee is not named Melton or Myers.

□ You should also not overlook the residual discontent among some regular Democrats – white and black – over what they saw as hizzoner's hasty anointment of his hand-picked candidate in the Marion County prosecutor vacancy selection. Even some of those who did not necessarily support the ultimate upset winner, **Ryan Mears** (D) – not the Hogsett choice – still feel a bit uneasy about what they see as Hogsett heavy-handedness.

□ And that last-minute lurid lawsuit filed in federal court by **Bobby Hidalgo Kern** (or whatever the convicted felon is calling himself these days) that alleges sexual assault charges some 30 years old are rightfully being ignored by the mainstream media . . . and it will be interesting to see what a federal judge has to say about the *pro se* lawsuit filed by the one-time judicial impersonator.

IN Other Political News . . .

● Merrillville-based Hoosiers for Accountability is a new political action committee formed to “Support and oppose candidates to office.” The chair is **David Fagan** of the International Union of Operating Engineers Local 150, and another Local 150 official, **Michael Simms**, is the treasurer.



● Former state auditor **Richard Mourdock** (R) makes a \$500 personal contribution to the Republican nominee for state auditor in Kentucky (who is running against a Purdue University alum). This is larger than any contribution Mourdock has made to any Indiana candidate since he left office in 2012; his only Indiana contributions have come through his business, and the most recent was \$100 last year to the unsuccessful reelection campaign of then-Sen. **Mike Delph** (R) (Delph and Mourdock were both unsuccessful convention candidates for secretary of state in 2002).

IN the Presidential Race . . .

● South Bend Mayor **Pete Buttigieg** (D) was first to file for the New Hampshire Democratic primary ballot last week . . . while some Democratic senators may find themselves staying in D.C. for impeachment votes instead of on the presidential campaign trail (if they are absent, that lowers the denominator on the two-thirds impeachment equation), Mayor Pete could find himself back in South Bend to testify in local police-related litigation over the next few months . . . Bloomberg observes that former vice president **Joe Biden** (D) “is failing to spend the time with small groups of voters and party officials that Iowans expect and his campaign’s outreach has been largely ineffective, according to 11 senior Democrats in the state. They worry that could send Biden to a crippling loss behind **Elizabeth Warren** and **Pete Buttigieg**, who have highly organized campaigns in Iowa, said the Democrats” . . . election law experts and social scientists of all stripes are having difficulty confirming the veracity of this recent Buttigieg assertion: “Racially motivated patterns of voter suppression are responsible for **Stacey Abrams** not being governor of Georgia right now” . . . Mayor Buttigieg is in fourth place with seven percent in the latest Morning Consult poll of all Democratic primary and caucus voters nationally. He’s also in fourth place

with eight percent among Democratic primary and caucus voters in Iowa, New Hampshire, South Carolina, and Nevada . . . a new Suffolk University/*USA Today* national poll of likely Democratic voters finds Buttigieg with 10% in fourth place . . . a new CNN poll of likely Democratic voters in New Hampshire conducted by the University of New Hampshire finds Mayor Buttigieg rounds in fourth with 10% (unchanged from his July showing), trailing U.S. Sens. **Bernie Sanders** (D-VT) and **Warren**, and former VP **Biden**, but leader Sanders only captures 21% of the vote, and with Biden sinking, Buttigieg – who is within the margin of error of all save Sanders – looks to be the candidate to pick up the mantle among his backers . . . an end of October *New York Times*/Siena College poll of likely Democratic caucusgoers finds Buttigieg in third place with 18% to Sen. **Warren**’s 22% and Sen. **Sanders**’ 19%, and ahead of the 17% for ex-veep **Biden**.

IN Brief

IN Federal Circles . . .

● Indiana’s two U.S. senators are among 24 cosponsors of the “Recognizing the Protection of Motorsports (RPM) Act,” a bipartisan bill introduced by U.S. Sens. **Richard Burr** (R-NC) and **Joe Manchin** (D-WV) that clarifies congressional intent that amendments to the Clean Air Act’s anti-tampering provision exempt modified vehicles and race cars from certain environmental regulations. The authors say S. 2602 would help preserve American motorsports by stopping federal government regulatory overreach. A 2015 Obama Administration proposed rule would allow the U.S. Environmental Protection Agency to fine amateur motorsport conversions of personal vehicles into race cars. While EPA removed the language from its final rule, it still contends motorsports vehicle modification is unlawful.

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● U.S. Sen. Todd Young (R), a member of the Senate Committee on Foreign Relations, had this to say Sunday regarding the death of ISIS leader Abu Bakr al-Baghdad: “At this watershed moment in the battle against terrorism, we thank the special operation forces who carried out the mission and the thousands of men and women who have led the fight against ISIS. We think of Hoosier Marine Jordan Spears and his family, who represent the great sacrifice by many of our nation’s finest, and their families, to defeat ISIS. We also remember Hoosier Peter Kassig and his family, who represent the unspeakable human toll that ISIS’ top leader brought to our fellow American citizens and their families, and to countless innocent men, women and children. Americans, all of them, none to be forgotten. *Semper Fidelis*” . . . Sen. Young and U.S. Sen. Maggie Hassan (D-NH) pair up to introduce the bipartisan “Fast Track To and Through College Act,” a measure which would provide resources aimed at helping more students earn college credits while still in high school. These types of early college programs provide academically-prepared high school students the opportunity to receive college credit while they are still in high school. “Early college programs help families avoid college debt while preparing students for postsecondary education. In Indiana, we have seen great success from programs like these,” said Sen. Young. “Our bill aims to provide resources so states can create a fast track pathway for students that includes access to advanced coursework, dual credits, and professional support.” Their bill would designate resources for programs that help more high schoolers receive college credit toward their future postsecondary degree and support early college programs by allowing students enrolled in early college programs to take as much as a full year of early college courses toward their postsecondary degree or credential; ensuring that students receive credit for the classes that they take by requiring public colleges and universities to accept credit from early college programs; and expanding access to the programs by allowing Pell Grants to cover dual-enrollment costs for low-income, Pell-eligible students in states receiving a fast-track grant . . . Sen. Young and U.S. Sen. Ben Cardin (D-MD) on Thursday introduced the first Senate resolution honoring Sikh Americans. The resolution works to further diversity and afford all Americans the opportunity to better understand, recognize, and appreciate the rich history and shared experiences of Sikhs. Sen. Young calls the Sikh Americans “a vital part of our Nation’s rich culture and diversity,” noting that “Indiana is home to more than 10,000 Sikhs and I am proud to introduce the first resolution ever introduced in the Senate in their honor. As the fifth largest religion in the world, Hoosier communities are made richer by their contributions.”

● U.S. Sen. Mike Braun (R) tells Marion radio listeners Tuesday on WBAT 1400-AM’s *Good Morning Grant County* that Hoosiers are “participating in the best economy we’ve ever had. I know that as a Main Street entrepreneur, when I go into every business that their biggest issue and only topic is basically, not being able to find people to staff and fills the positions. That’s as good as it gets.” As for impeachment, he says “I really believe from November of 2016, the plans were in motion” by House Speaker Nancy Pelosi (D-CA) and Democrats, calling it “their last heave and ho before November 2020. They’ve been doing it systematically and I think the public’s going to see through it this is a political stunt,” which he sees as “a waste of time for us (in the Senate) and the American public.” Asked about the death of the ISIS leader and where things go from here, he had an interesting take: “To me, it’s another example of how business as usual when it comes to

domestic issues and foreign policy was not being knocked out of the park. When you look at the Clinton, the Bush years, Obama years, we’ve been following the same game plan basically, and it’s led us into trillion-dollar deficits and to where we’ve not been able to lead effectively on foreign issues because we don’t engage our allies. We don’t ask them to pay their fair share. All the things President Trump is doing, including his moves in Syria – which if you look at the details of it, was the right thing to do. We cannot be ‘the policeman’ and pay for everything in the future and I think it’s refreshing to have somebody that wants to change the dynamic that’s been in play. And to see that we cap it off with getting one of the worst human beings ever to walk on this earth, that tells you that we know what we are doing – and that it needs to be given credit. It was a great weekend for Hoosiers; for Americans. And it tells you that we’re finally doing things differently, and I’m glad to be part of it” . . .

● The U.S. House of Representatives voted overwhelmingly Tuesday to recognize the mass killing of Armenians by Ottoman Turks during World War I as genocide. The vote came amidst deteriorating U.S.-Turkey relations. The resolution passed by a bipartisan vote of 405 to 11 (with three abstentions), but more than one-third of the votes against the measure – four of the 11 – came from Hoosier Republicans. Only one other state – Texas – had more than one member of its delegation (two) cast votes against H. Res. 296. We’re not sure that we’ve ever quite seen the kind of breakdown on any vote from the Hoosier delegation as on this one:

For the Resolution

Banks (R)
Carson (D)
Hollingsworth (R)
Visclosky (D)
Walorski (R)

Against the Resolution

Baird (R)
Brooks (R)
Bucshon (R)
Pence (R)

□ When a similar resolution passed the House Committee on Foreign Affairs by one vote in 2010 – with then-U.S. Rep. Dan Burton (R), a panel member, vocally opposing passage – Turkey responded by recalling its ambassador from Washington for consultations. In a 2007 push against passage of such a resolution, Burton labeled backers just plain “crazy.” The Committee on Foreign Affairs approved that 2007 resolution despite what we told you then was opposition from then-President George W. Bush (R) and Turkey’s government, and concerns that it could harm Turkish-U.S. relations. The *New York Times* wrote back then that then-U.S. Rep. Mike Pence (R), “who has backed the resolution in the past, said [the President] persuaded him to change his position and vote no,” even as he described the decision as “gut-wrenching.” The Armenian Assembly of America commended him earlier that year for introducing the broader Genocide Accountability Act in the House. “There was indeed a genocide of the Armenians, and it will not be forgotten,” but referring to the use of the term genocide, he added that “While this is still the right position, it is not the right time.” According to the *Los Angeles Daily News*, “Invoking the biblical saying that to everything there is a season, Pence said Congress should not vote on the bill while U.S. troops are at war in Iraq. ‘This is a season that calls for standing with our troops first,’ he said. The *Daily News* found then-Rep. Burton “took the strongest stand against the resolution and noted that 70 percent of supplies to U.S. troops currently travel through Turkey. ‘The stability of the entire Middle East could be at risk,’ he warned. ‘Why are we kicking the one ally that is helping us in the face?’ ”

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□ In a 403 - 16 bipartisan Tuesday Turkish rebuke, the House voted to impose sanctions after Turkey's assault on the Kurds. Joining U.S. Rep. Ilhan Omar (D-MN) - the only House D to vote no - were U.S. Reps. Jim Baird (R) and Greg Pence (R).

□ "None responded to requests for comment" by the *WALL Street Journal*. Rep. Baird's office questioned the resolution's timing to the *Indianapolis Star*; Rep. Pence's office only told the paper that he "has full confidence in President Trump's strategy in the Middle East and his voting reflects that position." Importantville's Adam Wren tweets he was "told by a source close to the delegation that IN GOP megadonor @ErsalOzdemir, who is from Turkey, lobbied them hard to vote no." Ersal Ozdemir, the Carmel contractor and developer who convinced the General Assembly to help him fund a soccer stadium for his Indy Eleven team this year, contributed a total of almost \$20,000 to Reps. Baird, Brooks, Bucshon, and Pence, and more than \$20,000 to a pair of Turkish-related political action committees that further doled out campaign largesse.

● U.S. Reps. Jackie Walorski (R) and Annie Kuster (D-NH) led a bipartisan group of 25 members of Congress in calling on the U.S. Department of Veterans Affairs via a Wednesday letter to provide an update on their actions to ensure VA clinicians are complying with a law that aims to prevent overprescribing of opioids to veterans. Among the letter's signatories were U.S. Reps. Jim Baird (R), Jim Banks (R), and Susan Brooks (R).

□ The VA Prescription Data Accountability Act was authored by Rep. Kuster in 2017, co-sponsored by Rep. Walorski, and enacted with bipartisan support.; it requires VA clinicians to check prescription drug monitoring programs (PDMPs) - statewide electronic databases that track controlled substance prescriptions for patients receiving opioid therapy. PDMPs can provide health authorities with current details about prescribing and patient behaviors that fuel the opioid epidemic and facilitate a smart, targeted response. A Walorski-Kuster enacted in 2016 as part of the Comprehensive Addiction and Recovery Act requires VA to share info with state PDMPs to prevent overprescribing of opioids. A recent VA Office of Inspector General report revealed most VA clinicians are not adhering to the law, and two-thirds of clinicians are altogether unaware of the policy. "In light of the nationwide epidemic of prescription drug abuse, which has had a significant impact on veterans, we firmly believe that PDMP databases have proven effective and are valuable tools in tracking the coordination of prescriptions, preventing drug abuse and diversion, and reducing doctor shopping," wrote the members. "We request an update on the actions VA is taking to carry out the recommendations outlined in the OIG report in order to ensure that VA clinicians are in full compliance with the law and providing the level of care our veterans deserve."

● U.S. Reps. Jackie Walorski (R) and Jim Banks (R) introduce the "Dignity for Aborted Children Act," legislation to ensure the remains of aborted children are always treated with dignity. H.R. 4934 would hold abortion providers accountable to provide for proper burial or cremation of aborted fetal remains.

□ "Every life is precious, and every person deserves to be treated with dignity and respect," Rep. Walorski said. "The sickening discovery of thousands of human fetal remains in Ulrich Klopfer's garage was a tragic reminder of the terrible cost of abortion. Our society cannot tolerate such callous disregard for the sanctity of human life. As we continue working to defend the unborn, it is critical that we pass this bill to protect the dignity of abortion victims by ensuring their remains are treated with the respect they deserve."

□ "I'm proud that Indiana is leading the way to federally mandate respectful treatment of abortion victims," said Rep. Banks. "Dr. Klopfer's crimes were unspeakably horrific and they affected me on a very deep and personal level. I hope that his crimes have also awakened my Congressional colleagues to the importance of preserving the dignity of all human life - including aborted children. The legislation introduced by Rep. Walorski and I aims to achieve this in the most simple and common-sense manner."

● Former U.S. Reps. Lee Hamilton (D) and Tim Roemer (D) were the only Hoosiers among a bipartisan coalition of almost 100 former members of Congress who sent a letter Thursday to all senators urging legislative action to secure elections, asserting that there would be "severe threats to our national security" absent certain steps being taken to enhance election security.

● U.S. Rep. Pete Visclosky (D) adds his name as a cosponsor of a resolution opposing "any new performance fee, tax, royalty, or other charge" being imposed on local broadcast radio stations. The bipartisan "Local Radio Freedom Act" now has 195 House cosponsors 24 in the Senate . . . Rep. Visclosky had this to say released the following statement after voting in favor of a House Resolution to support the current impeachment inquiry: "Today, I supported the House Resolution that directs the six House Committees to continue their ongoing investigations as part of the existing inquiry into whether sufficient grounds exist for the House of Representatives to impeach the President. This Resolution will further reinforce the abilities of the House Committees to conduct their investigations in a manner that is transparent and accessible to the American public. It also ensures that the process and presidential protections are consistent with prior precedent, including the impeachment procedures for Presidents Nixon and Clinton. I remain concerned about the President's unethical and inappropriate actions, and I believe a judicious collection of the facts is warranted."

● U.S. Rep. André Carson (D), a senior member of the House Permanent Select Committee on Intelligence, released a statement following passage of H.Res. 660, which provides the path forward for public hearings, the next phase of the ongoing impeachment inquiry. He says "The vote I took today to advance the public phase of our impeachment inquiry was done with a heavy heart, but with the strongest sense of urgency and necessity. Here in 'The People's House,' we have a constitutional and a moral obligation to ensure we hold all public servants accountable to those they serve. We must affirm the truth that nobody, not even the President of the United States, is above the law. I am deeply saddened that we have embarked on this impeachment inquiry to hold the President accountable to the laws he swore an oath to uphold, but we have no choice but to act now. He asked a foreign country to investigate a political rival, using hundreds of millions in U.S. aid, approved by both the House and Senate, as a bargaining chip. This is a betrayal to the American people, and a serious threat to our national security. We cannot and we will not let this behavior go unchecked. The House Intelligence Committee, the committee on which I serve, has been engaged in the search for justice and answers, and I commend the brave public servants and military officers who have come forward to provide information, despite threats and attacks on their patriotism from this administration. But as we enter this public phase, no amount of bullying, smears or spin from this President and his allies will prevent the American people from hearing the facts, and making up their own minds. On behalf of all Hoosiers, I will continue to conduct this inquiry with the utmost care. The soul of our Democracy is at stake."

● U.S. Rep. Jim Banks (R), a member of the House Committee on Armed Services and Afghanistan war veteran, is interviewed by Gillian Turner Sunday, October 27 on Fox News about the military raid that killed the leader of ISIS. "This is big news," he said, expressing his disappointment that "it's been minimized by so many of the Trump critics this morning. Without minimizing the killing of Osama bin Laden, I don't want to do that, but I do want compare it to that. Because in some ways, this is much more significant than killing Osama bin Laden. What I mean by that is al-Baghdadi was not just the spiritual leader of ISIS, he was the chief recruiter. He was hunkered down, but he was still recruiting young ISIS fighters coming into the fold because so many of them thought he was immortal." Rep. Banks continued, "The killing of Bin Laden was retribution. This was very strategic. That's why when President Trump came into office he brought his senior national security officials together and said, 'We're going to do whatever it takes to kill Baghdadi.' And this was the culmination ... in President Trump achieving a key victory. This is a big moment for his administration. It's a big moment for our country. This is a big moment for our national security," he concludes. ... in a Monday FoxNews.com editorial about the ISIS leader's death, Rep. Banks writes that "As a frustrated House Republican who cares very much about our national security, I think President Trump made the right call" when he "ordered White House aides not to inform congressional Democrat leadership of the operation, accurately explaining 'Washington is a leaking machine.'" He continues, "Would someone like Rep. Adam Schiff have jeopardized the viability of the mission to hurt Donald Trump? It's not hard to imagine a scenario in which, yes, Schiff and his allies would have leaked classified information to their friends in the media and railroaded this operation. After all, these are the same Congressional Democrats who have decided to halt all productivity in the House of Representatives to impeach an innocent president ahead of the 2020 election. It's not hard to imagine they would jeopardize the mission to kill al-Baghdadi out of partisan vindication. Watching the resistance's reaction to al-Baghdadi's death further vindicates the president's decision. At every turn, enemies of Donald Trump tried to manipulate the story to take shots at the president How disturbing is it that our military and intelligence officials are too afraid to brief congressional Democrats on important intelligence matters because of fears the classified subject matter will be leaked and politicized In another era, every citizen across the nation would have taken to the streets Sunday in celebration. But, as has become custom since November 2016, petty partisan resistance-types found a way to politicize the operation's success. This moment should remind us what is important to the people we serve, should remind us that when our troops go into harm's way to protect us - they are Americans, not Republicans or Democrats. Democrat leaders should remember that fact and quit the partisan charade of impeachment and start working on getting things done for the American people and remember who the real enemy is - people like Baghdadi who want to do harm to all Americans" ... on the heels of a Democratic presidential debate in which one candidate "called to punish churches and other religious institutions like colleges, non-profits, etc. who did not agree with his views on human sexuality," as Rep. Banks' office explains, the congressman introduces a joint resolution declaring protection for the freedom of conscience for all Americans. "The First Amendment of the United States Constitution states, 'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.' No religion, or its practitioners, can be suppressed or coerced by the state. When politicians threaten to use the power

of the state to deliberately suppress some peoples because of their religious convictions, they violate the Constitution and one of America's most sacred traditions," Rep. Banks asserts. "The First Amendment states that no matter one's beliefs, no matter how one worships - if one worships - every American citizen may enjoy the rights enshrined to them in the Constitution, given to them not by the state but by God." The Banks' legislation, H. J. Res. 78, is a joint resolution filed in companion with a resolution offered in the Senate by U.S. Sen. Ben Sasse (R-NE) ... as to impeachment, Rep. Banks tweeted late Thursday morning, "It's too bad @SpeakerPelosi & @RepAdamSchiff don't like the president. But there are plenty of Americans who proudly cast their vote for Trump, and he won in a free and fair election. Not liking someone isn't a reason to impeach and overturn election results. Sorry not sorry!"

● U.S. Rep. Larry Bucshon (R) released this statement after voting against H.Res. 660, which his office describes as "an illegitimate attempt to impeach the President without due process": House Democrats are eroding the Constitutional foundation of due process and fairness through secret, closed door hearings and the presumption of guilty until proven innocent. The complete lack of transparency and leaking of select documents by a handful of Congressional Democrats is merely an attempt to undue the results of the 2016 election and take away the votes of the millions of Americans who voted President Trump into the presidency. The American people are the real victims of this shameful process - while Washington plays politics, real work that can improve the lives of Americans on Main Street has taken a back seat. House Democrats have squandered an opportunity to advance positive change for the American people and neglected the opportunity to work on a bipartisan basis to enact into law prescription drug price reform, infrastructure improvement, funding for our troops and the modernization of trade deals. If this were a legitimate impeachment inquiry, a vote would have been held before beginning the process and provided for a fair, open process that protected the Constitutional rights of the President to defend himself against the charges. Every citizen deserves those rights to be protected, even the President. Instead, this resolution is nothing more than a show vote and another attempt by Democrats to move their only agenda, which is to impeach a legitimate sitting President because they do not agree with his policies and politics."

● U.S. Rep. Susan Brooks (R) provided the following statement regarding her opposition of the impeachment inquiry authorization: "As history illustrates, impeachment proceedings should only be commenced under the gravest of circumstances, which is why it has only happened three times before in our Nation's history. When impeachment proceedings are initiated in the House of Representatives, the process laid out must be fair, transparent, and afford due process to the President. Previous impeachment inquiries set this standard, and I am disappointed Speaker Pelosi chose politics over a fair process. This entirely partisan resolution allows Chairman Schiff to act as the sole arbitrator over what information is heard, viewed, or considered. Process, fairness, and learning all the facts matters, but are not being considered by Speaker Pelosi or Chairman Schiff. For these reasons, I voted against this unprecedented impeachment process. Every American deserves to know their Member of Congress is equipped with all the necessary facts and information needed to cast a vote for their constituents on what is considered the gravest of constitutional questions, removal of a President of the United States from office."

● U.S. Rep. Jackie Walorski (R) says that a legislative fix she championed paved the way for duty-free treatment for lauan plywood, which she says will provide cost-saving tariff relief and long-term certainty for American RV manufacturers. She praises a decision by the U.S. Trade Representative (USTR) to grant duty-free treatment for lauan plywood, saying that “RV manufacturers were facing unnecessary costs and red tape because of an outdated law, so I worked with them to fix it and make tariff relief possible. I’m thrilled USTR has granted tariff-free treatment for lauan wood, which will save this made-in-America industry \$1 million in duties each month and provide long-term certainty for job creators.” In 2018, provisions authored by Rep. Walorski to fix outdated provisions in the Generalized System of Preferences (GSP) program were signed into law as part of broader legislation. She had previously introduced the “Competitive Need Limitations Modernization Act” (H.R. 4068) to fix two issues in the GSP program that led to unnecessary costs and paperwork for American manufacturers . . . Rep. Walorski on Wednesday commented on a U.S. Department of Commerce Office of Inspector General memo finding “a lack of transparency that contributes to the appearance of improper influence in decision-making for tariff exclusion requests under Section 232.” She said, “These findings are extremely troubling and confirm what has been apparent since the start: there is a thumb on the scale favoring objectors. There is no excuse for allowing an opaque, inconsistent, and unfair process to continue harming American manufacturers.” She has been working with Commerce “to address serious issues plaguing the exclusion process, and I hope they continue these good-faith discussions by responding fully to the concerns I’ve raised and accepting my . . . longstanding request for additional meetings.”

IN State Circles . . .

● The U.S. Court of Appeals for the Seventh Circuit, sitting *en banc*, on Wednesday voted 6-5 to deny a rehearing requested by the Indiana Office of the Attorney General in *Planned Parenthood of Indiana and Kentucky, Inc. v. Box, et al.*, No. 17-2428. OAG had sought review of a 2-1 appellate ruling that upheld an injunction issued by Senior Judge Sarah Evans Barker of the U.S. District Court for the Southern District of Indiana against implementation of the parental notification requirement added by SEA 404-2017 to what the initial appellate majority characterized as Indiana’s “fast and confidential judicial bypass procedure that is supposed to allow a small fraction of pregnant, unemancipated minors seeking abortions to obtain them without the consent of or notice to their parents, guardians, or custodians.” The law in abeyance would have required minors to notify their parents of abortion plans “unless the juvenile court finds that it is in the best interest of an unemancipated pregnant minor to obtain an abortion without parental notification following a hearing on a petition” Waivers of parental consent could only be obtained in a judicial bypass hearing.

□ Judge Michael Kanne, a Hoosier who was the dissenting vote in the decision, found four colleagues to join him in dissenting from denial of rehearing *en banc*, a bloc that included three Trump Administration-appointed judges. Judge Kanne and his colleagues wrote simply, “This case implicates an important and recurring issue of federalism: Under what circumstances, and with what evidence, may a state be prevented from enforcing its law before it goes into effect? Given the existing unsettled status of pre-enforcement challenges in the abortion context, I believe this issue should be decided by our full court. Preventing a state statute from taking effect is a judicial act of extraordinary gravity in our federal structure.”

● *Box v. Planned Parenthood of Indiana and Kentucky, Inc.*, No. 18-1019, the appeal over an Indiana law question examining whether a state, consistent with the 14th Amendment, may require an ultrasound as part of informed consent at least 18 hours before an abortion, was on the conference list for the Supreme Court of the United States for a sixth time on October 18 (apparently leading the SCOTUS field this term), as the justices did not make a decision on granting or rejecting a *writ of certiorari* – but there was some movement on the case last week . . . or, more specifically, some significant non-movement.

□ SCOTUSblog notes that “on the abortion front, the Indiana ultrasound case, *Box v. Planned Parenthood of Indiana and Kentucky, Inc.*, 18-1019, is no longer being relisted and it appears the court is holding it for the Louisiana admitting-privileges case, *June Medical Services LLC v. Gee*.” That may mean the Court is more interested in using the Louisiana case – which may involve less nuance than the challenged Indiana law – as the new abortion test case.

● In light of the lawsuit filed by Indiana Legal Services in U.S. District Court for the District of Columbia against Indiana’s Medicaid program work requirements, *Rose v. Azar*, No. 1:19-cv-02848, the Family and Social Services Administration is temporarily suspending the reporting requirements of the Gateway to Work program. The lawsuit challenged the Gateway to Work requirements along with several other components of the Healthy Indiana Plan that have been in operation for several years – potentially jeopardizing the HIP program as a whole. FSSA says it is spending the Gateway requirements for now to allow time for the *Rose* litigation to be resolved, and so the court can address the challenge to HIP after similar legal challenges to programs in other states have worked their way through the appeals process. Nevertheless, “We remain committed to operating the Gateway to Work program and to continuing to build on the early successes of the program, through which HIP members are reporting successful engagements in their workplaces, schools and communities,” says Indiana Medicaid Director Allison Taylor. Indiana is the second state in two weeks to voluntarily back away from work requirements; federal courts have ordered three others to do so.

□ FSSA will continue to encourage HIP members to report their activities to the state or their health plan so they can be connected to work-related resources. HIP members will still have a Gateway to Work status of “exempt,” “reporting met” or “reporting,” and be referred to opportunities to work, learn, and serve in their communities. However, FSSA assures HIP beneficiaries that no benefit suspensions will be considered until after *Rose v. Azar* is resolved. Before the program is reinitiated, FSSA promises participating members that they will receive substantial advance notice regarding the timeline.

□ Indiana continues to seek approval for the HIP Workforce Bridge program to help support the transition for any members moving to employer insurance or other health coverage.

● Effective November 30, the Indiana Health Coverage Programs expands the benefits for certain qualified immigrants identified as a permanent resident. This new benefit package will be delivered on a fee-for-service basis and cover prenatal and postpartum services, in addition to emergency services.

● Don’t expect Sen. Andy Zay (R) to come back in January with his payday loan “pathway to bankability” legislation. He doesn’t believe that there is an appetite for such a credit access measure in 2020.

● Deloitte Consulting LLP is selected to begin contract negotiations to provide Design, Development, and Implementation of the INvest Child Support Automated System for the Department of Child Services, a contract with an estimated three-year value of \$42,343,000. The evaluation team received proposals from Deloitte; Accenture LLP; Conduent State & Local Solutions, Inc.; FAST Enterprises, LLC; Infosys Public Services; and Protech Solutions, Inc.

● As part of the 2019 State Employees' Community Campaign (SECC), the Indiana Office of Technology is raising money through a Takeover IN.gov fundraiser for the Tyler Trent Cancer Research Endowment, which funds cancer research at the Purdue Center for Cancer Research. Through a link on the IN.gov homepage, contributors can choose their favorite college or university in Indiana, and the institution with the highest number of designated contributions between October 21 and November 27, will take over the IN.gov homepage - the winning school will have its colors and logo displayed from December 2 - December 13 on www.IN.gov. More importantly, every dollar donated will be matched by the Walther Cancer Foundation.

● Hoosiers for Life Executive Director Amy Schlichter tells her group's supporters in a fundraising message that "House Speaker Brian Bosma issued secret orders to Indiana lawmakers, forbidding any attempt to ban abortion in the upcoming 2020 legislative session." In "a secret meeting, instructing fellow legislators on his 2020 agenda," Schlichter claims Bosma barked orders to Republican Representatives, forbidding attempts to end legalized child killing. (emphasis in original) Since 2020 is an election year, the House Speaker commanded there would be no 'controversial' issues during the legislative session. Thankfully, Rep. Curt Nisly has pledged to once again file the Protection of Life bill anyway, giving legislators yet another opportunity to end abortion in our state. I want to send a strong message to Brian Bosma and the rest of the Statehouse, and I have 40,000 digital petitions to print and deliver which will do just that," writes H4L's Schlichter. "Rep. Bosma doesn't want to save babies because it's an election year, but Indiana abortionists and Planned Parenthood shouldn't get a free pass to slaughter the unborn just because Bosma has a campaign to run."

□ As for those controversial issue and agendas, we're also picking up signs that Senate President Pro Tem Rodric Bray (R) prefers to keep legislation that would legalize medical marijuana sale and use from being considered in the coming session, despite lots of indications that this will become a surprising resonant campaign issue in many legislative districts and the races for attorney general and governor . . . particularly as the legal marijuana industry becomes more mainstream in Illinois, Michigan and Ohio, and talk heats up about decriminalizing minor marijuana possession.

● In Official Opinion No. 2019-5, the Office of the Attorney General reviews for Indiana State Chemist and Seed Commissioner Robert W. Waltz the legal implications of using drone technology in an administrative inspection - an Opinion that may also impact future similar activities by the Indiana Department of Transportation (whose nascent unmanned aerial vehicle inspection program we've told you about) and other state agencies and entities.

□ A wide range of questions were presented to OAG by the Office of the Indiana State Chemist (OISC), with the key issues summarized as follows:

● Would the OISC's use of drones qualify under any type of law enforcement exclusion?

● Would the OISC's use of drones constitute a 'trespass' or 'unlawful photography and surveillance on' real property?

● How is the legal analysis impacted if the OISC uses infrared, multispectral, hyperspectral, or LIDAR (Light Detection and Ranging) lenses?

● Should the OISC provide prior notice that it will conduct an inspection using drone technology?

● How is the legal analysis impacted if the OISC employs a third-party contractor?

● What are the public records implications of using drone technology?

□ OAG's answer in brief: "The OISC's use of drones in an administrative inspection would not constitute a civil or criminal trespass or an unlawful surveillance. That said, when using drone technology, the OISC should be mindful of limitations imposed by the Fourth Amendment to the United States Constitution, requirements under federal law and regulation, and the scope of its statutory inspection authority. Data obtained by a drone, whether operated by an employee of the OISC or a contractor on behalf of the OISC, should be construed as a public record under the Indiana Access to Public Records Act and deemed disclosable unless there is an applicable statutory exception."

● Indiana Attorney General Curtis Hill (R) is not among a bipartisan coalition of 30 state attorneys general signing a letter to U.S. Secretary of Education Betsy DeVos requesting that she take immediate action to extend the window for student borrowers enrolled in schools operated by Dream Center Education Holdings, LLC (DCEH) to discharge their federal student loans under the "closed school discharge" rule, which allows student borrowers to discharge 100% of certain federal student loans if they were unable to complete their programs because their schools closed. Unless extended, the discharge rule only applies to students who were enrolled in programs at the time the schools were closed, on an approved leave, or withdrew from classes within 120 days of the schools' closure. DCEH operated some for-profit schools in Indiana until their sudden closure, and the letter also referred to issues with Carmel-based ITT Tech, now in a complicated and costly bankruptcy.

● The Indiana Supreme Court gets its second bite at the Land Rover in *State v. Timbs*, No. 27S04-1702-MI-70, a case on remand from the Supreme Court of the United States. Those of you playing along at home in the asset forfeiture game will recall that the Indiana Supreme Court had initially allowed prosecutors to proceed with the forfeiture of a Land Rover - bought by a man with proceeds from life insurance on his father - after he was convicted of selling a small amount of heroin in a deal in which the vehicle was used. But the first *Timbs* ruling (which overturned a Grant County trial court ruling and a divided Indiana intermediate appellate court decision) came because the state Supreme Court recognized that the U.S. Supreme Court had not specifically ruled that the Excessive Fines Clause in the U.S. Constitution had been extended to the states. In February, the U.S. Supreme Court, in a unanimous highly watched decision in the *Timbs* case, held that that the Eighth Amendment provision did apply to the states, and reversed the Indiana high court ruling, remanding it for a decision on whether forfeiture constitute an excessive fine.

□ The Court majority last week – Chief Justice Loretta Rush and justices Steven David, Mark Massa, and Christopher Goff – sought to provide a framework under which the Grant County Superior Court could determine whether the forfeiture – which the justices in the first iteration of the case had determined was a “fine” – was, in fact, excessive. The majority did not accept the suggestion buy the Office of the Attorney General that if the property was an instrumentality of the crime, then the excessiveness question was not a factor. Instead, the majority explained that the “Excessive Fines Clause includes both an instrumentality limitation and a proportionality one for use-based in rem fines.”

The majority justices detailed their test: “Specifically, to stay within the bounds of the Excessive Fines Clause, a use-based fine must meet two requirements: (1) the property must be the actual means by which an underlying offense was committed; and (2) the harshness of the forfeiture penalty must not be grossly disproportional to the gravity of the offense and the claimant’s culpability for the property’s misuse,” Chief Justice Rush wrote. If the property was not an instrumentality of the underlying crimes, the fine is excessive. The relevant crimes “are those on which the State bases its forfeiture case.”

□ The majority then proceeded to outline a standard centered on gross disproportionality to guide civil forfeitures. The three – non-exclusive – factors include (1) the harshness of the punishment, including the property owner’s economic means; (2) the severity of the offenses; and, (3) the claimant’s culpability. he case was remanded to Grant County to “determine whether Timbs has overcome his burden to establish that the harshness of the forfeiture’s punishment is not only disproportional, but grossly disproportional, to the gravity of the underlying dealing offense and his culpability for the Land Rover’s corresponding criminal use.”

● In Letter of Findings: 02-20190490 released last week, the Indiana Department of Revenue deals with a potential \$400 million swing in corporate income tax deductions and add-backs, finding that an unnamed investment holding company was not entitled to an additional \$200 million interest expense deduction based on an amount of repatriated income – originally deducted on its federal return – which Indiana required be added back for Indiana purposes . . . but the Department erred in converting the disallowed \$200 million amount to an addition to the corporate taxpayer’s taxable income.

● The Indiana Department of Administration has retained BBC Research & Consulting (BBC) to conduct a disparity study to examine State contracting and procurement to help inform IDOA’s efforts to encourage the participation of minority- and woman-owned businesses in State contracting and procurement. BBC is seeking information related to: (1) Perceptions about and experiences with doing business in Indiana and working with State agencies; (2) barriers or difficulties that businesses experience when bidding on State contracts; and (3) Any discrimination or other barriers that businesses have experienced in the local marketplace. Community meetings will be held in connection with the disparity study in Gary on November 12, Indianapolis on November 13, and Evansville on November 14.

● U.S. Steel Corporation indefinitely has shut down some operations at its Midwest Plant in Portage Wednesday following a new discharge of hexavalent chromium into the Burns Waterway exceeded the plant’s allowable NPDES permit limit.

● Look for the Indiana Climate Change Impacts Assessment team, based at Purdue University, to release an important new report on *The Future of Indiana’s Water Resources* during a community briefing in Fort Wayne on December 3.



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● The Porter Town Council objects to what it considers to be state diversion of catastrophic liability funds, with the *Chesterton Tribune* reporting that legal counsel for the Council has drafted a letter to send “down state to object to the Indiana General Assembly’s allocation of some funds from the Indiana Political Subdivision Catastrophic Liability Fund.” The attorney drafted the missive after “the Town’s agent for property and casualty insurance, notified him of state activity in the dormant fund. The fund contains an estimated \$4 to 5 million from the contributions of the various municipalities and local government entities that opted-in when the fund was established in the 1980s and paid into it over the course of up to two decades. The Fund went dormant over a decade ago, and the Town of Porter stopped participating in contributions in 2008,” but “Per a legislative action this year, the State approved moving some money from that fund, which is made up of local contributions, and allocated it into Indiana’s general fund,” and the “letter objects to that allocation, saying it is the Town of Porter’s position that the State should disburse the remaining funds equally among all the municipalities that contributed . . . since those contributions came from the Towns’ local tax funds.”

● The Indiana Supreme Court will hear oral argument on November 7 in an interesting case that combines the elements of some other recent rulings. Indiana courts have weighed in on using GPS trackers for gathering evidence related to an individual’s potential criminal activity, and have dealt with the circumstances surrounding related warrants, but in *Heuring v. State*, No. 19S-CR-00528, the Court will consider whether a missing GPS devices warrants a warrant.

□ Police placed a GPS tracking device on Derek Heuring’s vehicle after receiving a confidential tip that he was using it to deal methamphetamine. One week later, the GPS device stopped signaling its location, and when police went to retrieve the device from Heuring’s vehicle, it was missing. Police then obtained a search warrant for Heuring’s residence, alleging that there was probable cause to believe he had committed theft of the device. The Warrick County Superior Court denied Heuring’s motion to suppress evidence recovered from the searches. On an interlocutory appeal, the Court of Appeals affirmed the denial of the motion to suppress. *Heuring v. State*, No. 19A-CR-140 (Ind. Ct. App. 2019), *vacated*. The Supreme Court has granted a petition to transfer and assumed jurisdiction over the case.

IN the Economy

- In relation to the Governor's recent Asian and Indian trade missions, the Governor's Office notes that "there are 1,004 foreign-owned business establishments that support more than 193,000 jobs across the state. That includes 319 Japan-based companies, 10 South Korea-based companies, 21 China-based companies and seven India-based companies in sectors like auto manufacturing, life science and information technology."

- Statewide totals for building permits issued in September 2019 show 1,447 single-family permits were pulled, up by 13% from the 1,277 permits pulled in the prior September, and the largest number of September permits for the decade, topping the previous record set in September 2018. September permits are, however, down by four percent from August of 2019, when 1,531 permits were pulled. The single family permit numbers for January - September 2019 are down by three percent compared to the first nine months of 2018.

- The RV Industry Association's September manufacturers' survey finally finds some positive news: Total RV wholesale shipments for the month of 31,639 represent an increase of 2.2% from the 30,969 units shipped during September 2018, the first time this year in which 2019 shipments have topped the number of shipments in the corresponding month of 2018. July 2018 had been the last time that shipments exceeded prior-year levels. Towable RV shipments, led by conventional travel trailers, totaled 28,085 units for the month, an increase of 3.1% compared to the previous September's total of 27,239 units. Motorhomes, however, finished the month with 3,554 units, down by 4.7% compared to the September 2018 total of 3,730 units.

□ Through September, RV shipments have reached 309,938 units, down by 18.2% from the 378,718 units shipped during the first three quarters of 2018.

- Second Lady Karen Pence and Charlotte Pence win federal trademark approval Tuesday for their "Marlon Bundo" brand.

- The Department of Workforce Development notes that the Hoosier construction industry has added 9,800 jobs from September 2018 to September 2019, including 1,700 jobs from August to September; and 3,600 for the first three quarters of 2019. The 9,800 year-over-year increase ranks Indiana sixth in the nation in the number of construction jobs added during that 12-month span.

- Vectren Energy Delivery of Indiana - North (Vectren), a CenterPoint Energy company, tells customers that they should expect a decrease of between five and 10 percent in their natural gas bills when compared to last Winter, assuming normal Winter weather this season. This year, based upon expected natural gas commodity costs and normal winter weather, Vectren customers can expect to pay \$440 to \$450 over the five-month heating season of November through March based on the average household consumption of approximately 670 therms. By comparison, last year's average bill amount for the five-month period was around \$490 . . . NIPSCO says that its average natural gas residential customers using the system average of 625 therms total should expect to pay approximately \$404 in total over the Winter heating season. By comparison, last year's average bill for the same five months (had January weather been normal) would have been \$441 . . . Citizens Energy Group estimates the total average Winter natural gas bill for its customers will be about \$430, down from a \$484 average bill last Winter.

- Brownfield reports that Tim Phelps, leaders of the Indiana Ethanol Producers Association, told a U.S. Environmental Protection Agency hearing on the proposed 2020 Renewable Fuels Standard supplemental rule on Wednesday that EPA's small refinery exemptions (SREs) are hurting Hoosier farmers. Phelps testified that "EPA has allowed the volume of SREs to increase by more than 485 percent - destroying demand for 4 billion gallons of renewable fuels. 'That's nearly four times the annual production capacity of the state of Indiana,' he says. 'The pain on the ground in Indiana has been real. With one ethanol plant permanently shutting down; with more slowing down or slashing jobs. He says the EPA needs to stop abusing the small refinery exemption and restore the promise of the RFS. 'The EPA's actions amount to a bailout for some of the globe's largest companies,' he says. 'On the backs of struggling Hoosier farm families.'"

- Fitch Ratings, Inc. downgrades to 'A-' from 'A' the rating on \$26.9 million outstanding series 2010 Indiana Finance Authority revenue bonds issued on behalf of the Indiana Historical Society (IHS). In addition, Fitch downgrades the Society's Issuer Default Rating (IDR) to 'A-' from 'A'. The Rating Outlook is revised to "Negative" from "Stable." The series 2010 bonds are an unsecured general obligation of IHS, payable from all legally available funds, and while there is a cash-funded debt service reserve currently funded at more than maximum annual debt service (MADS is "a very high 22% of fiscal 2018 operating revenues. This is not uncommon among cultural institutions, but reflects high debt leverage"), the result of "continued weak revenue defensibility, characterized by significant reliance on endowment income (typically around 70% of unrestricted operating revenues) in combination with an endowment draw that is unsustainable."

□ Fitch is concerned that IHS "has not effectively reduced operating expenses or raised income to moderate endowment draws, leading to two years of negative coverage of debt service (inclusive of the endowment draw)." This trend increases Fitch's concern about the reliance on endowment funds and the ability of the society to reduce this reliance in the outlook period, and "making efforts to moderate the draw seem potentially untenable." Though not a significant driver of revenue performance, Fitch notes "memberships have remained level for the past five years and a recent fee increase is expected to generate a modest recovery in membership revenues in 2019."

- AAR Aircraft Services Inc. of Indianapolis is awarded a \$44,865,877 modification to a previously awarded Naval Air Systems Command contract that provides P-8A Poseidon aircraft depot scheduled and unscheduled maintenance, fulfillment of depot in-service repair/planner and estimator requirements, technical directive incorporation, airframe modifications, aircraft on ground support, and removal and replacement of engines in support of the Navy, the government of Australia, and Foreign Military Sales customers. Work will be performed in Indianapolis, and is expected to be completed in October 2020 . . . Rolls-Royce Corporation of Indianapolis, is awarded a \$9,066,270 modification to a previously awarded Naval Air Systems Command contract, exercising an option to procure three spare AE1107C engines in support of the V-22 Osprey program for the government of Japan. Work will be performed in Indianapolis, and is expected to be completed in November 2020 . . . Harris Corporation of Fort Wayne is awarded a competitively solicited Missile Defense Agency prototype award with a value of \$19,994,752. Twelve proposals were received. Under this award, Harris will provide the Missile Defense Agency's Hypersonic and Ballistic Tracking Space Sensor Program with prototype payload design and signal-chain processing risk reduction demonstration. The work will be performed in Fort Wayne, with an estimated completion date of October 31, 2020.

- In Fort Wayne, the University of Saint Francis updates its academic programs to better meet needs of employers and to better align with student academic interests, meaning the elimination of several degree programs effective in Fall 2020, and the introduction of a few new ones. More than one-dozen facility and staff will not have jobs after May . . . a dispute with Amazon over trademark violation suspicions forces close-out reseller Homier LLC in Huntington to lay off 20 workers and postpone plans to add 20 more . . . Winona PVD Coatings LLC, a Warsaw County OEM automotive wheels finisher, plans to permanently close its local facility by December 31, ending almost 110 jobs in Kosciusko County . . .

- A big win for Westfield just one week before its tough-to-decipher mayoral election: Abbott, a Fortune 500 global health care company, picks a site along U.S. 31 in Westfield for a new 120,000 square-foot medical device manufacturing facility, for its Structural Heart business, planning to invest at least \$37.6 million and create as many as 475 new jobs in the NorthPoint Industrial Park (more than 300 jobs by the end of 2024). Production of Abbott's MitraClip transcatheter mitral valve repair system - which is also manufactured in Menlo Park, California - will be facilitated by the Indiana Economic Development Corporation offering Abbott up to \$3.5 million in performance-based tax credits, and up to \$1 million in training grants. IEDC also offers up to \$750,000 to the community from the Industrial Development Grant Fund to support infrastructure improvements to the new site. The City of Westfield approved additional incentives, and Duke Energy will provide an offset to a portion of the energy costs . . . the Huntingburg Regional Airport will undergo a \$12 million runway extension project overseen by Woolpert . . .

IN Transition

- The Governor selects Indiana Economic Development Corporation President Elaine Bedel to serve as secretary and CEO of the Indiana Destination Development Corporation (IDDC), established under HEA 1115-2019. "In her new role, she will work collaboratively to develop marketing strategies that will enhance economic development, attract new talent to our workforce and enhance our state's profile as a great destination for visitors," says the Governor. The corporation will be governed by a seven-member board comprised of the Governor - who appoints Lieutenant Governor Suzanne Crouch (R) as his designee; the IEDC president or its designee; and five members appointed by the Governor from the private sector tourism industry.

□ Bedel will remain a member of the Governor's cabinet and begin reporting to the Lieutenant Governor on November 11 to initiate planning for the transition. Secretary of Commerce Jim Schellinger will assume the responsibilities of the role of IEDC president. Misty Weisensteiner will continue her leadership of the Office of Tourism Development and transfer to IDDC. She will report directly to Bedel and continue her efforts to improve Indiana's tourism efforts.

- Look for State Board of Accounts Chief of Staff Matt Light to leave his post late this year to become deputy mayor of the City of Noblesville when mayor-elect Chris Jensen (R) takes office. Prior to working for SBoA, Light served in several leadership capacities for the Office of Attorney General, including as chief deputy in the Zoeller Administration, and as also served as Advisory Division chief counsel, legislative liaison, Identity Theft Unit supervisor, and chief operating officer during his 10-year OAG tenure.

- Maggie Ranallo moves up to deputy director of White River State Park from her post as special projects, events and office manager. In her new role, the former Visit Indy staffer will oversee marketing, events, and community outreach. She is tasked with developing both short and long term strategies for several departments including marketing and social media, the Visitor Center, special events, and the Governor's Summer Internship Program for White River State Park. She will also oversee the parking facilities and parking management company. Ranallo earned her master's degree in event tourism from IUPUI.

IN the Lobby

- United Way of Central Indiana chooses Anne Penny Valentine as its vice president of government relations. She leaves Ivy Tech Community College after six years, where she most recently served as assistant vice president of workforce partnerships to become responsible for leading United Way's public policy and government relations work at the federal, state, and local levels. Valentine was legislative director for then-Gov. Mitch Daniels (R) and also worked for the Bureau of Motor Vehicles and Department of Workforce Development.

- CRH Americas Materials Inc., the nation's top producer of aggregates and asphalt and the second largest producer of readymixed concrete in North America, retains Ice Miller Strategies to lobby Congress on Federal Highway Administration reauthorization issues.

- POLITICO Influence reports "Kevin Brennan is leaving Faegre Baker Daniels to start his own firm, Bluebird Strategies. He'll focus on health care work and is bringing three clients with him: Myriad Genetics, Pear Therapeutics and Myotonic."

IN Court

- Could there be a quiet push by the state judiciary to move the state toward a centralized statewide public defender system - perhaps with the new centralized administrative law judge pool as a model of sorts?

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